



NVTC COMMISSION MEETING

THURSDAY, JULY 7, 2011
MAIN FLOOR CONFERENCE ROOM
2300 Wilson Blvd.
Arlington, VA 22201
8:00 PM

NOTE: Dinner will be available at 7:30 P.M. Commissioners are reminded that if they use paid underground parking for the meeting, their tickets will be validated by NVTC staff.

AGENDA

1. Minutes of the NVTC Meeting of June 2, 2011.

Recommended Action: Approval.

2. Award Presentations.

Senator Mary Margaret Whipple and WMATA Board Chairman Cathy Hudgins have been honored by the Virginia Transit Association. VTA Executive Director Linda McMinimy will be in attendance to present the awards.

Presentation Item.

3. VRE Items.

- A. Report from the VRE Operations Board and VRE's CEO--Information Item.
- B. Extend Amended Operating/Access Agreement with Norfolk Southern--Action Item/Resolution #2171.
- C. New Contract with CSXT--Action Item/Resolution #2172.

4. CMAQ Grant Application on Behalf of Alexandria.

Alexandria staff has asked that NVTC apply for \$3.78 million of CMAQ funds to develop transit projects along the Route 1 Transitway.

Recommended Action: Resolution #2173 authorizes NVTC staff to add this project to the NVTC work program, and to apply for the grants on behalf of Alexandria.



5. Metro Items.

- A. WMATA Governance Update.
- B. June Vital Signs Report.
- C. FY 2012 Budget.
- D. General Manager's Report.
- E. Plans for New Fare Collection System.
- F. Safety Update.
- G. Cinder Bed Road Bus Garage.

Discussion Item.

6. Update on DRPT's SJ 297 Study.

DRPT's study is underway and the first meeting of the stakeholders' advisory committee was convened on June 16th.

Discussion Item.

7. Adopted Virginia Six-Year Program for Transit.

The Commonwealth Transit Board acted to approve the final FY 2012-17 Six-Year Program. There were some changes for NVTC compared to the draft plan reviewed in May.

Information Item.

8. Virginia Department of Taxation's Administration of NVTC's Motor Fuels Tax.

A monthly progress report is provided on clearing up misallocations of tax revenue among jurisdictions.

Information Item.

9. Regional Transportation Items

- A. BRAC Items.
- B. Update on Public Transit Access to the Pentagon Transit Center Bus Bays
- C. Dulles Rail Project.
- D. Legislative Items.
- E. Bike Counting.
- F. Report on VTA Conference.
- G. Potomac Ferry Service.
- H. "Aging in Place, Stuck Without Options" by Transportation for America.
- I. APTA's "Savings from Using Transit."

Information Item.

10. NVTC Financial Items for May, 2011.

Information Item.

Reminder: There will be no NVTC meeting in August. The next scheduled commission meeting is September 1, 2011. Richard Sarles, WMATA's General Manager, will be present at that meeting.



AGENDA ITEM #1

MINUTES
NVTc COMMISSION MEETING – JUNE 2, 2011
NVTc CONFERENCE ROOM – ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Euille at 8:08 P.M.

Members Present

Sharon Bulova
John Cook
Thelma Drake
Adam Ebbin
William D. Euille
Jay Fisette
Jeffrey Greenfield
Mark R. Herring
Catherine Hudgins
Mary Hynes
Jeffrey McKay
Thomas Rust
Paul Smedberg
Lawrence Webb (alternate, City of Falls Church)
Mary Margaret Whipple

Members Absent

Kelly Burk
Barbara Comstock
John Foust
Joe May
David F. Snyder
Christopher Zimmerman

Staff Present

Rhonda Gilchrest
Scott Kalkwarf
Greg McFarland
Adam McGavock
Rick Taube
Dale Zehner (VRE)



Minutes of the April 7, 2011 NVTC Meeting

On a motion by Mrs. Bulova and a second by Mr. Smedberg, the commission unanimously approved the minutes. The vote in favor was cast by commissioners Bulova, Cook, Drake, Ebbin, Euille, Fiset, Greenfield, Herring, Hudgins, Hynes, McKay, Rust, Smedberg, Webb and Whipple.

VRE Items

Report from the VRE Operations Board and VRE CEO. Mr. Zehner reported that average daily ridership for the month of May was 19,234, which is the fourth month with average daily ridership over 19,000. On-time performance was 92 percent systemwide for May (91 percent on the Fredericksburg line and 93 percent on the Manassas line). Twelve new locomotives have been delivered to VRE and by next week, all train sets will have a new locomotive. The new equipment has resulted in significant improvements to mechanical delays.

Mrs. Bulova announced that the VRE Strategic Planning Retreat is scheduled for July 29th. At that retreat the Operations Board will be looking at how to accommodate ridership growth, among other issues.

Approval of Funding for the Second Year of VRE's Operating and Maintenance Contract with Keolis Rail Services. Mrs. Bulova stated that the Operations Board recommends approval of Resolution #2170, which would authorize VRE's CEO to add \$17,954,527 to the contract with Keolis Rail Services for the second year of operating and maintenance services. The revised amount of the first year of the contract is \$20.5 million. Funding is available in VRE's approved FY 2012 budget.

Delegate Rust observed that the VRE Operations Board and VRE riders seem pleased with the Keolis service. He asked if VRE realized the anticipated cost savings when VRE switched the contract to Keolis Rail Services. Mr. Zehner replied that VRE did realize those savings, which are approximately \$1 million for the first year.

Mrs. Bulova moved, with a second by Mr. Smedberg, to approve Resolution #2170 (copy attached). The vote in favor was cast by commissioners Bulova, Cook, Drake, Ebbin, Euille, Fiset, Greenfield, Herring, Hudgins, Hynes, McKay, Rust, Smedberg, Webb and Whipple.

Metro Items

WMATA Governance Update. Mr. Taube stated that NVTC has received the draft WMATA By-Laws and comments are being accepted. Since local staffs have provided comments, which have already been incorporated by WMATA, they do not have any outstanding issues. Mrs. Hynes stated that the Code of Ethics has not been finalized and probably will not be on the same timeline as the By-Laws. She also reported that WMATA is still waiting for the GAO report, which should be released by the end of June or early July.

Mrs. Hynes stated that one issue that would be good for discussion by NVTC commissioners is the role of alternates. Historically, NVTC has been careful to make sure that multiple voices are heard from all the Northern Virginia jurisdictions paying into the Metro system. Chairman Euille reported that Virginia's four WMATA Board members strongly defended the role of alternates. For the most part, it is also supported from the other members of the WMATA Board. Mrs. Hynes reviewed the current board structure and the role of principal and alternate members, as well as the committee structure. Mrs. Hudgins stated that it is important for alternates to be active participants so that they are knowledgeable about the issues. In response to a question from Delegate Rust, Mrs. Hynes stated that there are no issues of current principal members not showing up for meetings.

Mr. McKay noted that most of the work is done at the committee level and this prevents problems from arising at the WMATA Board meetings since the major discussions occur during the committee meetings. Therefore, it is a form of vetting and a form of empowerment for alternates. Mrs. Bulova stated that the current system is an inherently good structure for providing a vetting process. Mrs. Hynes stated that having alternates provides a way for jurisdictions to feel that their voice is being heard and she used Alexandria as an example. The city of Alexandria steps up and pays their Metro share and yet they have always been an alternate member. Mr. McKay agreed.

Mr. Cook stated that it is his understanding that some people believe that the WMATA Board structure ends up being parochial, where a member is just representing a particular jurisdiction and not acting in the overall best interest of the Metro system. From an outside perspective, he stated that WMATA needs people at the table committed to getting the system working right. That's more important than having more jurisdictions represented. This cultural change is important. Mr. McKay stated that he has not seen this happen from Virginia members who are appointed by NVTC. Problems arise when board members are directly appointed by an elected official or directly by a jurisdiction where they have to answer to whoever appointed them. Mrs. Hudgins stated that there needs to be a way to measure success by what gets accomplished.

Mr. McKay moved, with a second by Mrs. Hudgins, to authorize Chairman Euille to sign and send a letter providing comments on the By-Laws, including points raised during this discussion, especially support for the continuation of the role of alternates. Chairman Euille requested a friendly amendment to include the understanding that it is in compliance with the current Compact agreement. Mrs. Hynes noted that the current Compact defines an alternate but is silent on committee involvement. Mr. McKay accepted the friendly amendment.

In response to a question from Mr. Fisette, Mrs. Hynes stated that she would be happy to submit NVTC's wording and grammatical changes directly to WMATA staff so that they don't need to be incorporated into the letter.

The commission then voted on the motion and it passed. The vote in favor was cast by commissioners Bulova, Cook, Ebbin, Euille, Fisette, Greenfield, Herring, Hudgins, Hynes, McKay, Rust, Smedberg, Webb and Whipple. Mrs. Drake abstained.

May Vital Signs Report. Mr. Fisetette asked how Metro ridership compares to previous budget ridership projections. Mrs. Hudgins responded that they are lower than projected but they have recently been trending upward. Delegate Rust asked if the 80 percent target for bus on-time performance is an industry average. Mrs. Hudgins stated that it is lower than the industry average, but WMATA wants to be realistic with the true reflection of bus running times in this heavily congested region.

In response to a question from Mrs. Drake, Mrs. Hudgins stated that WMATA is expected to spend 50 percent of budgeted capital funds and is taking steps to process projects faster. Two significant improvements included increased hiring of project managers as well as an expenditure system versus an obligation system. Mrs. Hynes stated that 85 percent is encumbered and it is her understanding that by the end of the next fiscal year Metro will have spent all the funds.

Mr. Smedberg noted that it has been about six months since Mr. Sarles, WMATA's General Manager, has briefed NVTC on Metro issues. Mr. Smedberg encouraged NVTC to invite Mr. Sarles for another briefing in September or October.

FY 2012 Budget. Mrs. Hudgins stated that the WMATA Board is scheduled to approve the budget on June 23rd. The budget includes no fare increase and basically no service cuts.

Proposed Amendment to NVTC's Subsidy Allocation Process

Mr. Taube explained that NVTC staff has discussed with jurisdictional staff the consequences of one or more jurisdiction(s) failing to proceed with a major project for which costs have been included in NVTC's Subsidy Allocation Model (SAM). Because NVTC's WMATA jurisdictions share state aid using a formula (known as SAM), when such a project is discontinued, the result is two-fold: a loss of state revenue and an unfair allocation of remaining revenue among the jurisdictions. This is because such costs are used to determine each jurisdiction's share; the greater the relative budgeted costs the larger the share. Further, if the jurisdiction later reapplies for state aid for the same project, it again gets a boosted share for the same spending it previously promised but didn't deliver. This has rarely been a problem, but the potential consequences are large. For example, if one jurisdiction deobligated a \$1 million project five years after including it in SAM without incurring costs for the project during that period, another jurisdictions could lose up to \$186,000 in reduced allocations of NVTC state aid.

Mr. Taube stated that to resolve this issue, staff is proposing an amendment to NVTC's SAM. The change would clarify that if a jurisdiction discontinues a project for which it was credited in SAM so that expected state revenue is not received and that jurisdiction's share was higher than it otherwise would be, the gain it realized will be recaptured. This will occur by reversing the costs of the project included in SAM over the same period for which the costs were included.

Mr. Taube explained that Resolution #2171 would add a new whereas clause and resolved clause #16 in NVTC's complex subsidy allocation resolution to accomplish the desired changes. A few other strictly editorial changes have been made to the proposed resolution that do not affect the allocation process.

Mrs. Bulova moved, with a second by Mr. Fisetto, to approve Resolution #2171. (A copy of the resolution is attached.) The vote in favor was cast by commissioners Bulova, Cook, Drake, Ebbin, Euille, Fisetto, Greenfield, Herring, Hudgins, Hynes, McKay, Rust, Smedberg, Webb and Whipple.

Study on the Pentagon Transit Center's Bus Bays and WMATA's Negotiations for a Memorandum of Understanding Governing Access

Mr. Taube reported that Pentagon officials have commissioned and requested comments on a report by Battelle on the use of bus bays at the congested Pentagon Transit Center. This issue is one of many being negotiated by WMATA and the Department of Defense regarding ownership of and access to the Pentagon Transit Center. The study concluded that the five bus bays closest to the Transit Center should be converted to exclusive use by DOD shuttles.

Mr. Taube explained that a letter has been prepared for commission discussion. The separate transit systems serving NVTC's jurisdictions are also expected to send comments, and staff has been coordinating comments to ensure that they are consistent. NVTC's letter points out that the hours of study were artificially construed in order to compute an average usage on various bus bays. During peak periods there are many transit buses, but the way it was computed it looks as if the bus bays are underutilized. The study consultants also assumed that buses could arrive, unload passengers and reload new passengers within three minutes. This is unrealistic. NVTC staff recalculated these assumptions with more realistic data from an objective industry report and found different results. Some of the bus bays are over capacity during peak periods.

Mr. Taube stated that PRTC's Executive Director, Al Harf, had a discussion with Lisa Passagaluppi from the Department of Defense, and she has agreed to take a closer look at the study and gather real data in the next few months.

Mr. McKay moved, with a second by Mr. Smedberg, to authorize Chairman Euille to sign and send the letter. The vote in favor was cast by commissioners Bulova, Cook, Drake, Ebbin, Euille, Fisetto, Greenfield, Herring, Hudgins, Hynes, McKay, Rust, Smedberg, Webb and Whipple.

Overview of Transit Technology Development Trends

Mr. McGavock stated that there appears to be a trend toward development of applications by third-party specialists using open architecture, as opposed to each transit system paying to develop its own proprietary system. Currently, there are 39 applications for this region showing transit schedules and real-time arrivals that can be

downloaded onto hand-held devices, such as smart phones, I-Pads, etc. Also, data produced by such systems are being shared regionally in the Regionally Integrated Transportation Information System (RITIS). Mr. McGavock stated that the key is to get as many of the local transit systems as possible to send their data to RITIS. Once enough systems have done that, developers will create even more applications.

Virginia Department of Taxation's Administration of NVTC's Motor Fuels Tax

Mr. Taube announced that there have been several favorable developments. The Virginia Department of Taxation (TAX) is apparently ready to offer the new audit position to a person experienced with the NVTC/PRTC tax so that TAX should be better able to maintain its audit schedule. Currently about 15 audits are underway and more adjustments are anticipated by June 30, 2011. It takes up to nine months to schedule audits with large taxpayers located out of state. There are reportedly over 100 distributors, although some are affiliated.

Mr. Taube stated that NVTC staff has prepared data demonstrating to TAX that misallocations have occurred after the new tax went into effect in January, 2010, when the collection of the two percent retail tax shifted to a 2.1 percent tax paid by distributors. After the change, the relationship of the individual jurisdictions to the NVTC total changed dramatically for some. For example, Falls Church, Alexandria and the city of Fairfax appear to be disproportionately better off, while Fairfax County is worse off and Arlington and Loudoun County are relatively unchanged.

Mr. Fisette stated that it seems like things are turning around and progress is being made. Mr. Taube agreed and noted that changes are happening incrementally. In response to a question from Mrs. Hynes, Mr. Taube stated that staff has not noticed any fall-off in overall tax revenue since the change went into effect in January, 2010.

Regional Transportation Items

BRAC Items. Mr. McKay reminded commissioners that NVTC sent a letter to the Federal Highway Administration expressing concern about the Environmental Assessment (EA) for the HOV/transit access ramp connecting to the BRAC-133 facility/Mark Center at Seminary Road and I-395. An EA would result in an 18-month delay in project completion while the roads are impacted by traffic from the 6,400 new employees at the facility beginning September, 2011. Mr. McKay observed that according to the letter from USDOT a whole year has been taken off the schedule. NVTC should continue to monitor this project. It is important to hold them to their timeline so that people can use HOV to get to this facility.

Mrs. Bulova stated that after attending some recent meetings, it may not be as bleak as projected. NVTC should still monitor this. Mr. Smedberg noted that one of the key components to an Environmental Assessment (EA) is a public hearing process and he expressed his concern that if the schedule has been reduced that it is not at the expense of the public process.

Dulles Rail Project. Senator Herring expressed his concerns over the escalating costs of the Dulles Rail project. NVTC should be a part of the discussions concerning this. Mrs. Bulova stated that the Phase II original estimate was \$2.5 billion (without any engineering) and now the project is expected to be \$1 billion over that. The Metropolitan Washington Airports Authority needs to get costs down. The current conflict is the MWAA mandate to have an underground Metrorail station at the airport. U.S. Secretary of Transportation LaHood has stepped in to mediate. MWAA wants an underground station and the local jurisdictions (Fairfax and Loudoun Counties, as well as the Commonwealth of Virginia) want a less expensive above ground station. The new \$3.5 billion project estimate is too high and it needs to be closer to the original estimate. NVTC should monitor this issue. Mrs. Bulova suggested that NVTC be briefed after the 30-day process to reach an agreement to the overall cost. Chairman Euille suggested NVTC wait before weighing in on the issue. Mrs. Hudgins stated that the discussion needs to return to what is the project that all partners can agree to. She agreed that NVTC should wait to comment. Mrs. Drake agreed that all the partners need to be at the table for the discussion and to make decisions.

Mr. Fisette stated that it is important to look at the effectiveness of the system. Value engineering is still needed in order to accomplish the goals. He implored those involved to not be short sighted but to look at the project from a long-term perspective. Mrs. Hudgins noted that MWAA sees no economic value in a transit center and doesn't identify itself as part of transit. Mr. Cook stated that it is not just cost as a number, but there needs to be a way to pay for it. From Fairfax County's perspective, the county does not have a way to pay its share of a \$3.5-\$4 billion project. The county does not have the debt capacity to do so. It is not a lack of desire for the station but it is a cost issue if the estimate is not substantially reduced. The viability of the project is tied to getting the costs down.

Brookings Institution Report on Transit and Jobs. The Brookings Institution study is entitled "Missed Opportunity: Transit and Jobs in Metropolitan America" and attempts to examine the effectiveness of transit in connecting people with jobs in metropolitan areas. According to the report, the Washington Metropolitan area's transit systems are 17th best in the United States based on linking residents to jobs.

New Transportation Corridor of Statewide Significance. The Commonwealth Transportation Board (CTB) has designated a new Northern Virginia North-South "Corridor of Statewide Significance" connecting Route 7 in Loudoun County and I-95 and Route 1 in Prince William County.

NVTC's Financial Items for April, 2010

Commissioners were provided with the financial report and there were no questions or comments.

Adjournment

On a motion by Mr. Greenfield and a second by Mrs. Hynes, the commission unanimously agreed to adjourn. Chairman Euille adjourned the meeting at 9:36 P.M.

Approved this seventh day of July, 2011.

William D. Euille
Chairman

Jeffrey McKay
Secretary-Treasurer

NVTC

Northern Virginia Transportation Commission

RESOLUTION #2170

SUBJECT: Approval of Funding for the Second Year of VRE's Operating and Maintenance Contract with Keolis Rail Services.

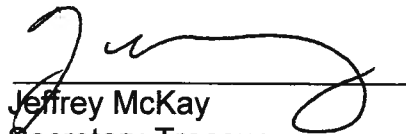
WHEREAS: The existing contract with Keolis Rail Services Virginia, LLC for VRE operating and maintenance services and mobilization provides \$20.5 million through June 20, 2011; and

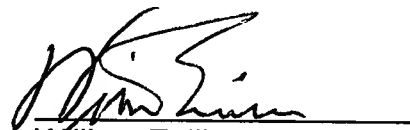
WHEREAS: The VRE Operations Board has asked the commission to modify the contract value to fund the second year of services and to include other minor changes proposed by VRE staff, including a change to the Free Ride Certificate schedule and the inclusion of a provision for facilities task orders.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to modify the contract with Keolis Rail Services Virginia, LLC for operating and maintenance services by approving up to \$17,954,527 for the second year of operation through June 30, 2012, for a total contract amount not to exceed \$38,498,875.

BE IT FURTHER RESOLVED THAT the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to include the other minor contract changes recommended by the VRE Operations Board.

Approved this 2nd day of June, 2011.


Jeffrey McKay
Secretary-Treasurer


William Eulle
Chairman



NVTC

Northern Virginia Transportation Commission

NVTC

RESOLUTION #2171

SUBJECT: Allocation of Northern Virginia Motor Fuel Sales Tax Revenue and State Aid for Mass Transit Beginning in Fiscal Year 2012.

WHEREAS: The Northern Virginia Transportation Commission is the recipient of revenues from NVTC's motor fuel sales tax, which is available for operating and capital expenses, including debt service, of the Washington Metropolitan Area Transit Authority;

WHEREAS: The Northern Virginia Transportation Commission is the recipient of state aid for mass transit which is appropriated to pay up to 95 percent of the transit administrative expenses incurred by NVTC and its member jurisdictions (including WMATA and VRE); up to 95 percent of non-federal capital outlays; up to 95 percent of costs for fuels, lubricants, tires and maintenance parts; and up to 95 percent of payments of WMATA revenue bond debt service;

WHEREAS: NVTC desires to allocate funds to its member jurisdictions, pay transit subsidy bills at the direction of member jurisdictions and hold funds in trust while making investments on behalf of the jurisdictions;

WHEREAS: NVTC desires to use an allocation formula that is fair, responsive to change and has a sound policy basis; and

WHEREAS: NVTC desires to update Resolution #1065 (February 3, 2005) to deduct deobligated project costs greater than \$1 million from a jurisdiction's costs in the fiscal years after the project is deobligated by that jurisdiction. The purpose of NVTC's action is to restore to NVTC's other jurisdictions the amounts of revenue lost due to crediting the deobligating jurisdiction for project costs it did not actually incur.

NOW, THEREFORE BE IT RESOLVED for fiscal years 2012 and beyond:

1. In recognition of the severe constraints in transit program funding, the members of the commission agree to proactively support the development of new and expanded sources of funding to meet the needs of Northern Virginia.



2. NVTC's members pledge to continue to use any gains resulting from the approach defined herein to support public transit that will reduce congestion in this region and improve mobility and access opportunities.
3. The allocation formula and accompanying conditions specified below shall remain in effect during FY 2012 and beyond and be used by NVTC to allocate revenues received by NVTC on behalf of its member jurisdictions, with the exceptions noted in Sections 4 through 6 below.
4. Except as noted in Section 5, motor fuel tax revenues received by NVTC for Loudoun County are not subject to the following allocation provisions, but are subject to the trust obligations in Sections 17 and 18 below.
5. The maximum available funds from state aid are to be used (before being allocated to local jurisdictions) to pay up to 95 percent of the NVTC administrative costs; up to 95 percent of the Northern Virginia share of WMATA revenue bond debt service, before those debt service obligations are allocated to the jurisdictions; to pay the eligible costs agreed upon by the jurisdictions of assisting local bus systems in filing annual National Transit Database reports; and to pay the eligible costs agreed upon by the jurisdictions of updating electronic transit schedules. To the extent that additional funds are required for these purposes, motor fuel taxes (before being allocated to local jurisdictions) will be used. The executive director is hereby authorized to transmit the appropriate payments to WMATA or other parties on or before the dates upon which such payments are due. Loudoun County's percentage share of the cost of updating electronic transit schedules is the same as the county's percentage share of NVTC's annual administrative budget. The agreed upon amount for electronic schedules will be withheld each year from the county's motor fuel tax proceeds received by the commission.
6. If, at local option, federal Congestion Mitigation and Air Quality or Regional Surface Transportation Program or other federal or state program monies are provided to a local jurisdiction for a local project through NVTC using NVTC's state aid contract or some other mechanism, those proceeds will not be allocated by formula but instead will be provided directly to the local jurisdiction or held in trust for the jurisdiction. The local subsidies for such eligible transit projects would still be incorporated into NVTC's formula for purposes of determining the jurisdiction's share of NVTC total aid.

7. Remaining motor fuels taxes (net of any portion used for WMATA debt service) will be allocated based on the jurisdictions in which the tax was collected (point of sale), using annual data for the most recent available fiscal year.
8. To the extent motor fuel tax revenues, using the point of sale method defined in Section 7 above, that are provided to the cities of Fairfax and Falls Church exceed NVTC aid that would be provided using NVTC's previous formula (Resolution #689), and to the extent those cities also benefit from changes defined in Section 9 below compared to Resolution #730, those cities will apply the additional aid to their assigned Metrobus subsidies. Also, if new revenues become available to NVTC such that the NVTC aid to those cities exceeds the amounts that would have been available from previous sources, the cities will apply the increment to pay their assigned Metrobus subsidies. If for any year increased shares of motor fuel taxes and of any new revenues are anticipated not to be sufficient to cover their full assigned Metrobus subsidies, NVTC will continue to use gas tax taken off the top for Falls Church and the hold harmless mechanism defined in Section 14 below for the city of Fairfax. For FY 2000 Falls Church agreed to pay at least \$275,625 of its Metrobus subsidy from existing revenues and to increase that minimum by five percent annually in each subsequent year. This section supersedes the obligations of NVTC to the city of Falls Church defined in Resolution #689 (January 2, 1997) and in Resolution #730 (February 5, 1998) and is identical to the obligations defined in Resolution #756 (November 5, 1998) and Resolution #971 (June 5, 2003).
9. The executive director shall allocate all remaining state aid to mass transit using the shares of WMATA and local transit subsidies estimated to be paid by NVTC's local governments in adopted budgets for each year, and shall hold the funds in trust while making investments on behalf of the jurisdictions, pending written instructions to make payments for eligible transit subsidies. However, only 20 percent of eligible local transit capital project costs will be included in this allocation through a five-year rolling average each year.
10. NVTC will use the best available data from adopted budgets for its formula allocation each year.
11. To be included as an eligible subsidy in NVTC's allocation formula, local transit operations (including transit services for mobility-impaired and other persons) must be available to the general public.

12. The only eligible subsidies in NVTC's formula for the Virginia Railway Express commuter rail program are those capital costs of parking lots not otherwise reimbursed from state or federal grants.
13. Subsidies for locally sponsored park-and-ride facilities located at Metrorail stations or served by transit vehicles are eligible for inclusion in NVTC's formula, but only at such time as funds for construction of the lots have been appropriated by the government. Any locally incurred capital costs of such a facility will be included in NVTC's formula at the rate of one-fifth of the total capital subsidies, or if debt financed, then actual annual debt service will be included.
14. To the extent possible, each NVTC jurisdiction will be held harmless against increases in net local burden due to the effects of applying the approach defined in Section 9 compared to the net local burden resulting from the hypothetical use of the formula defined in Resolution #730.

\$1.3 million of new state aid from FY 1999 was used to help hold harmless jurisdictions experiencing such increased net local burdens. Also, any growth in state aid in FY 2000 of up to one percent was used to hold harmless, up to two percent in FY 2001 and up to three percent in FY 2002, totaling six percent over those three years. Any growth in state aid above those amounts used to hold harmless was allocated using the method described above in Section 9. For FY 2003 and beyond, growth in state aid compared to FY 1999 was and can continue to be used to hold harmless these jurisdictions, but the absolute amount of state aid used to do so can never exceed the amount actually used in FY 2002.

These funds will not be used to hold harmless jurisdictions against any increases in net local burden due to the point of sale allocation methods described in Section 7 above.

If these funds prove to be too small to hold harmless all jurisdictions, the cities of Fairfax and Falls Church will first be fully compensated and the remaining funds applied proportionately among the remaining jurisdictions.

15. NVTC's policy for allocating state bond proceeds for WMATA received by NVTC on behalf of its member jurisdictions is to use the formula shares in effect in the fiscal year in which the funds are received, determined using the methods defined in Section 9 above.
16. A jurisdiction credited with local capital costs for a project that is deobligated with an unbilled balance of \$1 million or greater will have its eligible costs reduced by the amount previously amortized. This will occur over the same number of years those amortized

costs were included in the formula. This adjustment will begin in the first year after the funding is deobligated, and none of the remaining amortized costs will be included in the formula. If the project is reinstated in the future after the adjustment is completed, the jurisdiction may again include costs for that project in the formula.

17. The funds allocated to the member jurisdictions shall be held in trust by NVTC (hereinafter "Trustee") for the benefit of the member jurisdictions. The Trustee may combine the funds allocated to each member jurisdiction for investment purposes. The Trustee shall keep records of the exact amount held by each member jurisdiction in the trust. The Trustee shall invest such funds prudently to earn the greatest return consistent with requirements of safety and liquidity.

The Trustee will encourage bids for investment funds from financial institutions approved by the Virginia Treasury Board, or otherwise eligible under state statutes, and require adequate collateral which, in the case of bidders not approved by the Treasury Board, shall consist of U.S. Government or Agency securities of at least 100 percent of the value of trust funds, to be held for the trust by a third-party institution, with proper verification provided to the Trustee. To provide a greater investment return, and consistent with state statutes, the Trustee may seek bids for purchase or repurchase of Certificates of Deposit, U. S. Treasury Bills, Government National Mortgage Association debt, other Federal Agency securities, top grade commercial paper rated by Moody's and Standard and Poor's and bankers acceptances rated by Keith Bank Watch service.

The Trustee will evaluate bids in terms of return and safety and, depending on market conditions, award the investment funds to the bidder(s) with the best prospects of a substantial and safe yield, recognizing that funds also may be kept on deposit at the Local Government Investment Pool or other money market accounts.

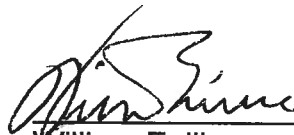
Any funds, allocated to the member jurisdictions, which are held in trust by the Trustee for the benefit of the member jurisdictions shall be granted irrevocably for the benefit of the member jurisdictions. NVTC reserves no power, other than these powers granted to it in its position as Trustee of the trust, to invest, spend or otherwise use the funds held in trust. NVTC reserves the right to amend the allocation resolution which determines the funds which will be allocated to each member jurisdiction in the future. Funds held in the trust may only be disbursed by the Trustee when it receives a request in writing for payment from those funds by a member jurisdiction in whose name the funds are held. Member jurisdictions may only request disbursement from the trust for

purposes which are in accordance with applicable federal and state regulations regarding such funds.

If at any time the size of any trust under this resolution is so small that, in the opinion of the Trustee, the trust is uneconomical to administer, the Trustee may terminate the trust and distribute the assets among the member jurisdictions. The Trustee shall distribute the remaining funds held on behalf of each member jurisdiction to that member jurisdiction.

18. The NVTC executive director is hereby instructed to implement these policies, and to obtain the written approval of the NVTC Secretary-Treasurer for any and all investments of the funds held in trust for the benefit of the member jurisdictions.

Adopted this 2nd day of June, 2011.



William Euille
Chairman



Jeffery McKay
Secretary-Treasurer

NVTC

Northern Virginia Transportation Commission

NVTC

AGENDA ITEM #2

TO: Chairman Euille and NVTC Commissioners

FROM: Rick Taube

DATE: June 30, 2011

SUBJECT: Award Presentations

Senator Mary Margaret Whipple and WMATA Board Chairman Catherine Hudgins have been selected by the Virginia Transit Association to receive awards. Chairman Euille will present the Lifetime Achievement award to Senator Whipple and the Public Official of the Year award to Supervisor Hudgins.



2300 Wilson Boulevard • Suite 620 • Arlington, Virginia 22201
Tel (703) 524-3322 • Fax (703) 524-1756 • TDD (800) 828-1120
E-mail nvtc@nvtc.org • Website www.thinkoutsidethecar.org

2011 TRANSIT AWARDS PROGRAM

VTA thanks

*Schedule Masters, Inc., Sonny Merryman, Inc., and Wendel Companies
for co-sponsoring the awards luncheon.*

Welcoming Remarks	Mayor William D. Euille , <i>City of Alexandria</i> VTA President Philip Shucet , <i>President and CEO</i> <i>Hampton Roads Transit</i>
Keynote Speaker	The Honorable Peter M. Rogoff , <i>Administrator</i> <i>Federal Transit Administration</i>

INDIVIDUAL AWARDS

Public Service	Tom Whipple <i>Editor, "VA News"</i>
Distinguished Service	Richard Drumwright <i>Director of Planning and Development (Retired)</i> <i>Williamsburg Area Transit Authority (WATA)</i>
Public Official of the Year	The Honorable Catherine M. Hudgins <i>Supervisor, Fairfax County Board</i> <i>WMATA Board Chair</i>
Lifetime Achievement	Senator Mary Margaret Whipple <i>Virginia Senate, District 31</i>

OUTSTANDING PROGRAM AWARDS

Large System Winner	Hampton Roads Transit <i>Light Rail Safety Starts with You!</i>
Small System Winner	Blacksburg Transit <i>BT Bus Stop Database</i>
Honorable Mention	Loudoun County Transit <i>Loudoun Tysons Express</i>
Honorable Mention	Arlington Transit (ART) <i>ART Grows UP</i>

OUTSTANDING PUBLIC TRANSPORTATION MARKETING AWARDS

Award Winner	Arlington Transit (ART) <i>Arlington's Car-Free Diet</i>
Honorable Mention	Greater Lynchburg Transit Company (GLTC) <i>Go Green! Ride Blue! With GLTC</i>
Honorable Mention	Virginia Railway Express (VRE) <i>Security is No Accident</i>



2011 VTA AWARD RECIPIENTS

NVTC Presentations

- **Catherine M. Hudgins**, Fairfax County Board of Supervisors member and chair of the WMATA Board was voted Public Official of the Year.
 - Cathy served as chairman of the Northern Virginia Transportation Commission and is a member of the Northern Virginia Regional Commission. She is a member and former chairman of the Metropolitan Washington Council of Governments Transportation Planning Board. She has served on many other regional transportation and land use entities.
 - Supervisor Hudgins is a champion for transit service in Northern Virginia. She is a lifelong rider and a regular on Fairfax Connector and Metrorail. She's successfully worked to improve bus service in her district, and as a smart growth and TOD advocate, Cathy has worked for mixed-use development along the Dulles Corridor. She also helped create the Reston Access Management Group, which is working to improve bike and pedestrian access to Reston Metrorail stations.
 - Cathy Hudgins is a strong advocate for transit in Northern Virginia and throughout the greater Washington region, and we are proud to recognize her public service.
-

- **Senator Mary Margaret Whipple** is the recipient of the Virginia Transit Association Lifetime Achievement Award.
- Expanding access to high quality public transportation has been one of her priorities over the course of her 35-year career in public life.
- Senator Whipple has been the strongest possible champion for public transportation and her success is evident in the many and significant transit improvements at the local, regional, and state level. Over her career, she has advanced public transportation in her roles as a board member and chair of the Arlington County Board, as chair of the Northern Virginia

Transportation Commission, as chair of the Washington Metropolitan Area Transportation Authority's Board and through service on other regional transportation boards. She also served as VTA President for two years.

- As a state senator for 16 years, she has been a creative and steadfast leader in the struggle to maintain and increase statewide funding for public transportation. She has been a role model for women in public office and is stepping away from public life with an enduring legacy of thriving public transit systems throughout Virginia.
- Senator Whipple sends her regrets for not being with us today, but she is involved in meetings related to Congressional Redistricting.

Individual leadership at all levels is essential to successful transit service. Please join me in a round of applause for our outstanding 2011 Individual Award Winners.

NVTC

Northern Virginia Transportation Commission

NVTC

AGENDA ITEM #3

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube
DATE: June 30, 2011
SUBJECT: VRE Items

- A. Report from the VRE Operations Board and VRE's CEO--Information Item.
- B. Extend Amended Operating/Access Agreement with Norfolk Southern--Action Item/Resolution #2171.
- C. New Contract with CSXT--Action Item/Resolution #2172.



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Report from the VRE Operations Board and VRE CEO

Copies are attached of the CEO's report, including performance information. Minutes of the VRE Operations Board's meeting of June 17, 2011 are also attached.



CHIEF EXECUTIVE OFFICER'S REPORT

June 2011

MONTHLY DELAY SUMMARY

	February	March	April	May
System wide				
Total delays	32	76	54	52
Average length of delay (mins.)	23	18	21	25
Number over 30 minutes	8	7	10	13
Days with Heat Restrictions/Total days	0/19	0/23	0/21	6/21
On-Time Performance	94.4%	89.0%	91.4%	91.7%
Fredericksburg Line				
Total delays	14	58	36	28
Average length of delay (mins.)	21	16	20	23
Number over 30 minutes	2	3	6	6
On-Time Performance	94.7%	82.0%	87.8%	90.5%
Manassas Line				
Total delays	18	18	18	24
Average length of delay (mins.)	25	25	21	28
Number over 30 minutes	6	4	4	7
On-Time Performance	94.1%	95.1%	94.6%	92.9%

SYSTEM RIDERSHIP

With an average daily ridership of 19,468 for May 2011, ridership increased 8.1% compared to May 2010. Year-to-date ridership is 11.9% higher than last year. All top ten ridership days have occurred since March 1, 2011. The top ten days are below:

1	April 12, 2011	21,496
2	March 23, 2011	21,136
3	April 13, 2011	20,803
4	May 10, 2011	20,803
5	April 6, 2011	20,791
6	March 29, 2011	20,694
7	March 15, 2011	20,573
8	March 30, 2011	20,545
9	May 3, 2011	20,423
10	April 5, 2011	20,371

SYSTEM ON-TIME PERFORMANCE

System wide on-time performance (OTP) was 91.75% in May, with 90.48% on the Fredericksburg Line and 92.86% on the Manassas Line. Most of the delays were railroad-related such as CSX train interference and weather related slow orders. On Tuesday evening, May 24th nine trains were delayed due to a disabled CSX freight train at the Alexandria interlocking. Train 331 was canceled due to the turn train not being able to make it back to DC because of the congestion at Alexandria.

INITIAL RESULTS OF REDUCTION IN STEP-UP TICKET PRICE FROM \$10 TO \$5

In March, the VRE Operations Board authorized a reduction of the Amtrak Step-Up fare from \$10 to \$5. By lowering the price of the Step-Up ticket, I hoped to encourage VRE passengers to ride under-utilized Amtrak trains.

Amtrak reported that 4,910 VRE riders used the reduced fare Step-Up ticket during May 2011; up 117% from last May 2010. Compared with the numbers from April 2011, this is a one month increase of 30%. The VRE ridership on Amtrak trains for May 2011 (233 riders) is only slightly lower than when the Step-Up fare was \$2 (272 riders in FY 2007). I will keep the Board apprised of the progress over the next few months.

CONSIST CHANGE

It is our policy to put the largest train consist on Fredericksburg train #303 (departs Union Station at 3:35p) on the Friday before a holiday, which we did on Friday, May 27th. This 8 car train will now be in place every Friday through the rest of the summer to accommodate increased summer ridership. As a result, Train #307 (departing Union station at 4:40p) will be reduced to 6 cars every Friday through the summer. On the Manassas side, we are watching train #327 to see if we can make a similar change on that line.

LOCOMOTIVE CENTRALIZED DIAGNOSTIC SYSTEM

In June 2011, VRE will be rolling out Phase I of III of the Centralized Diagnostic System (CDS) for VRE trains. CDS will provide VRE with real-time health monitoring and defect and troubleshooting information. CDS will enable VRE to determine equipment problems as they occur and provide the operating and mechanical teams with immediate corrective actions. The system also detects non-critical events to alert the mechanical teams of potential failures to promote timely preventive measures. CDS is a web based system with a separate computer on each locomotive to monitor events on both the locomotive (Phase I) and passenger cars (Phase II). All of the data collected via the CDS system will be used for analysis to enhance preventive maintenance and operating practices at VRE.

FREDERICKSBURG LOT C IS CLOSING

Friday, July 15th is the last day VRE riders will be able to use the 38 spaces in Lot C in Fredericksburg. The current lease will expire and we were unable to negotiate favorable renewal terms. We are working to find another lot to replace the lost spaces.

GAINESVILLE-HAYMARKET EXTENSION

Revisions to the Addendum to the Rail Enhancement Fund (REF) agreement for the Gainesville-Haymarket Extension project are underway to address changes requested by the Commonwealth. The award of the consultant contract for environmental review and preliminary engineering is pending the execution of this Addendum.

I-66 CORRIDOR TIER I ENVIRONMENTAL IMPACT STATEMENT (EIS)

VDOT, DRPT and FHWA have initiated a study to identify current and future transportation needs and their potential environmental impacts on the 25-mile corridor from I-495 to Haymarket. The study will build upon previous analyses performed in the I-66 corridor, including the I-66 Transit/TDM study completed by DRPT in late 2009. A draft EIS is expected by June 2012 for public review and a final EIS is anticipated by June 2013.

VRE has requested to be designated as a Participating Agency in the study, which provides the opportunity to participate in the NEPA process at the earliest possible time, especially in regard to the development of the purpose and need statement, range of alternatives, methodologies, and the level of detail for the analysis of alternatives. Accepting the designation as a Participating Agency does not indicate project support and does not provide an agency with increased oversight or approval authority. Involvement as a Participating Agency will ensure assumptions regarding future VRE service, such as the Gainesville-Haymarket extension, are appropriately considered early in the study process.

VDOT has established a web site for the study at viriniadot.org/projects/northernvirginia/i-66_eis.asp.

LOCOMOTIVE PROCUREMENT

We have received 13 new locomotives. All VRE revenue trains (12 trains) are now equipped with a new locomotive. The remaining seven locomotives will be delivered by the end of July.

SUMMONS OVERVIEW

In May, there were 124 cases of fare evasion that were brought before the court, most of them written in previous months. Details are provided below:

Outcome	Occurrences	Fine	Court Costs
Appealed	2		
Prepaid	24	100	81
Guilty	10	100	81
Guilty in absentia	28	100	116
Guilty in absentia (fraudulent ticket)	1	500	116
Continued	4		
Dismissed	4	0	0
Dismissed	22	0	81
Dismissed per conductor request (in court)	5	0	0
Held in juvenile court	2	N/A	N/A
Waived By VRE -Showed Proof of Monthly Ticket	22		

MEET THE MANAGEMENT

VRE Meet the Management continues its early morning meet and greet sessions. Customers are encouraged to come by, ask questions, and grab some early morning snacks. Below please find this years' remaining Meet the Management schedule:

June 15	Brooke
June 22	Manassas Park
June 29	Quantico
July 6	Burke Centre
July 13	Rippon
July 20	Rolling Road
July 27	Woodbridge
August 3	Backlick
August 10	Lorton

BROAD RUN PLATFORM EXTENSION

In May, VRE awarded a contract for the construction of a 190-ft platform extension at the Broad Run station. The extension will be to the north of the existing platform and will allow the platform to accommodate a 7-car train set. The project consists of a 100-ft long canopy as well as new LED lighting along the entire length. Construction is scheduled to begin in June and last approximately four months.

MONTHLY PERFORMANCE MEASURES – May 2011

MONTHLY ON-TIME PERFORMANCE	ON-TIME PERCENTAGE
May Fredericksburg OTP Average	90.48%
May Manassas OTP Average	92.86%
VRE MAY OVERALL OTP AVERAGE	91.75%

RIDERSHIP YEAR TO DATE	RIDERSHIP
VRE FY 2011 Passenger Totals	4,089,514
VRE FY 2010 Passenger Totals	4,033,230
PERCENTAGE CHANGE	11.9%

RIDERSHIP MONTH TO MONTH COMPARISON	
DESCRIPTION	MONTHLY RIDERSHIP
MAY 2011	408,818
MAY 2010	378,082
PERCENTAGE CHANGE	8.1%
SERVICE DAYS (CURRENT/PRIOR)	21/21

Monthly Ridership and OTP: MAY 2011

Date	Manassas AM	Manassas PM	Total Manassas	Actual OTP TD	Fred'burg AM	Fred'burg PM	Fred'burg Total	Actual OTP TD	Total Trips	Actual OTP TD
2	4,745	4,802	9,547	100%	5,016	5,099	10,115	93%	19,662	97%
3	5,193	4,947	10,140	100%	5,130	5,153	10,283	100%	20,423	100%
4	4,947	4,680	9,627	94%	5,101	5,211	10,312	93%	19,939	93%
5	5,306	4,556	9,862	100%	5,205	5,145	10,350	93%	20,212	97%
6	3,887	3,738	7,625	88%	4,616	4,346	8,962	100%	16,587	93%
7										
8										
9	4,679	4,326	9,005	94%	5,071	5,133	10,204	100%	19,209	97%
10	5,206	5,064	10,270	100%	5,228	5,305	10,533	100%	20,803	100%
11	5,048	4,539	9,587	100%	5,211	5,347	10,558	100%	20,145	100%
12	5,104	4,743	9,847	100%	4,891	5,049	9,940	86%	19,787	93%
13	4,199	4,243	8,442	94%	4,691	4,628	9,319	100%	17,761	97%
14										
15										
16	4,863	4,625	9,488	100%	5,014	5,230	10,244	93%	19,732	97%
17	4,941	4,748	9,689	94%	5,261	5,377	10,638	100%	20,327	97%
18	5,133	4,887	10,020	56%	4,970	5,606	10,576	100%	20,596	77%
19	4,984	4,858	9,842	100%	5,185	5,373	10,558	79%	20,400	90%
20	4,230	3,873	8,103	81%	4,530	4,571	9,101	93%	17,204	87%
21										
22										
23	4,707	4,350	9,057	100%	4,961	5,269	10,230	79%	19,287	90%
24	4,530	4,254	8,784	63%	5,344	5,042	10,386	57%	19,170	60%
25	4,867	4,630	9,497	100%	5,181	5,291	10,472	93%	19,969	97%
26	4,784	4,486	9,270	94%	5,067	5,040	10,107	86%	19,377	90%
27	4,233	4,193	8,426	100%	3,253	3,343	6,596	71%	15,022	87%
28										
29										
30										
31	4,546	4,410	8,956	94%	4,889	4,451	9,340	86%	18,296	90%
	100,132	94,952	195,084	93%	103,815	105,009	208,824	90%	403,908	92%
	Adjusted total:		195,446		Adjusted Total:		213,372	Adjusted Total:	408,818	

# of Service Days:	21	Total Trips This Month:	408,818	Adjusted Total:	408,818
Manassas Daily Avg. Trips:	9,290	Prior Total FY-2011:	3,680,696		
Fred'burg Daily Avg. Trips:	9,944	Total Trips FY-2011	4,089,514		
Total Avg. Daily Trips:	19,234	Total Prior Years:	48,489,212		
		Grand Total:	52,578,726		

Note: Adjusted Averages & Totals include all VRE trips taken on Amtrak trains, but do not include "S" schedule days.
 * designates "S" schedule day

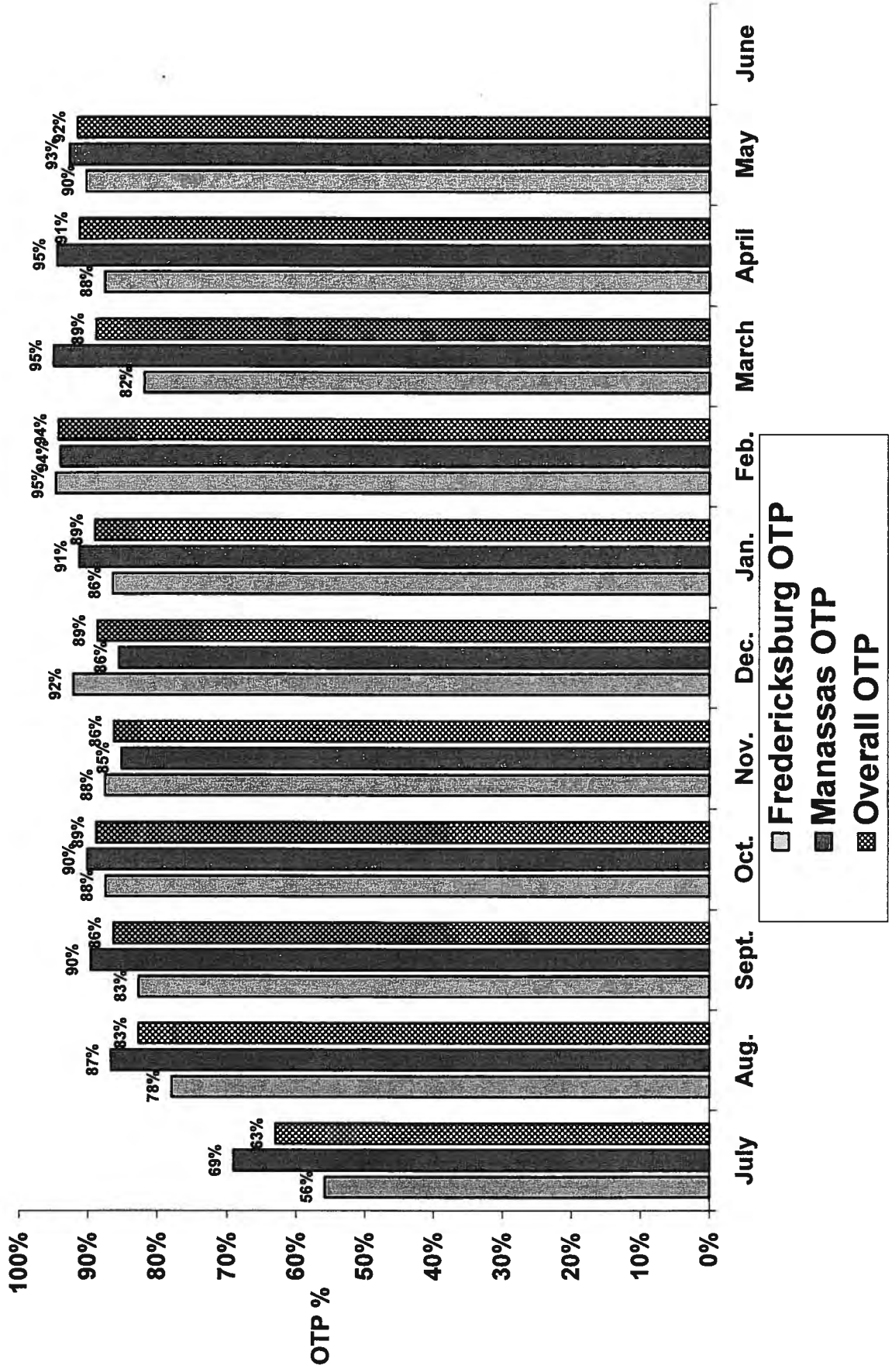
Monthly Ridership Changes: FY 2010 v. FY 2011

Current Month	MANASSAS				FREDERICKSBURG			
	Cumulative FY2010	Cumulative FY2011	% change	Cumulative FY2010	Cumulative FY2011	% change	Current Total	% change
July	163,100	177,199	8.6%	179,830	183,554	2.1%	360,753	5.2%
August	317,944	356,554	12.1%	351,580	369,561	5.1%	726,115	8.5%
September	479,425	531,826	10.9%	528,890	560,951	6.1%	1,092,777	8.4%
October	646,968	687,461	6.3%	707,230	749,050	5.9%	1,436,511	6.1%
November	795,248	842,550	5.9%	861,321	936,793	8.8%	1,779,343	7.4%
December	945,530	992,422	5.0%	1,017,358	1,119,345	10.0%	2,111,767	7.6%
January	1,110,585	1,156,798	4.2%	1,185,171	1,311,930	10.7%	2,468,728	7.5%
February	1,234,347	1,321,505	7.1%	1,307,174	1,503,871	15.0%	2,825,376	11.2%
March	1,430,590	1,530,573	7.0%	1,511,240	1,744,670	15.4%	3,275,243	11.3%
April	1,611,255	1,721,462	6.8%	1,702,807	1,959,234	15.1%	3,680,696	11.1%
May	1,778,326	1,916,908	7.8%	1,876,822	2,172,606	15.8%	4,089,514	11.9%
June	1,963,430			2,069,800				

*Ridership figures are shown in passenger trips. Includes Amtrak cross honor train riders.

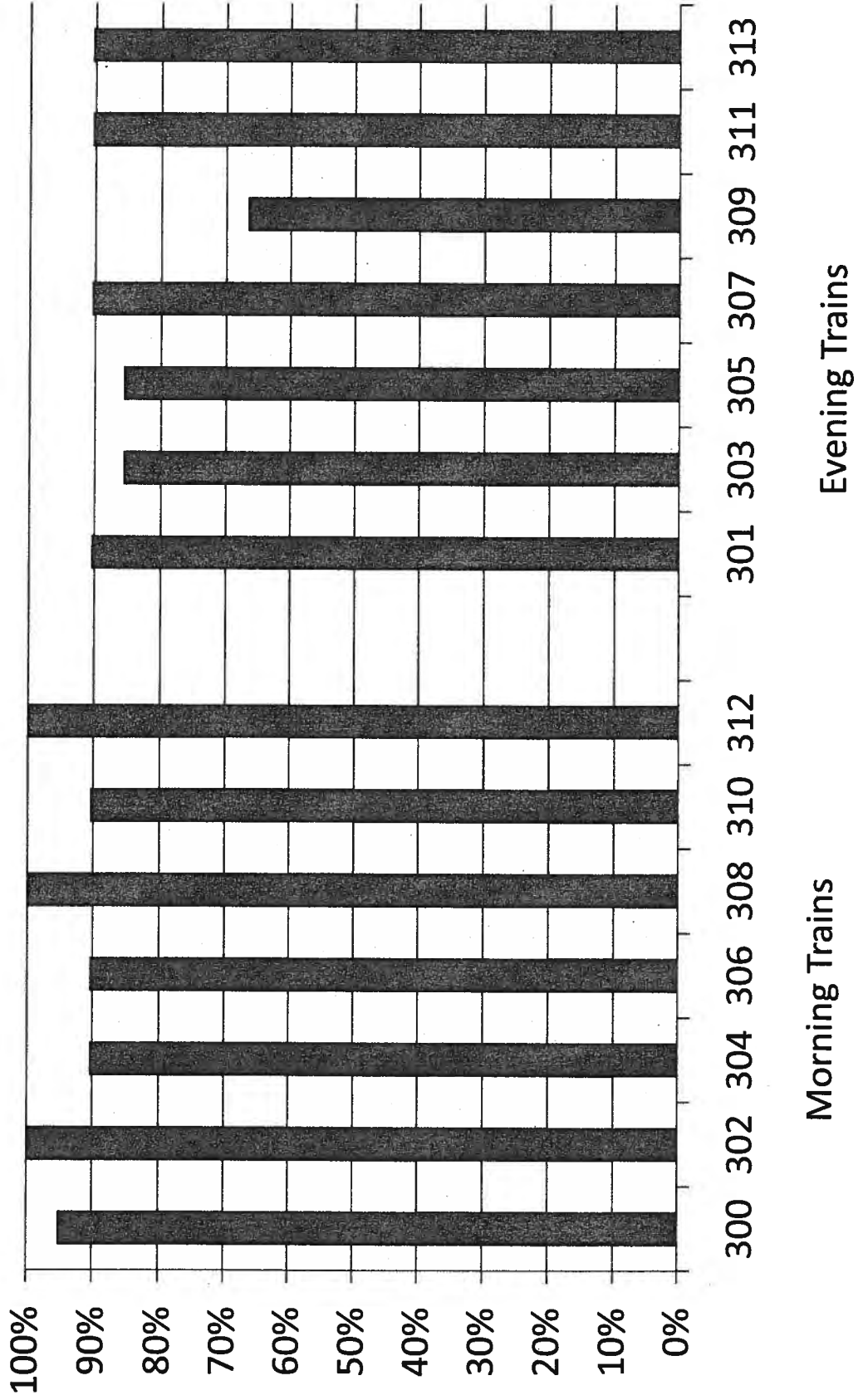
Average On-Time Performance

FY-2011



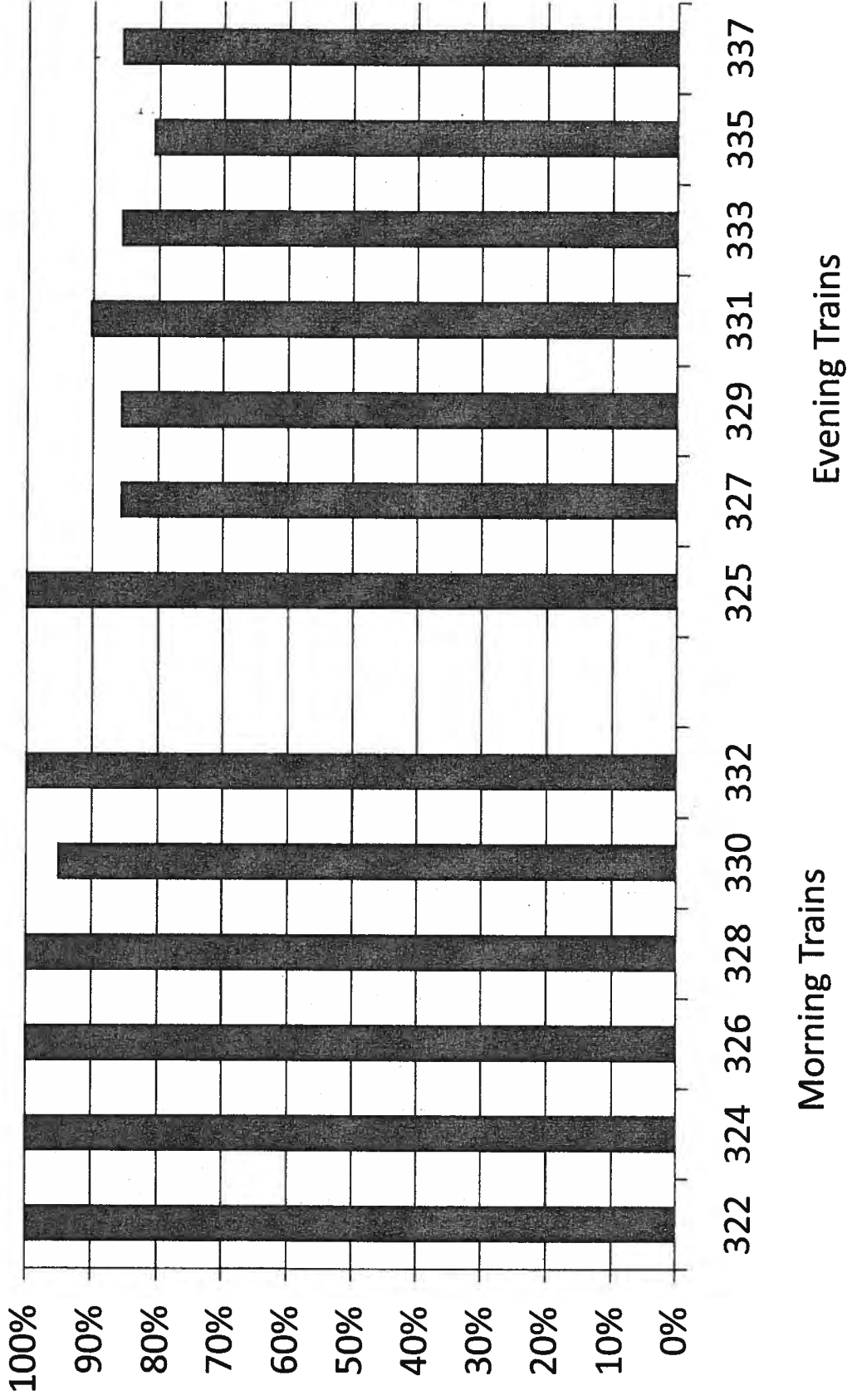
On-Time Performance By Train

Fredericksburg Line – May 2011



On-Time Performance By Train

Manassas Line – May 2011



FINANCIAL STATISTICS FOR MAY 2011

Copies of the May 2011 Operating Budget Report are attached.

Fare income for the month of May 2011 was \$384,229 above the budget – a favorable variance of 15.31%. The cumulative variance for the year is 8.03% or \$2,199,012 above the adopted budget. Revenue in the first eleven months of FY 2011 is up 7.5% over FY 2010. This positive variance is the result of higher than budgeted ridership. Amended budget amounts are reflected in these calculations.

A summary of the financial results (unaudited) as of May 2011 follows. Detail on the major revenue and expense categories is provided in the attached Operating Budget Report.

Measures		Goal	Actual
Operating Ratio		55%	79%
Budgeted Revenue	75,139,103		
Budgeted Revenue YTD	67,767,939		
Actual Revenue YTD	70,061,201		
Cumulative Variance	2,293,262		2,293,262
Percent Collected YTD		90.19%	93.24%
Budgeted Expenses	75,139,103		
Budgeted Expenses YTD	64,371,786		
Operating Expenses YTD	64,361,661		
Cumulative Variance	10,125		10,125
Percent Expended YTD		85.67%	85.66%
Net Income (Loss) from Operations			2,303,387

These figures are preliminary and unaudited.

VIRGINIA RAILWAY EXPRESS
FY 2011 Operating Budget Report
May 31, 2011

	CURR. MO. ACTUAL	CURR. MO. BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE \$	%	TOTAL FY11 BUDGET
OPERATING REVENUE							
Passenger Ticket Revenue	2,894,189	2,509,960	29,569,530	27,370,518	2,199,012	8.0%	30,000,000
Equipment Rental and Other	31,656	12,633	191,885	137,765	54,120	39.3%	151,000
Subtotal Operating Revenue	2,925,845	2,522,594	29,761,415	27,508,283	2,253,132	8.2%	30,151,000
Jurisdictional Subsidy (1)	-	-	15,426,787	15,426,787	-	0.0%	15,426,787
Federal/State/Other Jurisdictional Subsidy	2,497,497	2,491,048	24,858,793	24,696,017	162,777	0.7%	29,411,316
Appropriation from Reserve	-	-	-	-	-	0.0%	-
Interest Income	987	12,550	14,205	136,853	(122,648)	-89.6%	150,000
Total Operating Revenue	5,424,329	5,026,192	70,061,201	67,767,939	2,293,261	3.4%	75,139,103
OPERATING EXPENSES							
Departmental Operating Expenses	4,797,394	4,365,224	48,500,867	48,786,919	286,053	0.6%	53,474,143
Debt Service	1,542,784	1,535,980	11,647,159	11,559,867	(87,292)	-0.8%	13,599,979
Insurance	-	-	4,025,000	4,025,000	-	0.0%	4,025,000
Other Non-Departmental Expenses	27,647	-	188,635	-	(188,635)	-	4,039,981
Total Operating Expenses	6,367,825	5,901,204	64,361,661	64,371,786	10,126	0.0%	75,139,103
NET INCOME (LOSS) FROM OPERATIONS	(943,495)	(875,013)	5,699,540	3,396,153	2,303,387		0

79%

CALCULATED OPERATING RATIO

Total jurisdictional subsidy is \$16,070,309. Portion shown is attributed to Operating Fund only



MINUTES

VRE OPERATIONS BOARD MEETING PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA JUNE 17, 2011

VIRGINIA RAILWAY EXPRESS

BOARD MEMBERS

SHARON BULOVA
CHAIRMAN

WALLY COVINGTON
VICE-CHAIRMAN

SUSAN STIMPSON
TREASURER

PAUL SMEDBERG
SECRETARY

MAUREEN CADDIGAN
JOHN COOK
THELMA DRAKE
FREDERIC HOWE
JOHN JENKINS
PAUL MILDE
SUHAS NADDONI
GARY SKINNER
JONATHAN WAY
CHRIS ZIMMERMAN

ALTERNATES

MARC AVENI
HARRY CRISP
MARK DUDENHEFER
BRAD ELLIS
JAY FISETTE
FRANK JONES
ROB KRUPICKA
JERRY LOGAN
MICHAEL MAY
JEFF McKAY
MARTIN NOHE
KEVIN PAGE
JOHN STIRRUP

DALE ZEHNER
CHIEF EXECUTIVE
OFFICER

1500 King Street, Suite 202
Alexandria, VA 22314-2730

MEMBERS PRESENT	JURISDICTION
Sharon Bulova (NVTC)	Fairfax County
Maureen Caddigan (PRTC)	Prince William County
John Cook (NVTC)	Fairfax County
Wally Covington (PRTC)	Prince William County
Frederic Howe (PRTC)	City of Fredericksburg
John D. Jenkins (PRTC)	Prince William County
Paul Milde (PRTC)	Stafford County
Gary Skinner (PRTC)	Spotsylvania County
Susan Stimpson (PRTC)	Stafford County
Jonathan Way (PRTC)	City of Manassas
Christopher Zimmerman (NVTC)*	Arlington County

MEMBERS ABSENT	JURISDICTION
Thelma Drake	DRPT
Suhas Naddoni (PRTC)	City of Manassas Park

ALTERNATES ABSENT	JURISDICTION
Marc Aveni (PRTC)	City of Manassas
Harry Crisp (PRTC)	Stafford County
Mark Dudenhefer (PRTC)	Stafford County
Brad Ellis (PRTC)	City of Fredericksburg
Jay Fisetite (NVTC)	Arlington County
Frank C. Jones (PRTC)	City of Manassas Park
Rob Krupicka (NVTC)	City of Alexandria
Jerry Logan (PRTC)	Spotsylvania County
Michael C. May (PRTC)	Prince William County
Jeff McKay (NVTC)	Fairfax County
Martin E. Nohe (PRTC)	Prince William County
Kevin Page	DRPT
John Stirrup (PRTC)	Prince William County

STAFF AND GENERAL PUBLIC	
Jeremy Flores – VRE	Jennifer Mouchantaf – VRE
Anna Gotthardt – VRE	Sirel Mouchantaf – VRE
Al Harf – PRTC staff	Dick Peacock – citizen
Christine Hoeffner – VRE	Lynn Rivers – Arlington County
Mike Lake – Fairfax County DOT	Mark Roeber – VRE
Bob Leibbrandt – Prince William County	Brett Shorter – VRE
Steve MacIsaac – VRE counsel	Alex Sugatan – VRE
Betsy Massie – PRTC	Bob Wilson – DRPT
Greg McFarland – NVTC staff	Dale Zehner – VRE

* Delineates arrival following the commencement of the Board meeting. Notation of exact arrival time is included in the body of the minutes.

Chairman Bulova called the meeting to order at 9:35 A.M. Following the Pledge of Allegiance, roll call was taken. Chairman Bulova introduced Bob Wilson, a new DRPT employee.

Approval of the Agenda – 3

Mr. Zehner noted that Agenda Item #9I has been removed from the agenda. There were no objections.

Mr. Covington moved, with a second by Mr. Smedberg, to approve the amended agenda. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Howe, Jenkins, Milde, Skinner, Smedberg, Stimpson and Way.

Approval of the Minutes of the May 20, 2011 Operations Board Meeting – 4

Ms. Caddigan moved, with a second by Mr. Jenkins, to approve the minutes. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Howe, Jenkins, Stimpson and Way. Board Members Milde, Skinner and Smedberg abstained.

Chairman's Comments – 6

Chairman Bulova announced that average daily ridership for the month of June has been 19,365. This is the fourth month in a row that ridership has been over 19,000. On-time performance (OTP) is currently at 93 percent for June, with 90 percent on the Fredericksburg line and 95.6 percent on the Manassas line. There were six days in a row that OTP reached 100 percent. VRE has made some outstanding improvements in OTP.

Chairman Bulova also stated that the Step-Up ticket change from \$10 to \$5 was implemented in May. It was implemented as an effort to encourage riders to take underutilized Amtrak trains and relieve some of the crowding on VRE trains; it seems to be working. During the month of May, almost 5,000 riders used the Step-Up fare, which is a 117 percent increase from the same time last year. It also computes as a one-month increase of 30 percent. The VRE ridership on Amtrak trains for May 2011 is only slightly lower than when the Step-Up fare was \$2 in FY 2007. In response to a question from Mr. Way, Mr. Zehner explained that the Step-Up fare is not available on all Amtrak trains, just those during peak periods and agreed to by VRE and Amtrak. There are two Amtrak trains on the Manassas line and eight Amtrak trains on the Fredericksburg line that accept the Step-Up fares. They are providing relief to VRE peak period trains.

[Mr. Zimmerman arrived at 9:41 A.M.]

Chairman Bulova reminded Board Members that the Strategic Planning Retreat is scheduled for July 29th from 9:00 A.M. to 2:00 P.M. at PRTC headquarters. She stated that it would be helpful for Board Members to read the materials sent to them prior to the Retreat.

Chief Executive Officer's Report – 7

Mr. Zehner reported that 13 new locomotives are on VRE property with 12 in service. Now every train set has a new locomotive, which has improved on-time performance since the mechanical delays have been substantially reduced. The remaining seven new locomotives will be delivered to VRE by the end of August. Mr. Zehner stated that the goal is to maintain at least a 90 percent on-time performance rate.

Mr. Zehner stated that July 15th is the last day VRE riders will be able to use the 38 parking spaces in Lot C in Fredericksburg. The current lease will expire and VRE staff was not able to negotiate favorable renewal terms. The owner wanted to double VRE's rate. Staff found another parking lot at 400 Charles Street which has 30 spaces and VRE reached a favorable leasing agreement.

Mr. Zehner stated that he was invited by Congressman Mica to a session on Capitol Hill on Wednesday, June 29th. Congressman Mica and Senator Shuster are proposing that the North East Corridor be competitively bid and the infrastructure be competitively bid as well as the regional trains. Virginia has four regional trains with Amtrak. It would be a major change to the railroad industry, especially Amtrak. VRE staff will monitor this.

Operations Board Member's Time – 8

Mr. Skinner updated the Operations Board that Spotsylvania County is working with a landowner for a potential VRE station site. The County is on track with design and working with CSXT on third track issues. A station opening by early 2013 is anticipated. The County is looking at public/private partnership as a possibility.

VRE Riders' and Public Comment – 9

Mr. Peacock stated that it is wonderful news about the Spotsylvania station. In light of the security situation around the Pentagon this morning, Metro and VRE were still able to operate, while roadways were shut down. It is important to remember that public transportation plays a positive role in these types of security situations. This is another reason why the region needs more public transit to give people more alternatives to get to the Pentagon and other places in the region. He is also encouraged to see the new locomotives working so well. He toured the Broad Run parking lot and every space is filled.

FY 2013 Budget Guidelines – 9A

Mr. Zehner stated that the VRE Operations Board is being asked to provide contingent approval of budget guidelines for the development of the FY 2013 budget for train operations and capital projects. Guidelines could be added, deleted or modified after the Strategic Planning Retreat. Final guidelines will be presented as part of the preliminary budget information provided at the August meeting. Resolution #9A-06-2011 would accomplish this.

Mr. Milde asked about Budget Guideline #6 which reads "...In addition, a capital reserve will be maintained to provide local match for earmarks..." He stated that it sounds like VRE is saving funds for local match. Mr. Zimmerman suggested striking the word "local." There were no objections.

Mr. Smedberg noted that Budget Guideline #1 begins with "VRE staff will take all reasonable measures to continue to grow the ridership and improve the overall service to the riders." He asked in light of the high ridership growth already, does staff assume growth in the budget? Mr. Zehner stated that historically this has been included in the budget guidelines, but VRE is basically now at capacity. The current budget effective July 1, 2011 assumes a growth rate of four percent. The Strategic Planning Retreat will discuss what kind of service expansion could be done and how it would affect subsidies and fares.

Mr. Skinner asked what impact on-time performance has had on the budget, including fewer Free Ride Certificates (FRC's) having to be handed out. Mr. Zehner stated that fare revenue is higher than anticipated and there will most likely be a variance of \$1 million. With improved OTP, VRE has not had to hand out many FRC's, which also has a positive impact on the budget. Mr. Howe stated that without knowing the impact of the federal transit subsidy if it is reduced or eliminated, VRE needs to bankroll the variance to be able to manage the budget if it is a negative change. Mr. Zehner stated that this will also be discussed at the Retreat. His opinion is that even without the transit subsidy, he believes that it wouldn't result in a big drop off in ridership as long as VRE maintains good reliable service. Mr. Howe also noted that the high cost of fuel is also a factor in people not returning to auto commuting, even if the subsidy decreases.

Mr. Milde moved, with a second by Mr. Howe, to approve Resolution #9A-06-2011. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Howe, Jenkins, Milde, Skinner, Smedberg, Stimpson, Way and Zimmerman.

Authorization to Execute a Force Account Agreement for the L'Enfant Storage Track Project – 9B

Mr. Zehner reported that the Operations Board is being asked to authorize him to execute a force account agreement with CSXT for the L'Enfant Storage Track project in the amount of \$225,000, plus a 10 percent contingency of \$25,000, for a total not to exceed the amount of \$250,000. Resolution #9B-06-2011 would accomplish this.

Mr. Zehner explained that as the need for future service expansion is contemplated, this authorization will allow the track to be designed with a second switch to the north. This new switch will be tied into the mainline signal system, allowing for remote control and better operational capabilities currently not provided with the existing switch. In addition, this switch would also enable trains traveling all the way to Union Station with the ability to return to L'Enfant for mid-day storage. Once the work is completed, two six-car train sets can be stored at this location. Mr. Zehner explained that CSX will do all the work.

Mr. Zimmerman asked what is the total cost of the entire project? Mr. Milde also observed that the resolution does not specify if it is design work or construction. Mr. Zehner stated that the resolution can be changed to specify that it is for design work. Mr. Mouchantaf explained that it is mostly design work and some signal work. CSX will not commit to an estimate until the design work is completed. VRE staff estimates that it will be in the range of \$1.5 - \$2 million for the project total.

Mr. Milde moved, with a second by Mr. Howe, to approve the resolution. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Howe, Jenkins, Milde, Skinner, Smedberg, Stimpson, Way and Zimmerman.

Mr. Smedberg stated that Mr. Milde and Mr. Zimmerman both make a good point in looking at the overall cost of the project. Chairman Bulova noted that this action is not being forwarded to the Commissions, but it is a good point for future agenda items to include this information. Mr. Milde stated that he has always desired to have more details about the budget impact included in the Board item in order to put it into context of the budget.

Authorization to Extend Amended Operating/Access Agreement with Norfolk Southern – 9C

Mr. Zehner stated that the Operations Board is being asked to recommend that the Commissions authorize him to execute an extension of the existing Amended Operating/Access Agreement with Norfolk Southern to January 31, 2012. Resolution #9C-06-2011 would accomplish this.

Mr. Zehner explained that a further extension is being requested at this time to provide sufficient time to complete negotiations of a new agreement. Norfolk Southern is now prepared to talk about the outstanding issues with VRE. In response to a question from Mr. Zimmerman, Mr. Zehner stated that the Operations Board will discuss in Closed Session the Operating/Access Agreement with CSXT.

Mr. Covington moved, with a second by Mr. Jenkins, to approve the resolution. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Howe, Jenkins, Milde, Skinner, Smedberg, Stimpson, Way and Zimmerman.

Authorization to Award a Contract for Wheelset Rehabilitation Work – 9D

Mr. Zehner reported that the VRE Operations Board is being asked to authorize him to enter into a contract with UTCRAS of Philadelphia, Pennsylvania for wheelset rehabilitation work on VRE rolling stock in an amount not to exceed \$849,000 over a period of three years. The contract will be for three years, a base year plus two one-year options, with the CEO exercising the option years at his discretion. Resolution #9D-06-2011 would accomplish this.

Mr. Milde moved, with a second by Ms. Caddigan, to approve the resolution. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Howe, Jenkins, Milde, Skinner, Smedberg, Stimpson, Way and Zimmerman.

Authorization to Execute a Force Account Agreement with Prince William County for Construction of the Kiss and Ride Lot at the Woodbridge VRE Station – 9E

Mr. Zehner explained that approval of Resolution #9E-06-2011 would authorize him to enter into a force account agreement with Prince William County for construction of a Kiss and Ride lot at the Woodbridge VRE station in the amount of \$557,735, plus a 10 percent contingency of \$55,774, for a total amount not to exceed \$613,509.

Mr. Zehner explained that the Woodbridge VRE station expansion project originally included a Kiss and Ride lot to be completed in conjunction with the Route 1/123 interchange project being managed by VDOT. While the construction of the VDOT interchange project is not scheduled to begin until 2014, the importance of completing the Kiss and Ride element of the project has prompted VRE to initiate the design and obtain necessary approvals for construction. The lot will provide safe access directly from Route 1 to the newly constructed western elevator tower. At the October 2010 meeting, the Operations Board authorized issuance of a task order to HDR, Inc., for design of the Kiss and Ride lot. The design has been completed and final approvals are anticipated by July 2011. As Prince William County has been a partner in this project and is able to perform this work at a cost below the engineer's estimate, a force account agreement is being recommended. Construction will be completed by the end of 2011. Funding for this project is included in VRE's Capital Improvement Program as part of the Woodbridge station expansion project. Funding is from a FY 2003 federal grant and local match is provided using state and local funds.

Mr. Milde asked if all the funding is earmarked or if some of it is general allocation funds that could be used for other projects. Ms. Mouchantaf explained that there are six or seven grants that make up this project budget going back to 1996. The earmarks are all specific to the project.

Ms. Caddigan stated that this Kiss and Ride project was started many years ago and was supported by Hilda Barg, a former Prince William County Supervisor and long-term member of VRE Operations Board.

Ms. Caddigan moved, with a second by Mr. Jenkins, to approve the resolution.

In response to a question from Mr. Skinner, Mr. Mouchantaf explained that the Kiss and Ride lot will have to be modified when VDOT puts in the interchange. In response to a question from Mr. Covington, Mr. Zehner stated that VRE hasn't been very successful with TIGER grants. Mr. Smedberg observed that VRE has to compete against larger systems.

The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Howe, Jenkins, Milde, Skinner, Smedberg, Stimpson, Way and Zimmerman.

Authorization to Award a Construction Contract for Rehabilitation Work at the Franconia-Springfield VRE Station – 9F

Mr. Zehner reported that due to years of exposure to the elements, the Franconia-Springfield VRE station is in need of a major rehabilitation. In March of 2011, authorization was given to solicit bids and two bids were received. Following review of bids, VRE staff is recommending award to the lowest responsive and responsible bidder, Vista Contracting, Inc., of Washington, D.C. Resolution #9F-06-2011 would authorize VRE's CEO to award a contract to Vista Contracting, Inc. for this work for a total contract value of \$414,500, plus a 10 percent contingency of \$41,450, for a total amount not to exceed \$455,950.

Mr. Zehner further explained that repairs will include replacement of the existing stairs from the platform up to the overhead pedestrian bridge; replacement of the existing tactile warning tiles; rehabilitation of the existing overhead pedestrian bridge; replacement of the platform canopy roof, gutter and down spouts; and modifications to the existing handicap module. This work will enhance the overall aesthetics and safety of the station. The project is planned to begin in July 2011 and be completed by November 2011.

Mr. Zehner stated that funding for this project is included in VRE's Capital Improvement Program as part of the facilities infrastructure renewal project. Fairfax County has funded \$200,000 for the project and FY 2006, FY 2008 and FY 2009 federal grants will be used.

Mr. Cook moved, with a second by Ms. Caddigan, to approve Resolution #9F-06-2011.

Mr. Milde observed that this work is very much needed and asked if the railing on the stairs will also be done. Mr. Mouchantaf responded that the railing is included and will either be replaced or sandblasted and recoated depending on its condition. In response to a question from Ms. Stimpson, Mr. Mouchantaf stated that the bid price came in below the estimate. In response to a question from Mr. Smedberg, Mr. Mouchantaf stated that this project is more straightforward than the work being done at the Fredericksburg Station and, therefore, the 10 percent contingency should cover any surprises.

The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Howe, Jenkins, Milde, Skinner, Smedberg, Stimpson, Way and Zimmerman.

Authorization to Execute a Force Account Agreement with CSXT for the Franconia-Springfield VRE Station Rehabilitation Project – 9G

Mr. Zehner stated that this item goes along with the previous agenda item. The VRE Operations Board is being asked to authorize him to execute a force account agreement with CSXT for the Franconia-Springfield VRE station rehabilitation project in the amount of \$120,000, plus a 10 percent contingency of \$12,000, for a total amount not to exceed \$132,000. Resolution #9G-06-2011 would accomplish this.

Mr. Zehner stated that during the four-month construction timeframe, a CSXT flagman will be required to provide protection from ongoing train movements at the station. This agreement will cover the costs associated with flagmen services.

Mr. Cook moved, with a second by Mr. Howe, to approve the resolution. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Howe, Jenkins, Milde, Skinner, Smedberg, Stimpson, Way and Zimmerman.

Authorization to Award a Construction Contract for Parking Lot Expansions at the Brooke and/or Leeland Road VRE Station – 9H

Mr. Zehner reported that following a solicitation of bids for the construction of both projects, two bids were received, which were both over the estimates. Mr. Milde stated that he would recommend that it go back out for bid and to have local staff work closely with VRE to see if there are local contractors interested in the work. Ms. Stimpson stated that it is worth it to rebid it since it comes up \$800,000 short to fund both lots. With the current economic climate most construction bids are coming in under cost estimates. It is important to maximize costs to get both lot expansions constructed. Mr. Zehner cautioned that there are no guarantees that the bid will come in below the estimates and the Board has the option of awarding a contract now for at least one of the parking lots.

Mr. Cook observed that if the solicitation is rebid, time will be lost in construction. Mr. Mouchantaf stated that there would be a challenge in getting pavement down in the winter. Mr. Milde observed that if it is rebid, construction would occur in the spring and Stafford County staff believes that the bids are higher because they are taking into consideration winter construction. Mr. Skinner stated that Spotsylvania County's local bids are coming in 30 percent less than engineer estimates. Mr. Zehner stated that it is more complicated than just a paving job. There is grading and bringing in fill to level out the new expansion lots. Mr. Milde stated that the risk is solely borne by Stafford County unless VRE is going to put funding toward this project.

Mr. Milde moved, with a second by Mr. Howe, to rebid this work. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Howe, Jenkins, Milde, Skinner, Smedberg, Stimpson, Way and Zimmerman.

Mr. Milde asked what kind of non-maintenance grant funding Stafford County is missing. Mr. Zehner explained that VRE at one point had grant money for parking expansion at Brooke, but Stafford County did not accept it because they did not want to pay anymore subsidy.

Ms. Stimpson stated that the four previous agenda items included grant funding, but not this one. All they are asking for is for VRE to work with Stafford County to be more aggressive and creative in identifying grant funds. Ms. Mouchantaf explained that the other agenda items were not related to parking. In 2004, the VRE Operations Board adopted a policy specifying that parking projects are the responsibility of the jurisdictions. This policy can be revisited at the Strategic Planning Retreat. In response to a question from Ms. Stimpson, Ms. Mouchantaf stated that since 2004, no jurisdiction has received formula funding for parking. Mr. Zehner stated that staff can work with Stafford County to identify funding sources. Mr. Skinner suggested that examples be discussed at the retreat on how other jurisdictions have leveraged and been creative with funding sources.

Closed Session – 10

Mr. Zimmerman moved, with a second by Mr. Jenkins, the following motion:

Pursuant to the Virginia Freedom of Information Act (Sections 2.2-3711A (1) and (7) of the Code of Virginia), the VRE Operations Board authorizes a Closed Session for the purpose of discussion of one personnel matter and consultation with counsel and staff concerning the provisions of an amended and restated operating access agreement with CSXT.

The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Howe, Jenkins, Milde, Skinner, Smedberg, Stimpson, Way and Zimmerman.

The Board entered into Closed Session at 10:43 A.M. and returned to Open Session at 12:04 P.M. Mr. Zimmerman moved, with a second by Ms. Caddigan, the following certification:

The VRE Operations Board certifies that, to the best of each member's knowledge and with no individual member dissenting, at the just concluded Closed Session:

1. Only public business matters lawfully exempted from open meeting requirements under the Freedom of Information Act discussed; and

2. Only such public business matters as were identified in the motion by which the Closed Session was convened were heard, discussed or considered.

The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Howe, Jenkins, Milde, Skinner, Smedberg, Stimpson, Way and Zimmerman.

Authorization to Execute an Amended Operating/Access Agreement with CSXT – 10A

Mr. Smedberg moved, with a second by Mr. Skinner, to approve Resolution #10A-06-2011, which would authorize VRE's Chief Executive Officer to execute the Operating/Access Agreement with CSXT, which is effective July 2, 2011, and to recommend Commission approval. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Howe, Jenkins, Milde, Skinner, Smedberg, Stimpson, Way and Zimmerman.

Chairman Bulova thanked staff for doing an outstanding job of negotiating this agreement.

Adjournment

Without objection, Chairman Bulova adjourned the meeting at 12:11 P.M.

Approved this 15th day of July, 2011.

Sharon Bulova
Chairman

Paul Smedberg
Secretary

CERTIFICATION

This certification hereby acknowledges that the minutes for the June 17, 2011 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.



Rhonda Gilchrest

Extend Amended Operating/Access Agreement with Norfolk Southern.

The VRE Operations Board recommends approval of Resolution #2171. This resolution extends for another six months the NS agreement to allow continued negotiations. Details are provided in the attached memorandum.



RESOLUTION #2171

SUBJECT: Extend Amended Operating/Access Agreement with Norfolk Southern.

WHEREAS: The commissions currently have an Operating/Access Agreement with Norfolk Southern related to VRE operations in the Manassas to Washington corridor, with said agreement ending on July 31, 2011;

WHEREAS: Staff has reached an agreement in principle on many substantive items relating to a new agreement following detailed negotiation sessions with Norfolk Southern's representatives;

WHEREAS: A proposal to extend the existing agreement to January 31, 2012 is expected from Norfolk Southern;

WHEREAS: The purpose of this extension is to allow time to negotiate and resolve the outstanding insurance issues relating to a new agreement; and

WHEREAS: Necessary funding has been incorporated into the FY 2011 and FY 2012 budgets to allow VRE to continue its operations over Norfolk Southern tracks via this contract extension.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to execute an extension of the existing Amended Operating/Access Agreement with Norfolk Southern to January 31, 2012.

Approved this 7th day of July, 2011.

William Euille
Chairman

Jeffrey McKay
Secretary-Treasurer



AGENDA ITEM 9-C
ACTION ITEM

TO: CHAIRMAN BULOVA AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: JUNE 17, 2011

SUBJECT: AUTHORIZATION TO EXTEND AMENDED OPERATING/ACCESS AGREEMENT WITH NORFOLK SOUTHERN

RECOMMENDATION:

The VRE Operations Board is being asked to recommend that the Commissions authorize the Chief Executive Officer to execute an extension of the existing Amended Operating/Access Agreement with Norfolk Southern to January 31, 2012.

BACKGROUND:

VRE has an Operating/Access Agreement with Norfolk Southern (NS) relating to VRE operations in the Manassas to Washington corridor. That agreement, entered into in 1999, has been amended and extended several times, most recently this past January, with an agreed upon extension to July 31, 2011. A further extension is being requested at this time to provide sufficient time to complete negotiations of a new agreement.

Following detailed negotiation sessions with Norfolk Southern representatives, an agreement in principle was reached on all contract items with the exception of liability coverage. The Operations Board and Commissions approved these terms at their June and July 2005 meetings respectively, and authorized execution of a new agreement that conformed to each of those items.

Progress slowed, however, due to a failure to reach an agreement on the level of liability coverage. Despite this progress, an extension of the current agreement is needed while this issue is resolved. Recent informal discussions with Norfolk Southern indicate that they may be ready to restart negotiations. The major issue in the negotiation remains the level of liability coverage.

FISCAL IMPACT:

Funding for the Norfolk Southern track access fee has been budgeted in the FY 2011 and FY 2012 budgets, including an escalation of 4%.

New Contract with CSXT.

The VRE Operations Board recommends approval of Resolution #2172. This resolution authorizes execution of a new contract with CSXT for operations and access in the Washington D.C.-Fredericksburg corridor. The attached memorandum provides details regarding the proposed new contract.

The memo points out that the new contract includes \$687,000 in additional payments each year to CSXT to reflect the fact that CSXT has not been charging access fees for portions of its track used by VRE. No retroactive payments are required for this previous omission. The incremental cost of paying these additional access fees is far less than the cost of insurance premiums VRE would have been responsible for if CSXT had not agreed to the reasonable cap on insurance of \$250 million.

In addition, the new contract memorializes the trade-off of VRE investments in CSXT facilities in exchange for permission to operate new VRE trains. So far VRE has earned the right to operate four additional round trip trains and the new contract establishes a process for earning more new VRE trains.

A copy of the 67-page contract is available for review by commissioners upon request.



RESOLUTION #2172

SUBJECT: New Contract with CSXT.

WHEREAS: The commissions currently have an Operating/Access Agreement with CSXT relating to VRE operations in the Fredericksburg to Washington Corridor, with said agreement extension ending on July 31, 2011;

WHEREAS: Following detailed negotiation sessions with CSXT representatives on the terms of a new agreement, an agreement has been reached on an Amended and Restated Operating/Access Agreement;

WHEREAS: Liability coverage is established at \$250 million;

WHEREAS: A revised method of calculation of the access fee has been agreed to;

WHEREAS: The new agreement has an effective date of July 1, 2011; and

WHEREAS: Funding has been incorporated into the FY 2011 and FY 2012 budgets to permit VRE to continue its operations over CSXT tracks via this new Operating/Access Agreement.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to execute the Amended and Restated Operating/Access Agreement with CSX.

Approved this 7th day of July, 2011.

William Euille
Chairman

Jeffrey McKay
Secretary-Treasurer



2300 Wilson Boulevard • Suite 620 • Arlington, Virginia 22201
Tel (703) 524-3322 • Fax (703) 524-1756 • TDD (800) 828-1120
E-mail nvtc@nvtc.org • Website www.thinkoutsidethecar.org

AGENDA ITEM 10-A
ACTION ITEM

TO: CHAIRMAN BULOVA AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: JUNE 17, 2011

SUBJECT: APPROVAL OF AMENDED AND RESTATED OPERATING/ACCESS AGREEMENT WITH CSXT

RECOMMENDATION:

The VRE Operations Board is being asked to recommend that the Commissions authorize the Chief Executive Officer to execute an Amended and Restated Operating/Access Agreement with CSXT effective July 1, 2011.

BACKGROUND:

The VRE has an Operating/Access Agreement with CSXT related to VRE operations in the Fredericksburg to Washington corridor. That agreement, entered into in 1995, has been amended and extended numerous times over the past several years, most recently this past January, with an agreed upon extension to July 31, 2011.

Following detailed negotiation sessions with CSXT representatives on the terms of a new agreement, a recommended agreement has been reached. The major issue preventing an agreement earlier had been the level of liability coverage. However, agreement has been reached to maintain the current level established at \$250 million, allowing contract negotiations to be completed.

One of the most significant changes is in the calculation of the access fee. Previously, the access fee had been a flat fee regardless of how many trains were operated. In February 2010, this was a significant disadvantage as we did not operate for several days as a result of the blizzard conditions. This new method of calculating fees is based on actual train miles. Each year, VRE and CSX will determine the number of

trains expected to operate and create a yearly payment plan. Then, at the end of the year, VRE and CSX will determine if any credits need to be made as the result of increases or decreases in service. Additionally, CSX had not been charging for the Manassas Line trains and the piece formerly owned by Conrail. Rather than back charge VRE the difference, we negotiated the new method based on the corrected mileage effective July 1, 2011.

**TERMS OF CONTRACT RENEWAL
WITH CSXT**

- Current contract extension expires July 31, 2011
- Have contract agreement in principle on the following contract items:

Item	Current Contract	New Contract	Notes
Term	Original five year term with extensions	Five years with one year automatic renewal	A provision is available to extend the contract to 2021 if a stable and reliable funding source is indentified to complete the third main track from Washington DC to Fredericksburg
Escalator	4%	4%	No change
Incentive	None	Permissible if VRE elects	Provision provided for VRE to pay an incentive in the future if VRE decides to do so
Liability Coverage	\$250M with terrorism coverage	\$250M with terrorism coverage	No increase in the level of coverage
Access Fee	Flat fee	Based on actual train miles	Due to correction in train mile calculation, total access fee will increase by approximately \$687K per year; however the rate has not changed
Third Mainline	No service additions until Third Mainline completed	Service additions permitted with incremental completion of Third Mainline	

FISCAL IMPACT:

Funding for the CSX track access fee has been included in the FY 2011 and FY 2012 budgets, including an escalation of 4%.



AGENDA ITEM #4

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube and Adam McGavock
DATE: June 30, 2011
SUBJECT: CMAQ Grant Application on Behalf of Alexandria

The commission is asked to approve Resolution #2173. This resolution authorizes NVTC's executive director to apply for CMAQ funds totaling \$3.75 million from the Federal Transit Administration on behalf of Alexandria for the Route 1 Transitway project. In April of 2010, the commission approved similar grant applications on behalf of the city of Alexandria for Potomac Yard, King Street Access Improvements, and Eisenhower Intermodal Station Improvements projects. This grant will add additional funds to the Potomac Yard Transit Improvements project.

The funds consist of \$1.7 million of CMAQ funds approved in FY 2007 and \$2.0 million of CMAQ funds approved in FY 2008. Thus, NVTC staff will work with DRPT to flex these funds from FHWA to FTA and submit the applications to FTA for 80% and DRPT for 20% of the total.

This project includes the design and building of seven stations at four locations along the Route 1 Transitway. Two stations will be constructed on both sides of the transitway at Potomac Avenue, two stations will be constructed on both sides of the transitway at Custis, two stations will be constructed on both sides of the transitway at Swann and one station will be constructed at East Glebe. A temporary station will be constructed at this location in the northbound direction, and private developers will construct the permanent northbound station at a later date. If any funds remain, additional vehicles will be procured for the transitway with these funds.

The resolution also adds this project to NVTC's work program. NVTC will incur no financial obligation for this project. Alexandria requires NVTC's assistance because Alexandria is not a designated recipient of federal funds.



The Federal Transit Administration (FTA) requires certification by the Department of Labor that NVTC has a labor protection agreement that is satisfactory to organized labor (under Section 13(c) of the Urban Mass Transportation Act, as amended). Theoretically NVTC could be responsible for claims from employees that their conditions of employment have been worsened as a result of the activities funded by the grant, although such claims are exceedingly rare. Accordingly, jurisdiction staff at NVTC's Management Advisory Committee developed the approach that is included in the resolution. The jurisdiction requesting that NVTC apply for the federal funds on its behalf will protect NVTC's other jurisdictions against 13(c) claims by agreeing to provide from state aid held by NVTC whatever claims and related costs may be incurred. Local jurisdiction attorneys have had the opportunity to review this approach and have offered no objections.



RESOLUTION #2171

SUBJECT: Extend Amended Operating/Access Agreement with Norfolk Southern.

WHEREAS: The commissions currently have an Operating/Access Agreement with Norfolk Southern related to VRE operations in the Manassas to Washington corridor, with said agreement ending on July 31, 2011;

WHEREAS: Staff has reached an agreement in principle on many substantive items relating to a new agreement following detailed negotiation sessions with Norfolk Southern's representatives;

WHEREAS: A proposal to extend the existing agreement to January 31, 2012 is expected from Norfolk Southern;

WHEREAS: The purpose of this extension is to allow time to negotiate and resolve the outstanding insurance issues relating to a new agreement; and

WHEREAS: Necessary funding has been incorporated into the FY 2011 and FY 2012 budgets to allow VRE to continue its operations over Norfolk Southern tracks via this contract extension.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to execute an extension of the existing Amended Operating/Access Agreement with Norfolk Southern to January 31, 2012.

Approved this 7th day of July, 2011.

William Euille
Chairman



2300 Wilson Boulevard • Suite 620 • Arlington, Virginia 22201
Tel (703) 524-3322 • Fax (703) 524-1756 • TDD (800) 828-1120
E-mail nvtc@nvtcdc.org • Website www.thinkoutsidethecar.org

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NVTC

Jeffrey McKay
Secretary-Treasurer



2300 Wilson Boulevard • Suite 620 • Arlington, Virginia 22201
Tel (703) 524-3322 • Fax (703) 524-1756 • TDD (800) 828-1120
E-mail nvtc@nvtdc.org • Website www.thinkoutsidethecar.org



AGENDA ITEM #5

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube and Adam McGavock
DATE: May 26, 2011
SUBJECT: Metro Items.

A. WMATA Governance Update.

A copy of NVTC's letter to WMATA regarding the proposed By-Laws and Procedures is attached for your information. The Governance Committee met on June 23 and a progress report will be provided. The report from the Government Accountability Office has not yet been released. MWCOG completed its research report (dated June 8, 2011). A copy of the Executive Summary is attached for your information.

B. June Vital Signs Report.

Copies are attached of WMATA's monthly performance report and NVTC staff's short summary.

C. FY 2012 Budget Hearings.

Excerpts are attached describing the WMATA Board's action on the budget following public hearings. The \$66 million operating budget shortfall was closed with no Metrorail fare increase or service adjustments and modest bus service reductions in the District of Columbia. All three jurisdictions agreed to increase their subsidies. The operating and capital budget totals \$2.5 billion.

D. General Manager's Report.

The report presented on June 23, 2011 by Richard Sarles to the WMATA Board is attached for your information.



E. Plans for New Fare Collection System.

As explained in the attached article, WMATA intends to initiate a fare collection system that will utilize cell phones, credit cards and other devices such as federal identification cards. Seven companies have submitted proposals to guide the transition. Almost \$50 million annually is budgeted to cover costs of fare collection under the current proprietary system. The new system is expected to save \$34 million per year after starting costs of \$60 million. It will first replace magnetic strip cards and eventually SmarTrip cards.

F. Safety Update.

The attached article describes progress in responding to the recommendations of the National Transportation Safety Board. WMATA recently commemorated the second anniversary of the Red Line crash.

G. Cinder Bed Road Bus Garage.

The WMATA Board approved a design-build contract for a new bus garage in Virginia that will replace the Royal Street garage in Alexandria. The attachment provides details about the \$55 million maximum price contract. The entire project is budgeted at \$96 million.



NVTC

Northern Virginia Transportation Commission

June 2, 2011

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Vice Chairman
Hon. Jay Fisette

Secretary/Treasurer
Hon. Jeffrey McKay

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Executive Director
Richard K. Taube

The Honorable Catherine Hudgins
Chairman
Washington Metropolitan Area Transit Authority
600 Fifth Street, NW,
Washington DC 20001-2693

Dear Chairman Hudgins:

As you know, the Northern Virginia Transportation Commission reviewed WMATA's proposed By-Laws, Procedures and Code of Ethics at its meeting of June 2, 2011. The commission has been briefed regularly for several months by the Chairman of WMATA's Governance Committee, Mary Hynes. At this point we wish to offer our comments as the WMATA Board considers formal action later this month on the new By-Laws and changes to the previous Procedures.

In general NVTC applauds the rigorous approach of the WMATA Board in carefully crafting a set of By-Laws, that in combination with the Procedures and Code of Ethics, should provide for an open, transparent and effective Board structure. The commission appreciates the outreach from WMATA's Governance Committee and the proactive way in which the WMATA Board has addressed many of the issues identified in previous studies by outside groups.

Throughout the process of drafting those items, WMATA's Governance Committee has invited reactions and suggestions by local staff. At this point the staff of NVTC's jurisdictions have no outstanding issues not previously addressed by the Governance Committee.

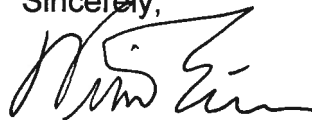
Members of the commission did discuss at length the role of alternates on the WMATA Board. NVTC strongly favors retaining the current practice of alternates fully participating and voting on committees, while only principals vote at meetings of the full board. There are several reasons for favoring the current structure, including:

- Committees are able to have richer discussions with the full participation of alternates.
- Because alternates do not vote at the full board (unless their principal member is absent), the full board is not unwieldy with only a maximum of eight votes.
- Alternates are much better informed by fully participating in committees and therefore can effectively substitute for their principal members when necessary with a full understanding of the issues.
- Careful consideration of issues at the committee level in fact serves to streamline the full board meetings.
- While the proposed new By-Laws confirm that each board member has an obligation to serve the best interests of the WMATA system, without the use of alternates two of NVTC's jurisdictions that pay for WMATA service would not have direct representation or voting rights at even the committee level.
- NVTC co-owns the Virginia Railway Express, which successfully permits alternates to actively participate in full board meetings, while only principals vote, just as is currently the case at WMATA.

NVTC understands that the WMATA Board is ready to work with the Governors/Mayor of Virginia, Maryland and D.C. to examine other governance changes that may require Compact amendments. Any such changes to the Compact should be devised in a collaborative manner.

Thank you for the opportunity to comment and our best wishes to the WMATA Board as it considers action on the final By-Laws and related documents.

Sincerely,



William Euille
Chairman

cc: Mary Hynes (Chairman, WMATA Governance Committee)

Research Report
for the WMATA
Governance Work Group
(GWG)

National Capital Region Transportation Planning Board

June 8, 2011

Preface

In March 2011, the National Capital Region Transportation Planning Board (TPB) amended the technical assistance program in the FY 2011 Unified Planning Work Program in response to requests from the Secretaries of Transportation from Virginia and Maryland and the Acting Director of the District of Columbia Department of Transportation for research support on five topics related to WMATA board functions and WMATA funding needs. Two topics (roles and responsibilities of the Board and Chair, and the Board's focus on high-level policy and capacity to act as a regional body) were subsequently combined into one research section.

The research support requested of the TPB was a review of the relevant literature and the practices of WMATA's peer agencies. Thirteen peer agencies were selected by TPB staff based on lists of the ten largest transit agencies in North America by ridership and by budget. Seven agencies appeared on both lists, resulting in a list of thirteen. Some of the information in this report was obtained online, most commonly on the agencies' websites or those of local and state governments. Much of the information was difficult to locate online or was unavailable; in these cases, the required information was obtained by contacting the agencies in question, and making FOIA requests if necessary.

In May 2011, a draft version of this report was submitted to the TPB and the WMATA Governance Work Group (GWG) created by the two Governors and the Mayor. To improve the accuracy and the credibility of the information contained therein, a spreadsheet containing the key data was sent to the thirteen peer agencies for their review. All the feedback obtained and the ongoing investigative efforts of the research team have been incorporated into this updated version of the report. It is hoped that it will represent a useful resource to the GWG, WMATA's Governance Committee, and other organizations and stakeholders invested in the success of the region's transport system.

Acknowledgements

Research Leader: Ronald F. Kirby, Director of Transportation Planning, TPB

Researchers / Writers: Gerald Miller, Gareth James, and Steven Kania

1. Roles and Responsibilities of Board and Chair: Board's Focus on High-Level Policy and Capacity to Act as a Regional Body

According to the American Public Transportation Association (APTA), approximately 90 percent of transit agencies have a Board of Directors, the entity that is primarily responsible for policymaking. In addition to the Board itself, other entities involved in the governance of a transit agency include a CEO or GM who oversees day-to-day management, as well as the individuals and authorities that appoint Board members.

Much has been written about transit Board roles and responsibilities. The Transportation Research Board (TRB) noted “the roles of board governance and management [in transit agencies] are often blurred and the distinction between oversight and interference is unclear.” The report of the Joint WMATA Governance Review Task Force sponsored by the Greater Washington Board of Trade and the Metropolitan Washington Council of Governments concluded that a transit system’s success requires all governance entities to have clearly delineated roles and responsibilities and a commitment to adhere to them.

A governance report by WMATA’s Riders’ Advisory Council urged the WMATA Board to spend more time discussing and developing policies on issues such as land use, fares, budget, and service. It said “the Board currently spends very little time defining high-level policy. Understandably, they are all busy people and often have to focus on the most urgent matters. However, this creates the perception of micromanagement.” The RAC also called on the Board to “act as a regional body rather than as individuals.”

In its “Transit Board Member Handbook,” APTA stressed the Board Chair’s key responsibilities, which include keeping the Board focused on its mission as well as the needs of the region. APTA stated the Chair should lead the Board’s communications with the GM and share with the GM the responsibility for orienting the authority to the future. APTA also recommends that he or she should educate other Board members and cultivate among them a strong sense of accountability.

Eight of the thirteen peer agencies we examined have formally developed roles or responsibilities for their Board, and seven have done so for their Chair. Four of the thirteen agencies have developed roles or responsibilities for both their Board and Chair. Until recently, WMATA had done so for neither, although the agency has proposed bylaws that detail the responsibilities of the Board and Chair. There are some commonalities across the peer agencies between the roles and responsibilities of the Board and Chair. However, apart from basic functions such as a requirement for the Chair to preside at Board meetings, most of the roles and responsibilities vary significantly from agency to agency and defy easy categorization. For this reason, Board and Chair roles and responsibilities for the vast majority of the agencies that we examined are summarized in the ‘practices of peer agencies’ section of this research.

2. Public Input Processes in Board Decision-Making

Citizen advisory committees

According to the “Report on Governance of the Washington Metropolitan Area Transit Authority” by the Riders’ Advisory Council (RAC), Board decision-making should include a clear and accessible public input process. The report said one option to improve this process would be for the RAC to play an increased role in helping share information and soliciting public input. The Transportation Research Board (TRB) has also examined public involvement in transit planning and operations, specifically the role of advisory committees. Its report, “Effective Use of Citizen Advisory Committees for Transit Planning and Operations,” found that advisory committees are most likely to provide input on policy issues and issues related to public involvement and outreach. The majority of transit agencies surveyed by the TRB reported serious consideration of advisory committee input and recommendations by their decision makers.

More than half of the peer agencies we examined have at least one standing citizen advisory committee, and most of these committees meet on a monthly basis. WMATA has a citizen advisory committee, the RAC, which meets monthly.

Public comment

The RAC recommended that WMATA committee meetings and special Board meetings include a public comment period like regular Board meetings. It also urged the WMATA Board to repeal a provision limiting the number of times a year an individual can participate in public comment.

While all of the peer agencies we reviewed dedicate time in their Board meetings for public comment, they vary in their public comment procedures. We found only five agencies that allow public comment during committees meetings. More than half of the peer agencies dedicate an early section of their agenda for public comment, while the rest allow multiple opportunities for public comment. Across the agencies, speaker time limits range from one to fifteen minutes. Most agencies do not specify an overall time limit for their public comment periods or limit the number of times a year someone can participate. WMATA has a public comment period early in its agenda. It allows speakers two minutes each and its public comment period has an overall time limit of twenty minutes. People are currently limited to speak only once every three months—or four times a year—at WMATA Board meetings. (WMATA is considering a change in its Procedures to remove this limit.)

Public input information online, access to Board members, Board information

The RAC recommended a clear mechanism for riders to contact individual members and for the members to be equipped to follow up on riders' requests.

Only one of the peer agencies we examined has links to contact information for each of its Board members (TTC - Toronto) on its web site. Another one includes a partial list (LA Metro – Los Angeles) of Board members' contact information. It is more common for agencies to list contact information for their full Board (five agencies) or not at all (six agencies). The majority of peer agencies post their meeting minutes online but less than half make live webcasts of their Board meetings available online. WMATA currently posts an email address for its full Board online and its 'Community Outreach' link on the home page directs people to public hearings and meetings. The minutes and live audiocasts of WMATA Board meetings are available online.

3. Appointment of Board Members

Appointment process - selection

The Transportation Research Board (TRB) identifies seven types of transit Board selection methods including 'Elected Official Boards', 'Appointment by Non-Elected Official Boards' and 'Publicly Elected Boards'. Much of the literature favors a Board of appointed members, but some contend that transit Boards should be composed of elected officials in order to ensure the Board conducts its affairs with transparency. The TRB does not strongly advocate a particular Board type.

The agencies we examined have a wide variety of Board selection methods. Only one Board is composed entirely of elected officials, and just two prohibit the appointment of elected officials. In fact, most agencies have methods that may be considered a blend, with elected officials and non-elected appointees sitting on the same Board. In this regard, WMATA's practice is in line with that of its peers. Unlike all of its peers, however, WMATA has alternate members who serve in a permanent capacity. At other agencies, it is typical for alternate members to serve on an ad-hoc basis in the unavoidable absence of primary members, whereas WMATA allows its alternate members to participate in Board meetings and vote in Committee meetings.

Other key features of the appointment process

The TRB suggests that a transit Board must be *balanced* to perform effectively. This means that it should include members from a variety of backgrounds such as politics, business, finance, marketing, and law.

Five of the thirteen agencies we examined have included an experiential criterion in their appointment process. The level of detail ranges from a simple requirement that members possess "recognized business ability" (CTA - Chicago) to that outlined in an annually-

updated 'skills and experience profile' (TransLink - Vancouver). Midway between these two extremes is the MBTA - Boston, whose five-member Board is composed of two persons with a background in transportation finance, two persons with a background in transportation planning, and one civil engineer. In line with a slight majority of its peers, WMATA does not have a formal experiential component in its appointment process.

Four of the thirteen agencies we examined have a residential criterion and three agencies have a ridership criterion. WMATA makes no stipulations regarding Board members' places of residence, and only one of its members, a federal representative, is required to be a regular rider of the transit system.

Board size

According to the TRB, the size of transit Boards ranges from 5 to 23 members, with medium-sized boards (7 to 10 members) being the most popular.

Our research echoes that of the TRB. Eight of the thirteen agencies that we examined have between 7 and 10 members, with the other five having between 12 and 17 members. The size of the WMATA Board may be viewed as 8 members (if one considers only primary members) or 16 members (if one includes the alternate members). According to one's point of view on this matter, the size of the WMATA Board is at the low end or the high end compared to its peers.

Board member term lengths

The TRB states that term limits for Board members are an effective way to ensure Board vitality and new ideas.

All thirteen agencies we examined have term lengths, ranging from two years (TTC - Toronto) to seven years (CTA). Three of the agencies expressly limit the number of repeat terms that may be served, while a further three state that the number of repeat terms is unlimited. Unlike all of its peers, WMATA does not have a formal policy regarding term lengths and limits. Its members may serve indefinitely according to the discretion of the authority that appoints them, and as the appointing authorities have not collectively agreed upon how to exercise this discretion, there is presently an uncoordinated mix of indefinite term lengths in some jurisdictions and quasi-formal term limits in others.

Chair selection process

Like the Board appointment process, the process for selecting Board Chairs varies significantly between agencies. Boards are responsible for electing their Chair at nine of the thirteen agencies we examined, although at two agencies, the election is conducted in accordance with a prescribed jurisdictional rotation. Until recently, a jurisdictional rotation has also been in effect at WMATA, although the agency has proposed bylaws

that would put an end to this practice and allow members to elect a Chair without regard to jurisdiction of residence or representation.

At least three of the agencies we examined establish a Nominating Committee as part of their Chair selection process.

Of the four agencies whose Boards do not select their Chairs, the responsibility falls to the Governor in three cases, and to the City Council in the other.

Chair term lengths

Chair term lengths are typically between one and three years. This is the case at nine of the thirteen agencies we examined, and it is also the case at WMATA. Of the remaining four agencies, one has a term length of four years, one has a term length of six years, and two allow their Chairs to serve indefinitely.

4. Funding Needs

Operating and capital shortfalls

The 2009 “Rail Modernization Study” conducted by the Federal Transit Administration (FTA) quantified the current and future capital funding needs of WMATA and the systems in Boston, Chicago, New York, New Jersey, Philadelphia, and San Francisco (BART). The study suggests that WMATA has unfunded capital needs in line with these other agencies, and has identified its unfunded capital needs in a manner similar to the nation’s largest rail transit agencies. The study assessed the level of capital investment needed to attain and maintain a state of good repair (SGR) for the agencies and estimated that over the next twenty years an annual investment shortfall of \$3 billion must be addressed.

A review of recent budget documents for the agencies in Chicago, Boston, San Francisco, and Philadelphia demonstrates that their unfunded capital needs are significant and growing. For example, the CTA in Chicago reported \$6.8 billion in unfunded needs. The MBTA in Boston faced a \$2.7 billion maintenance backlog and a debt load of \$8 billion. BART reported a \$7.5 billion capital shortfall over the next 25 years. SEPTA reported \$4 billion in unfunded capital needs. In fact, all of the major agencies have recently faced significant operating and/or capital funding shortfalls due to the economic downturn. This includes those which have dedicated state and local revenue sources such as sales or gas taxes, as the income from such sources has dropped significantly.

Actions taken in response to the economic downturn

In March 2010, APTA conducted a survey of its member transit agencies to report on actions they have taken since January 2009 in response to the national economic downturn. The large agencies reported that 54% cut peak period service, 31% reduced geographic coverage, 54% increased fares, 70% transferred capital funds to operations,

and 54% used funding reserves. Since January 2009, WMATA has increased fares and reduced some bus and rail services. The large agencies also reported a number of internal actions to reduce their costs including: 54% had a hiring freeze, 69% had a non-union salary freeze or reduction, 31% had a union salary freeze or reduction, 80% reduced positions, and 57% had layoffs. WMATA in the past three years has reduced costs by \$165 million through consolidations, ending non-essential programs, and automating certain functions.

The budgeting process

A review of WMATA and the peer agencies' recent budget documents indicates that they utilize similar annual operating and capital budgeting processes to identify their short-term and long-term funding needs. For many years, WMATA has identified its capital needs for rehabilitation and replacement and has not been able to fully fund them. In 2001, WMATA anticipated a shortfall of \$3.7 billion over the next 25-year period.

MetroAccess

In FY 2012, MetroAccess will serve about 2.5 million passenger trips per year with a total operating budget of \$120 million and a subsidy cost of \$113 million. MetroAccess ridership and its funding needs are projected to continue to grow in the future.

A consultant review of WMATA and eleven of the peer agency paratransit services highlighted the following: WMATA's service is organized and administered like most of the peers with direct operations provided by subcontractors. WMATA's current fare (twice the fixed-route fare) is generally higher than its US peers. Its service area population is similar to that of Philadelphia, Toronto, and Boston. In 2009, WMATA reported 2.1 million trips, similar to the ridership in Boston, Philadelphia and Toronto. In 2009, its subsidy cost was fourth highest behind New York, Chicago and Los Angeles. From 2005 to 2009, WMATA's cost efficiency (cost per hour and cost per mile of service) was better than the peer average, while its productivity in trips delivered per hour was among the lowest of the agencies. This resulted in its cost per trip being the third highest behind New York and BART, with Chicago fourth.

The Davis bill

In July 2005, Representative Tom Davis introduced a bill to authorize \$1.5 billion to WMATA over 10 years for financing the capital and preventive maintenance projects included in WMATA's Capital Improvement Program. After considering and amending the Davis bill, Congress passed the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) that authorizes up to \$1.5 billion in federal funds over ten years if matched by dedicated revenues from WMATA's funding partners. PRIIA funds have been appropriated and utilized with local match for the WMATA FY 2011 and FY2012 Capital Budgets. While this new dedicated funding is notable progress in addressing WMATA's capital needs, the funds are not guaranteed in that they are subject to annual Congressional appropriation.

Potential changes to federal policy

The 2009 “Rail Modernization Study” conducted by the FTA recommended that Congress and FTA consider modifying the fixed guideway fund formula to reflect the needs of larger, older systems. It suggested that a new temporary State of Good Repair (SGR) investment fund be created to address backlog.

In his testimony to the U.S. Senate Committee on Banking, Housing, and Urban Affairs in May 2011, FTA Administrator Peter Rogoff called for a 6-year SGR program that would provide formula grants to improve the condition of existing capital assets, and to help achieve the goal of putting safety first.

NVTC Monthly Summary of Systemwide Metrorail and Metrobus Performance

June 2011

System-wide Ridership Data (millions of one-way passenger trips)

	Feb-11	Mar-11	Apr-11		Feb-11	Mar-11	Apr-11
FY 2011 Metrorail	15.98	19.7	19.3	FY 2011 Metrobus	9.72	11.5	10.8
FY 2010 Metrorail	13.40	20.3	20.8	FY 2010 Metrobus	7.09	11	10.8

Budget

Month to Month Budget Variance (\$ Millions)

	Apr-10	Apr-11	Apr-11	
	Actual	Actual	Budget	Variance
Revenue	\$70.8	\$67.6	\$72.8	-7%
Expense	\$110.0	\$114.2	\$120.6	5%
Subsidy	\$39.1	\$46.6	\$47.8	2%
Cost Rec.	58%	64%	59%	

Fiscal Year To Date Budget Variance (\$ Millions)

	Apr-10	Apr-11	Apr-11	
	Actual	Actual	Budget	Variance
Revenue	\$608.4	\$661.5	\$686.3	-4%
Expense	\$1,152.1	\$1,172.7	\$1,217.7	4%
Subsidy	\$543.7	\$511.2	\$531.4	4%
Cost Rec.	52%	56%	56%	

Source: WMATA Monthly Financial Reports

On-Time

Bus On-Time Performance	FY 2010	FY 2011
Nov	74.0%	74.0%
Dec	75.0%	75.7%
Jan	79.4%	78.5%
Feb	70.6%	76.9%
Mar	76.6%	77.5%
Apr	73.8%	76.3%

Rail On-Time Performance

	FY 2010	FY 2011
Nov	N/A	88.5%
Dec	N/A	87.9%
Jan	N/A	85.1%
Feb	N/A	88.7%
Mar	N/A	91.0%
Apr	N/A	91.0%

Source: WMATA Vital Signs Reports

Safety

Preventable and Non-Preventable Customer Injury Rate (per million trips)*

	Dec	Jan	Feb	Mar
FY 2011	1.49	2.08	1.66	2.16

* includes Metrorail, rail facilities, Metrobus, and Metroaccess

Crime Rate (per million trips)

	Jan-11	Feb-11	Mar-11
Bus	0.86	0.31	0.95
Rail	6.63	4.68	3.96
Parking	3.06	2.5	1.78

Customer Complaint Rate (per million trips)

	Jan	Feb	Mar	Apr
FY 2011	130	148	128	113
FY 2010	119	162	140	124

Source: WMATA Vital Signs Reports

Reliability

Bus Fleet Reliability by Fuel Type (target = 7,400)

Miles Without Service Interruption

	CNG	Hybrid	Clean D.	Diesel
Apr-11	7,790	9,536	9,442	5,012
Mar-11	9,802	10,433	7,637	5,340

Rail Fleet Reliability by Series (target = 60,000)

Miles Without Service Interruption

	1000	5000	6000	All
Apr-11	29,118	46,561	57,550	39,302
Mar-11	43,866	41,251	94,443	50,328

Escalator Availability

(Target = 93%)

Apr-11	86.2%
Mar-11	86.9%

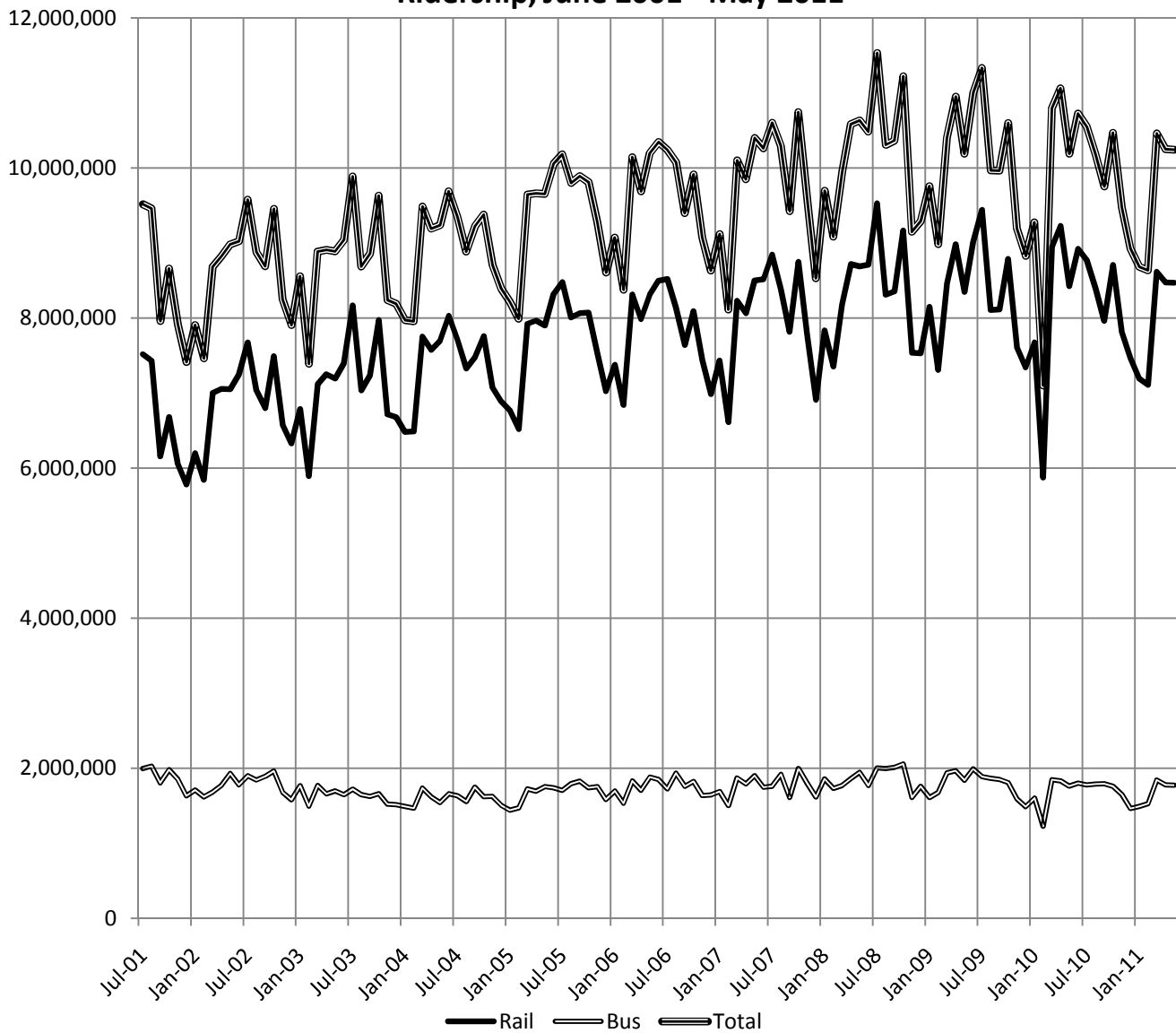
Elevator Availability

(Target = 97.5%)

Apr-11	96.4%
Mar-11	96.9%

Source: WMATA Vital Signs Reports

Northern Virginia Metrobus, Metrorail, and Combined Monthly Ridership, June 2001 - May 2011



Northern Virginia Ridership Data (thousands of one-way passenger trips)

	November	December	January	February	March	April	May
Metrorail FY 2011	7,823.9	7,463.6	7,190.9	7,108.7	8,615.1	8,473.5	8,467.7
Metrorail FY 2010	7,603.7	7,340.3	7,675.1	5,874.8	8,946.4	9,226.4	8,424.9
Metrorail 5 yr. Avg. (FY 06-10)	7,578.1	7,157.9	7,693.5	6,797.7	8,426.1	8,594.4	8,454.3
Metrobus FY 2011	1,650.5	1,464.0	1,491.6	1,516.8	1,843.3	1,746.3	1,774.8
Metrobus FY 2010	1,591.9	1,486.2	1,599.8	1,225.5	1,846.9	1,832.2	1,764.0
Metrobus 5 yr. Avg. (FY 06-10)	1,678.8	1,618.4	1,690.4	1,533.5	1,850.6	1,831.0	1,865.2

Vital Signs Report

A Scorecard of Metro's

Key Performance Indicators (KPI)



Office of Performance

Chief Performance Officer

Published: June 2011

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Introduction

The Vital Signs Report presents a monthly analysis of a few key performance indicators (KPI's) that monitor long term progress in the strategic areas of safety, security, service reliability and customer satisfaction. Each month the report is presented to our Board of Directors and posted online so the public can monitor Metro's performance.

As a regional transportation system, Metro's system-wide performance is captured in the Vital Signs Report. The report is not designed to measure the experience of individual customers using Metro's services. Instead, the Vital Signs Report communicates if the Metro system's performance is improving, deteriorating, or remaining steady.

Detailed performance analysis is presented in the Vital Signs Report through answers to two prime questions: Why did performance change? What actions are being taken to improve performance? Metro is focused on these two questions to continually push to improve.

The Vital Signs Report demonstrates Metro's commitment to be transparent and accountable to our Board of Directors, jurisdictional stakeholders and the public. The monthly report documents performance results, and strives to hold WMATA's management accountable for what is working, what is not working and why.

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Table of Contents

Introduction	3
Executive Summary	6
Strategic Framework.....	7
Metro Facts at a Glance.....	8
KPI's that Score How Metro is Performing.....	10
Bus On-Time Performance (April)	10
Bus Fleet Reliability (April)	11
Rail On-Time Performance (April)	12
Rail Fleet Reliability (April).....	13
MetroAccess On-Time Performance (April)	14
Escalator System Availability (April)	15
Elevator System Availability (April)	16
Customer Injury Rate (March)	17
Employee Injury Rate (March)	18
Crime Rate (March).....	19
Arrests, Citations and Summonses (March)	20
Customer Comment Rate (April).....	21
Definitions	22
Performance Data.....	24

Vital Signs Report – June 2011

Executive Summary

Rail on-time performance stayed steady this month at 91% due to schedule monitoring and train spacing management. A corresponding improvement was seen in rail customer complaints, dropping 30% in April. This was particularly notable as the rail fleet reliability worsened by 22% in April.

Metrobus on-time performance was better than April 2010 but declined from March. This was a result of more buses arriving late due to interruptions from special events and road construction. Bus fleet reliability dropped slightly below the target for the first time in six months, primarily due to engine troubles on newly received Hybrid buses. Complaints from Metrobus customers declined slightly in April.

MetroAccess on-time performance remained steady in April 2011 as there were no further changes in fares or major changes to service. Complaints decreased in April as MetroAccess customers became more accustomed to recent schedule and fare adjustments.

Escalator availability reduced slightly in April as Metro focused on modernizing escalators and improving the quality of repairs. Elevator availability declined slightly as decreases in scheduled maintenance were offset by increases in communications and flooring repairs.

Metrorail and Metro parking crime rates hit record lows in March. The Metrorail crime rate reached the lowest level since May 2009. The parking crime rate continues to trend downward, hitting a six year low. Metrobus crime rate however increased in March 2011.

In March customer injuries were above target as a result of an increase in bus passenger injuries. However, customer injuries in rail facilities (stations, escalators and parking facilities) continued to decline. The employee injury rate remained steady during March.

Future Performance Action Highlights:

- Railcar Maintenance staff will continue to improve its parts ordering process to reduce the time it takes to repair railcars.
- Metro will work with the District Department of Transportation to identify alternatives that stabilize road traffic patterns and minimize Metrobus wait times.
- Metrobus staff will work with the fleet hybrid manufacturer to resolve engine failures.
- Elevator/Escalator Services will identify additional staffing resources needed to attain 85% preventive maintenance compliance.
- Transit Police will have 14 new officers joining the police force. The recruits recently completed 37 weeks of training.

Strategic Framework Overview

There are five strategic goals that provide a framework to quantify and measure how well Metro is performing. Each of the goals have underlying objectives intended to guide all employees in the execution of their duties. Although Metro is working on all goals and objectives only a select number of performance measures are presented in the Vital Signs Report to provide a high-level view of agency progress.

5 Goals

- | | |
|-------|--|
| Goals | <ol style="list-style-type: none"> 1. <u>Create</u> a Safer Organization 2. <u>Deliver</u> Quality Service 3. <u>Use</u> Every Resource Wisely 4. <u>Retain, Attract</u> and <u>Reward</u> the Best and Brightest 5. <u>Maintain</u> and <u>Enhance</u> Metro's Image |
|-------|--|

12 Objectives

Goal	Objective
1	1.1 <u>Improve</u> customer and employee safety and security ("prevention")*
	1.2 <u>Strengthen</u> Metro's safety and security response ("reaction")
2	2.1 <u>Improve</u> service reliability
	2.2 <u>Increase</u> service and capacity to relieve overcrowding and meet future demand
	2.3 <u>Maximize</u> rider satisfaction through convenient, comfortable services and facilities that are in good condition and easy to navigate
	2.4 <u>Enhance</u> mobility by improving access to and linkages between transportation options
3	3.1 <u>Manage</u> resources efficiently
	3.2 <u>Target</u> investments that reduce cost or increase revenue
4	4.1 <u>Support</u> diverse workforce development through management, training and provision of state of the art facilities, vehicles, systems and equipment
5	5.1 <u>Enhance</u> communication with customers, employees, Union leadership, Board, media and other stakeholders
	5.2 <u>Promote</u> the region's economy and livable communities
	5.3 <u>Use</u> natural resources efficiently and reduce environmental impacts

*WMATA Board of Directors System Safety Policy states:

1. To avoid loss of life, injury of persons and damage or loss of property;
2. To instill a commitment to safety in all WMATA employees and contractor personnel; and
3. To provide for the identification and control of safety hazards, the study of safety requirements, the design, installation and fabrication of safe equipment, facilities, systems, and vehicles, and a systematic approach to the analysis and surveillance of operational safety for facilities, systems, vehicles and equipment.

Metro Facts at a Glance

Metro Service Area

Size	1,500 sq. miles
Population	3.5 million

Ridership

Mode	FY 2010	Average Weekday
Bus	124 million	433,508 (April 2011)
Rail	217 million	771,055 (April 2011)
MetroAccess	2.4 million	7,649 (April 2011)
Total	343.4 million	

Fiscal Year 2011 Budget

Operating	\$1.5 billion
Capital	\$0.7 billion
Total	\$2.2 billion

Metrobus General Information

Size	11,624 bus stops
Routes*	323
Fiscal Year 2011 Operating Budget	\$538 million
Highest Ridership Route in 2009	30's – Pennsylvania Ave. (16,330 avg. wkdy ridership)
Metrobus Fare	\$1.70 cash, \$1.50 SmarTrip®, Bus-to-bus Transfers Free
Express Bus Fare	\$3.85 cash, \$3.65 SmarTrip®, Airport Fare \$6.00
Bus Fleet*	1,491
Buses in Peak Service	1,244
Bus Fleet by Type*	Compressed Natural Gas (460), Electric Hybrid (401), Clean Diesel (116) and All Other (514)
Average Fleet Age*	6.4 years
Bus Garages	9 – 3 in DC, 3 in MD and 3 in VA

*As of December 2010.

Metrorail General Information

Fiscal Year 2011 Operating Budget	\$822 million
Highest Ridership Day	Obama Inauguration on Jan. 20, 2009 (1.1 million)
Busiest Station in 2010	Union Station (34,713 average weekday boardings in April)
Regular Fare (peak)	Minimum - \$2.20 paper fare card, \$1.95 SmarTrip® Maximum - \$5.25 paper fare card, \$5.00 SmarTrip®
Reduced Fare (non-peak)	Minimum - \$1.85 paper fare card, \$1.60 SmarTrip® Maximum - \$3.00 paper fare card, \$2.75 SmarTrip®
Peak-of-the-peak Surcharge	\$.20 - weekdays 7:30 – 9 a.m. and 4:30 – 6 p.m., depending on starting time of trip
1 st Segment Opening/Year	Farragut North-Rhode Island Avenue (1976)
Newest Stations/Year	Morgan Boulevard, New York Avenue, and Largo Town Center (2004)
Rail Cars in Revenue Service	1,104
Rail Cars in Peak Service	850
Rail Cars by Series	1000 Series (288), 2000/3000 (362), 4000 (100), 5000 (184) and 6000 (184)
Lines	5 – Blue, Green, Orange, Red and Yellow
Station Escalators	588
Station Elevators	237
Longest Escalator	Wheaton station (230 feet)
Deepest Station	Forest Glen (21 stories / 196 feet)
Rail Yards	9 – 1 in DC, 6 in MD and 2 in VA

MetroAccess General Information

Fiscal Year 2011 Operating Budget	\$104 million
MetroAccess Fare	Within the ADA service area – twice the equivalent SmarTrip-based fare up to a \$7 maximum
Paratransit Vehicle Fleet**	600
Average Fleet Age**	3.12 years
Paratransit Garages	7 (1 in DC, 4 in MD and 2 in VA)
Contract Provider	MV Transportation

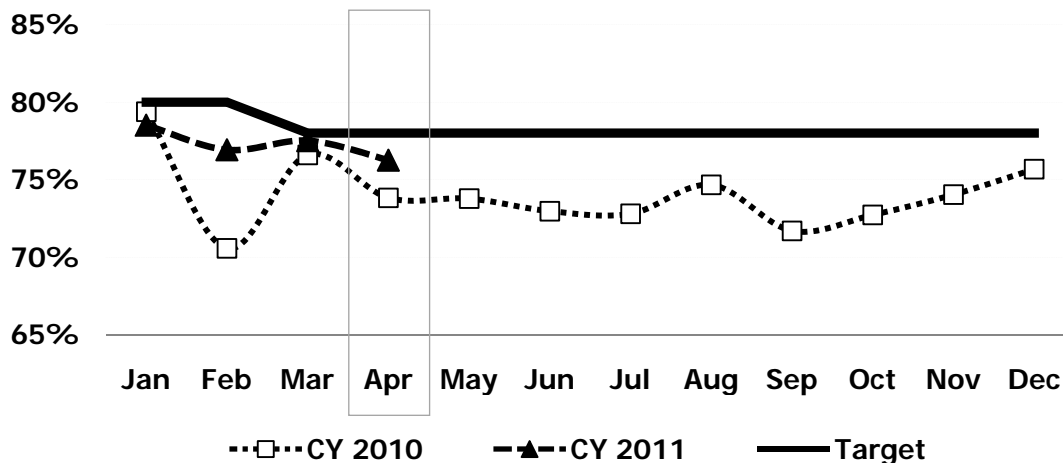
***As of February 2011.*

Reason to Track: This indicator illustrates how closely Metrobus adheres to published route schedules on a system-wide basis. Factors which affect on-time performance are traffic congestion, inclement weather, scheduling, vehicle reliability, and operational behavior. Bus on-time performance is essential to delivering quality service to the customer.

Why Did Performance Change?

- Bus on-time performance was better than April 2010 but declined from the prior month. The decline was primarily a result of more buses arriving late (nearly a 2 percentage point increase in buses running behind schedule).
- Spring marks the start of increased delays caused by a greater number of special events in the region. There were at-least five walks/races during the month of April, in addition to the International Monetary Fund (IMF) spring meeting and Cherry Blossom events which always result in road closures and detours.
- Additional roadway construction also drove the decline of on-time performance, such as the Constitution Avenue road construction project (an 8 month project) and the 11th Street bridge project. Roadway construction tends to peak during the spring.

Bus On-Time Performance



Actions to Improve Performance

- Dispatch Service Operation Managers to monitor interruptions caused by special events and road construction. Service Operation Managers will implement real time solutions and/or recommend service detours.
- Adapt to special events and construction street closings by implementing route detours that create the least amount of inconvenience to the customer while attempting to adhere to the schedule.
- Bus Planning and Government Relations will work with the District Department of Transportation to review and discuss alternatives that stabilize traffic patterns and minimize extended wait times.

Conclusion: April's on-time performance declined as a result of increased roadway construction and special events; these activities tend to increase during the spring season causing extended wait times for customers. Metro is committed to identifying route alternatives that accommodate the customer and reduce wait times.

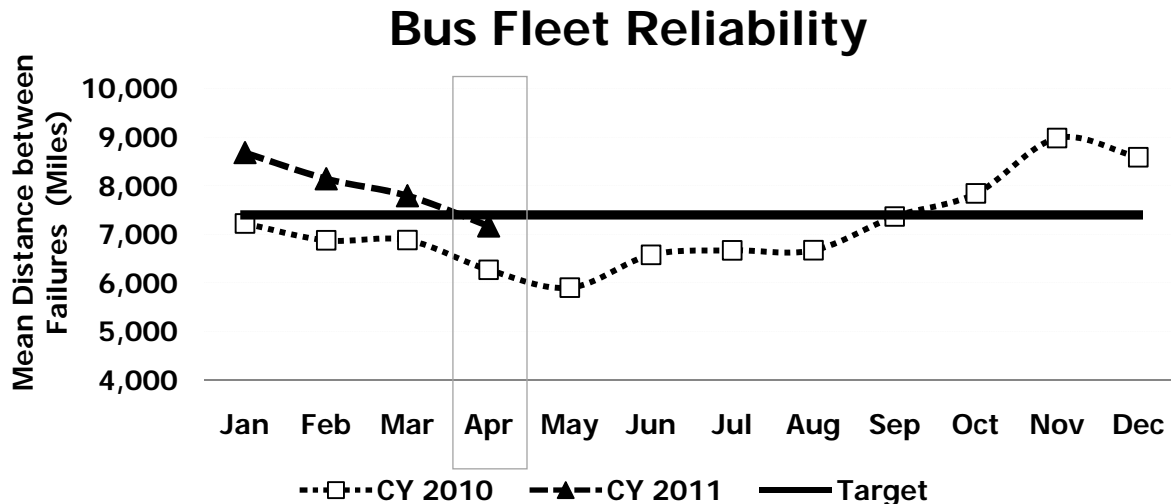
KPI: Bus Fleet Reliability (April)
(Mean Distance Between Failures)

Objective 2.1 Improve Service Reliability

Reason to Track: This key performance indicator communicates service reliability and is used to monitor trends in vehicle breakdowns that cause buses to go out of service and to plan corrective actions. Factors that influence bus fleet reliability are the vehicle age, quality of a maintenance program, original vehicle quality, and road conditions affected by inclement weather and road construction. For this measure higher miles are better, meaning that the vehicle goes farther without breaking down.

Why Did Performance Change?

- Bus fleet reliability dropped slightly below the target for the first time in six months. The declining performance was primarily due to engine troubles on newly received hybrid buses.
- Cooling system problems caused many of the engine failures. Bus Maintenance investigated the issue and obtained a new warranty from the manufacturer.
- Weather fluctuations also continued to cause problems with on board air pressure systems fleet wide and drove down overall fleet reliability. Air system failures were among the top two service interruptions, the other being engine failures.



Actions to Improve Performance

- Bus Maintenance will work with the manufacturer to replace coolant sensors and reprogram affected engine control.
- Continue to monitor month to month random fluctuations and address problems that arise.
- Bus Maintenance will revise a few standard operating procedures and develop action plans to aid in quickly identifying and resolving manufacturing problems as well as air system failures.

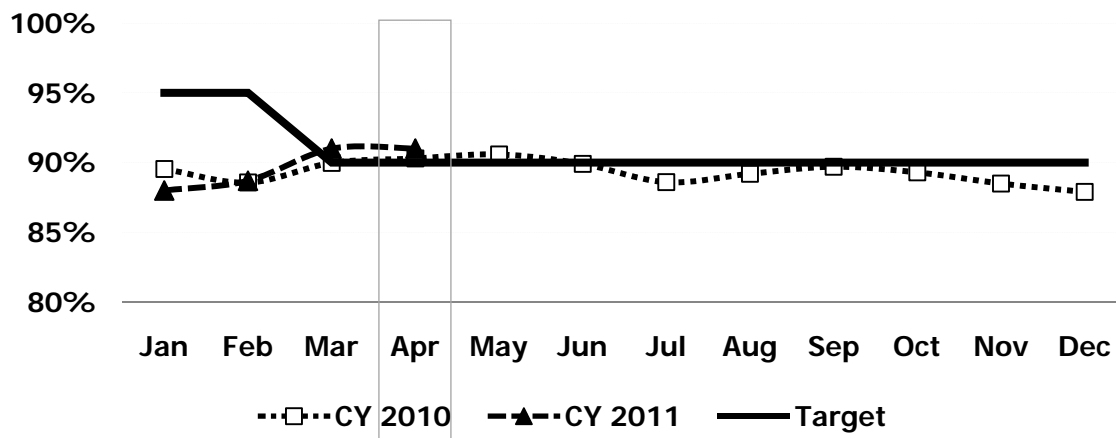
Conclusion: Bus fleet reliability fell below the target for the first time since the beginning of the calendar year. Staff will work with the hybrid fleet manufacturer to resolve engine failures.

Reason to Track: On-time performance measures the adherence to weekday headways, the time between trains. Factors that can affect on-time performance include track conditions resulting in speed restrictions, the number of passengers accessing the system at once, dwell time at stations, equipment failures and delays caused by sick passengers or offloads. On-time performance is a component of customer satisfaction.

Why Did Performance Change?

- Overall Metrorail on-time performance was maintained at 91% in April, the same as March. This is slightly above April performance last year, and exceeds the target of 90% while operating in manual mode.
- The Rail Operations Control Center continued to hold trains at stations for “schedule adjustments” in order to keep trains running on time. In addition, when controllers identified operators struggling to maintain schedules, supervisors conducted ride-alongs and provided coaching/training as needed. This level of monitoring and managing train spacing has resulted in improved on-time performance throughout the Metrorail system.
- Red Line on-time performance increased to 90.7%, the highest since May 2010. Adjustments to running time and supervisor monitoring have resulted in improved train spacing.
- The Orange Line performance was the highest of all lines for the second straight month, thanks to augmented service in the afternoons, and in spite of track work associated with the Dulles Metrorail extension.

Rail On-Time Performance



Actions to Improve Performance

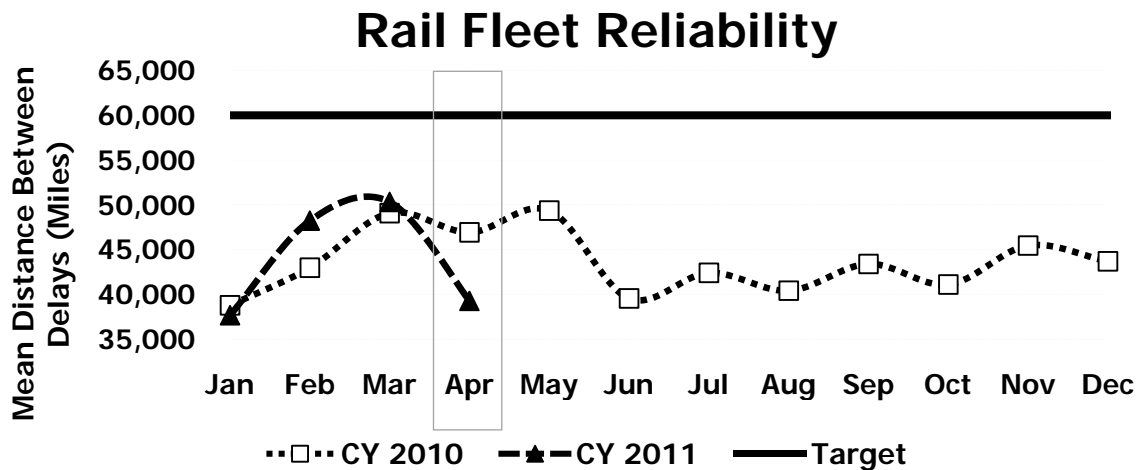
- All levels of Rail Transportation supervisors and managers are monitoring train headways to improve on-time performance. Train operators are being encouraged to closely monitor their train arrival/departure schedule, supervisors are on the platforms monitoring on-time performance and superintendents are reviewing trend information regularly to identify specific issues and develop targeted responses.
- In May, Metro will conduct major weekend, weeknight and weekday track maintenance work which could lead to declines in on-time performance for the duration of the work.
- On Memorial Day weekend, Metro will replace four rail switches at the Eastern Market station, a National Transportation Safety Board recommendation. Over the long run these types of major trackwork projects will lead to improved performance.

Conclusion: April on-time performance stayed steady this month at 91% due to schedule monitoring and train spacing management.

Reason to Track: Mean distance between delays communicates the effectiveness of Metro’s railcar maintenance program. This measure reports the number of miles between railcar failures resulting in delays of service greater than three minutes. Factors that influence railcar reliability are the age of the railcars, the amount the railcars are used, and the interaction between railcars and the track. The higher the mileage for the mean distance between delays, the more reliable the railcars.

Why Did Performance Change?

- Overall fleet reliability worsened significantly from March, with 23% more delay incidents > three minutes. The increase in delays was driven by increases in failures due to brakes, doors and ATC systems.
- Brake problems resulting in delays of > three minutes had the largest increase as maintenance staff continued to troubleshoot faults in the electronic brake control units on the 1000 Series railcars. Maintaining electronic brake control units as the parts wear out is dependent on finding replacement parts for the oldest cars in the fleet. Brake failures increased on the 4000 Series and 6000 Series cars during April as well, resulting in 15 more delays during the month.
- Even though staff is continuing to work with door system contractors to address door failures on the 2000-3000 and 6000 Series railcars, the rate of failure for these cars continues to outpace the remainder of the fleet. Increased incidents of customers holding doors also resulted in the increased door malfunctions for the 1000, 4000 and 5000 Series railcars.
- 28 of the 4000 Series cars were out of service due to circuit breakers tripping because of their age, and 40 5000 Series cars were out of service due to lack of compressor parts.



Actions to Improve Performance

- Railcar Maintenance staff will improve its parts ordering process to make sure that sufficient stores of component parts are available at each railcar shop to reduce the time it takes to repair railcars.
- Railcar Maintenance staff will install new circuit breakers in the 4000 Series cars, returning 28 cars to service.
- Maintenance and engineering personnel will gather repeat work order data to analyze the frequency of component failures and whether the repairs are solving the identified subsystem problems effectively.
- Railcar Maintenance staff will continue to address the maintenance impact of trains made up of mixed car types. The restriction to operate the 1000 Series railcars in a belly-only configuration will continue to impact overall railcar reliability as cars operate better with other cars of the same type.

Conclusion: For the 5,855,934 miles operated in April, the mean distance between delays worsened for April, due to an increase in brake problems, and lack of component parts to make repairs, keeping cars out of service.

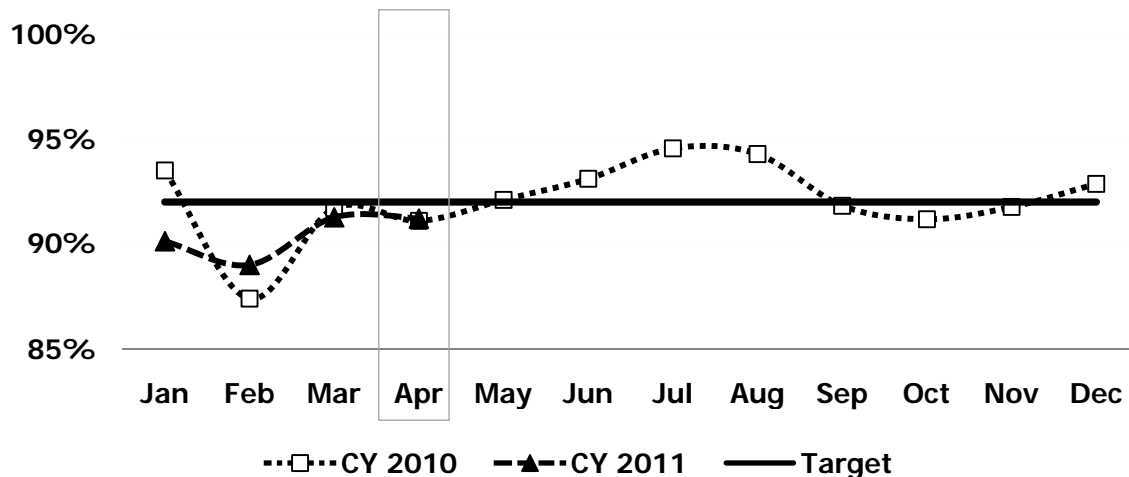
KPI: MetroAccess On-Time Performance (April) Objective 2.1 Improve Service Reliability

Reason to Track: On-time performance is a measure of MetroAccess service reliability and how well service meets both regulatory and customer expectations. Adhering to the customer's scheduled pick-up window is comparable to Metrobus adhering to scheduled timetables. Factors which affect on-time performance are traffic congestion, inclement weather, scheduling, vehicle reliability and operational behavior. MetroAccess on-time performance is essential to delivering quality service to customers, and meeting service criteria established through Federal Transit Administration regulatory guidance.

Why Did Performance Change?

- MetroAccess on-time performance remained steady in April and there were no major impacts to service provision.
- Staff continued to optimize efficiency and schedule adherence when building the daily schedule, and dispatchers were able to control and manage vehicles on the street effectively; resulting in steady on-time performance.

MetroAccess On-Time Performance



Actions to Improve Performance

- MetroAccess on-time performance is within a percentage point of the target of 92% through effective management of the service each day.
- MetroAccess staff will continue to monitor service provision and improve efficiency by continuing to educate customers about the impact of customer-driven changes to the schedule like cancelations and no-shows.

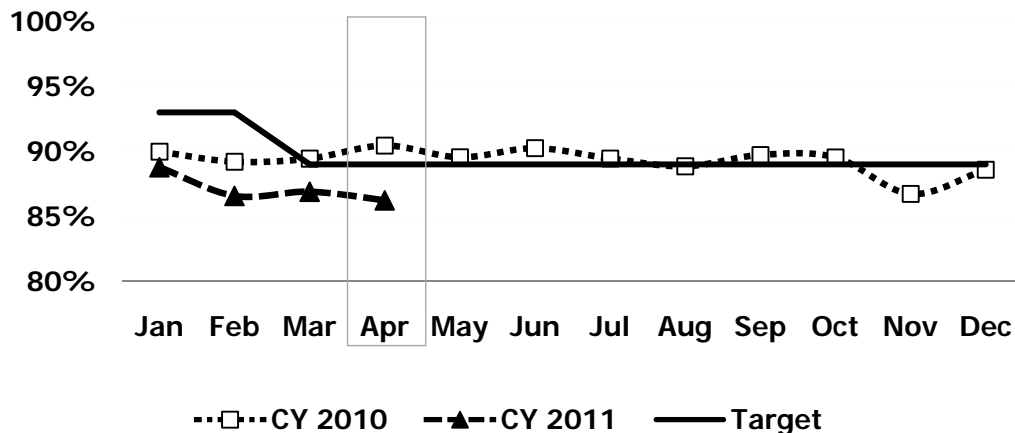
Conclusion: MetroAccess on-time performance was steady during April. Staff continues to implement measures designed to reduce costs while closely monitoring efficiencies and maintaining reliable service for customers.

Reason to Track: Customers access Metrorail stations via escalators to the train platform. An out-of-service escalator requires walking up or down a stopped escalator, which can add to total travel time and may make stations inaccessible to some customers. Escalator availability is a key component of customer satisfaction with Metrorail service. This measure communicates system-wide escalator performance (at all stations over the course of the day) and will vary from an individual customer’s experience.

Why Did Performance Change?

- Metro is modernizing (overhauling) more escalators in 2011 than 2010, reducing escalator availability in the short term. April 2011 escalator out-of-service hours for modernization are 40% higher than the same month in 2010. Modernization work accounted for twenty percent of all escalator out-of-service hours in April 2011 (including corresponding “walker” units).
- The time to repair escalators out of service for unscheduled maintenance increased by 12% in April, particularly service calls and inspection repairs. This is due in part to new processes put in place to improve maintenance quality. Metro inspectors are now checking the quality of inspection repairs before units go back into service. If items are identified by the inspector, the unit stays out of service for additional repair until re-inspected.
- 509 out of 588 escalators were operating in April 2011 (based on hours of available service). This represents a very small decrease from March, with three less escalators in operation for the month.

Escalator System Availability



Actions to Improve Performance

- Decrease the time escalators units are out of service for handrail repair by enhancing Metro’s in-house capability to join handrail material. In the past, contractors conducted this work for some escalator models, requiring units to stay out of service until contractors were available. Training will be conducted in May for escalator maintenance technicians.
- Elevator/Escalator Services will identify additional staffing resources needed to attain 85% preventive maintenance compliance.

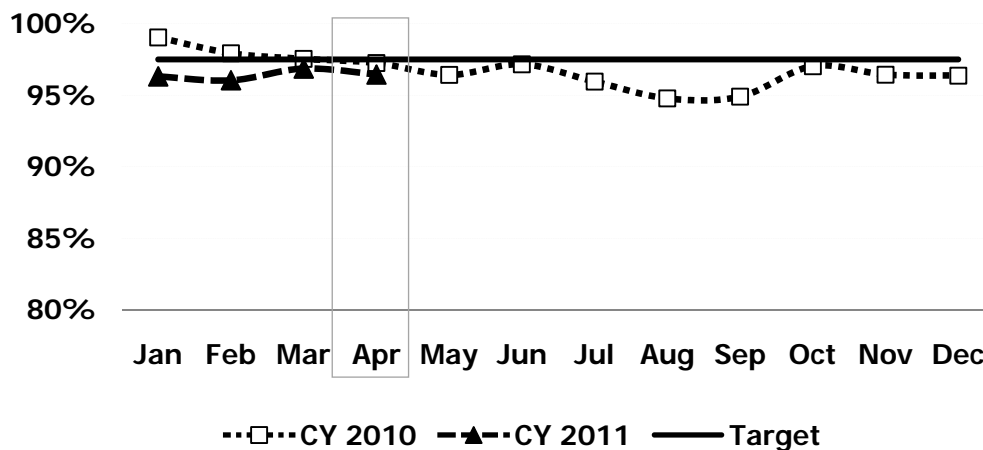
Conclusion: Escalator availability reduced slightly in April as Metro focuses on modernizing escalators and improving the quality of escalator repairs.

Reason to Track: Metrorail elevators provide an accessible path of travel for persons with disabilities, seniors, customers with strollers, travelers carrying luggage and other riders. When an elevator is out of service, Metro is required to provide alternative services, which may include a shuttle bus service to another station.

Why Did Performance Change?

- Elevator system-wide availability was 96% in April 2011, a small decrease from March (equivalent to one less elevator available). On average, 229 of 237 elevators were available for the month.
- A decrease in unscheduled elevator out-of-service hours in April (down 7% due to fewer service calls) was offset by an increase in scheduled maintenance. This was driven primarily by units taken out of service for communication (intercom and networking) and flooring repairs. These types of repairs are conducted by other departments in Metro with specialized experience in these areas.

Elevator System Availability



Actions to Improve Performance

- Elevator/Escalator Services (ELES) is working cooperatively with different Metro departments responsible for communication systems (networking and infrastructure) to establish a more efficient process of reporting elevator communication repairs, reducing the time units are out of service.
- ELES will identify additional staffing resources needed to attain 85% preventive maintenance compliance.

Conclusion: Elevator availability decreased slightly in April as decreases in unscheduled maintenance were offset by increases in scheduled support for communications and flooring repairs.

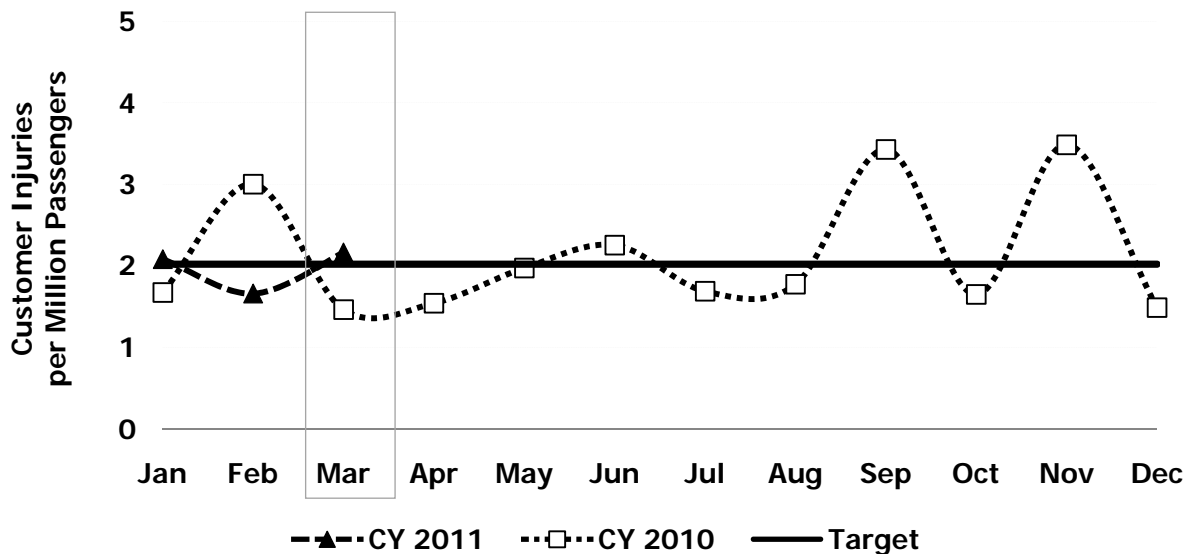
KPI: Customer Injury Rate (March) Per Million Passengers **Objective 1.1 Improve Customer and Employee Safety and Security**

Reason to Track: Customer safety is the highest priority for Metro and a key measure of quality service. Customers expect a safe and reliable ride each day. The customer injury rate is an indicator of how well the service is meeting this safety objective.

Why Did Performance Change?

- March customer injuries did not improve and were slightly above target as a result of an increase in Bus Passenger injuries which got worse as a result of 1 preventable and 2 non-preventable collisions. Bus customer injuries represent over half (57%) of the overall customer injuries.
- Rail Transit Facility (stations, escalators and parking) injuries declined with a 21% reduction in March due to better weather conditions. Slips/Falls generally account for the largest cause of injury; however, slips/falls declined due to less slippery weather conditions.
- Of the three MetroAccess passenger injuries, two were the result of 2 non-preventable collisions; one other injury was due to a passenger assistance incident.

Customer Injury Rate



Actions to Improve Performance

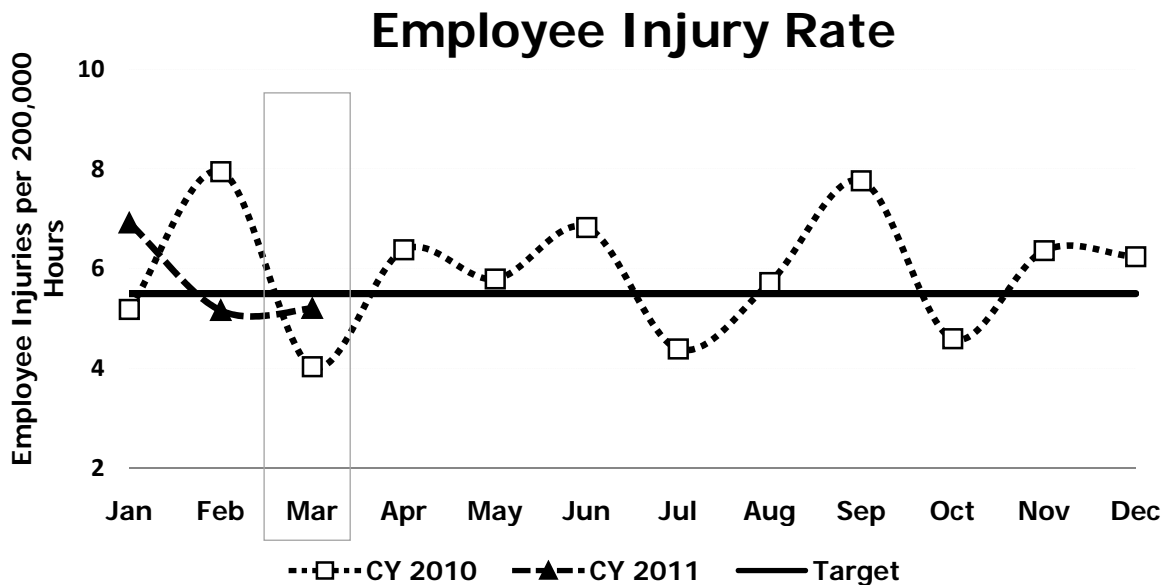
- Bus Services will install safety signs to remind Bus Operators that the use of cell phones is prohibited, and continue to identify and reiterate training for Bus Operators who engage in risky driving behaviors through the use of DriveCam.
- The Department of System Safety and Environmental Management (SAFE) will develop the root cause analysis feature of its safety measurement system to help identify trends and pinpoint areas for specific solutions. A recently hired Safety Analyst will be solely dedicated to performing root cause analysis.
- SAFE will also develop a hazard management system which will be designed to include risk assessments, hazard identification and elimination.
- Continue Metrorail repairs such as: replace tracks, track fasteners, rail ties, and complete station improvements such as replacing broken paver tiles.

Conclusion: March customer injuries were slightly above target. Metro will continue to be vigilant in training operators to always exercise safe driving practices as well as focus on preventive tactics.

Reason to Track: Worker's compensation claims are a key indicator of how safe employees are in the workplace.

Why Did Performance Change?

- Employee injuries virtually remained steady during the month of March. Straining and slips/falls continued to represent the largest type of employee injuries.
- Departments focused on the quality of incident investigations and safety conversations which are intended to prevent future incidents.
- All required frontline employees have received bridge training in the new Roadway Worker Protection rules and procedures.
- Bus and Rail Transportation continued to account for the majority of employee injuries; however, Rail Transportation injuries notably decreased by 8% due to the reinforcement of safety training.



Actions to Improve Performance

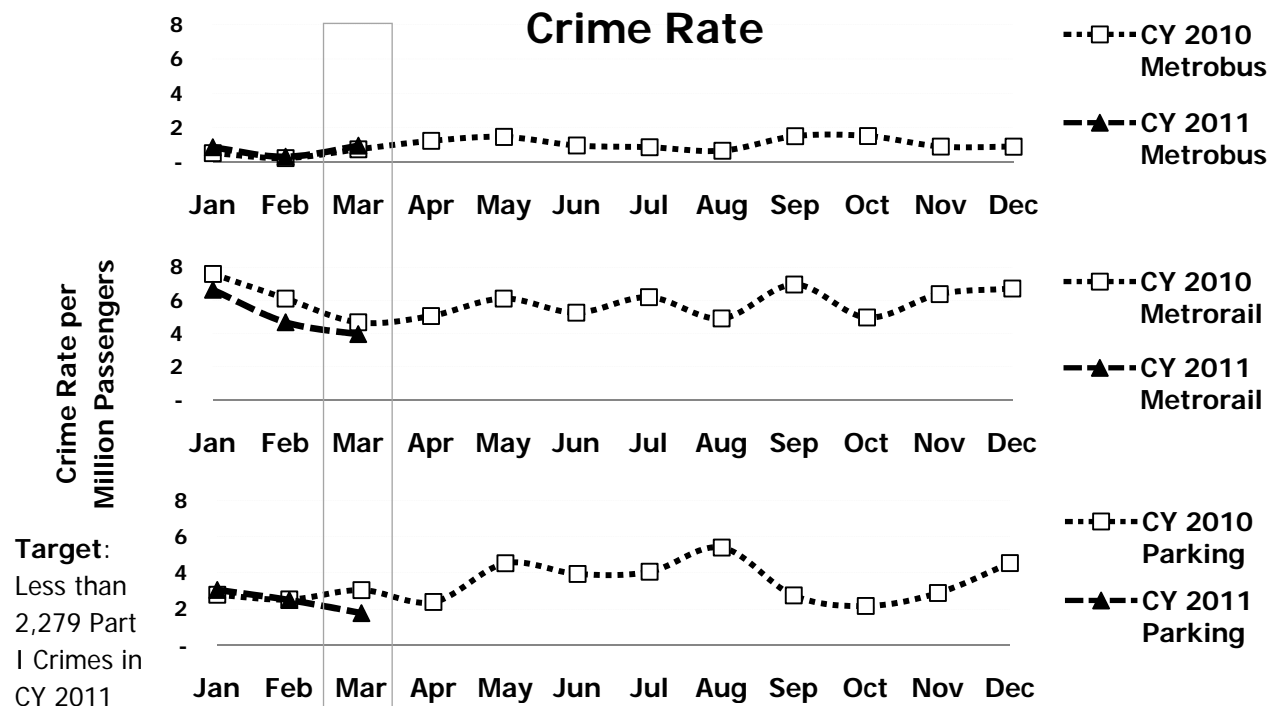
- The focus on productive safety committee meetings, quality incident investigations, and the reinforcement of the "At Risk" program has been the cornerstone for reducing the employee injury rate. Departments will continue to execute these actions and improve upon them.
- Develop and follow-up on At Risk Action Plans. Of the At Risk Bus cases, 93% of the action plans have been submitted.
- Assess how to regain DriveCam momentum. After the implementation of DriveCam, the Bus collision rate decreased by 17%; however, recently collisions have returned to post DriveCam percentages.
- Create coaching options for DriveCam repeat offenders and work to control the effects of non-preventable and preventable collisions through the implementation of Smith Defensive Driving training.

Conclusion: Employee injuries remained virtually steady when compared to the previous month. Metro will continue to focus on the cornerstones of success in this area: productive safety committees, quality incident investigations, and the reinforcement of the "At Risk" program.

Reason to Track: This measure provides an indication of the perception of safety and security customers experience when traveling the Metro system. Increases or decreases in crime statistics can have a direct effect on whether customers feel safe in the system.

Why Did Performance Change?

- The parking lot crime rate was down 29% to less than 2 crimes per million riders in March 2011, the lowest rate in six years. More patrol cars were used to monitor parking lots, along with officers on bicycles and the 3-wheeled T3 vehicle.
- While rail ridership grew significantly in March (up 23%), rail crime did not experience a parallel increase. The rail crime rate was down 15% in March, reaching the lowest level since May 2009. MTPD patrolled hot spot stations, including round-the-clock details at L'Enfant Plaza and Gallery PI stations. Officers paid particular attention to the Smithsonian station as visitors used Metrorail to/from the Cherry Blossom Festival.
- The bus crime rate continued to be consistently low with only 11 crimes being committed in March while almost 11 million customers rode Metrobus.



Actions to Improve Performance

- MTPD's Metrobus Enforcement Division officers will ride on buses based on review of crime trends, particularly north and northwest of the Capitol. To reduce assaults on bus operators, officers are providing a visible police presence on buses and discussing safety tips with operators.
- On April 13th, MTPD will partner with municipal and County Police Departments in Prince George's County and University of Maryland Police Department in a show of force. The event at 15 Prince George's County Metrorail stations, called Blue Tide, will focus on promoting crime prevention awareness and deterring terrorist activity.
- As the weather improves, Metro customers increasingly use bicycles to commute to/and from stations and on Metrobuses. Bike thefts at stations historically increase during the summer months. MTPD will be reaching out to customers on how to reduce bike thefts, and will be tracking where thefts occur to redeploy resources as needed.

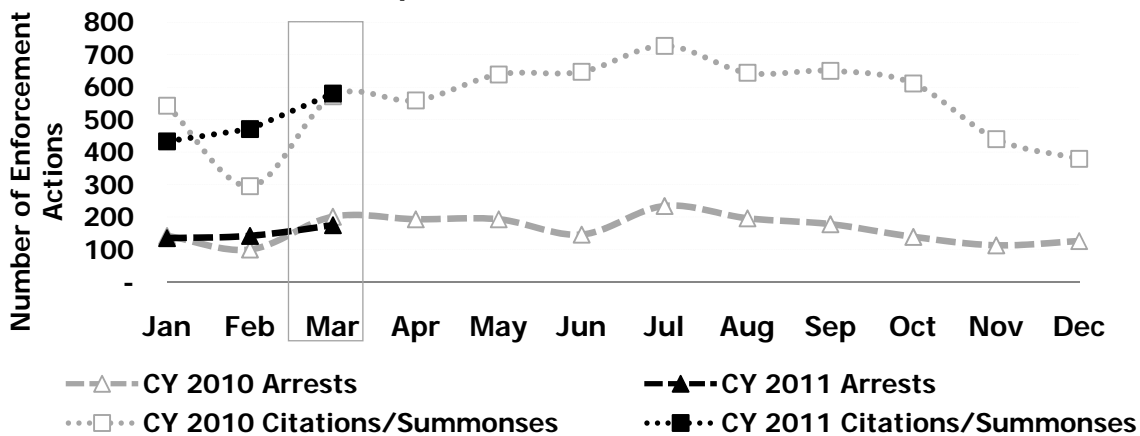
Conclusion: Metrorail and Metro parking crime rates hit record lows in March. The parking crime rate reached the lowest level in six years, and the Metrorail crime rate is at an almost two-year low.

Reason to Track: This measure reflects actions by the Metro Transit Police Department to keep the Metro system safe. This includes arrests of individuals breaking the law within the Metro system and citations/summonses issued by transit police officers. Examples of citations/summonses include fare evasion and public conduct violations.

Why Did Performance Change?

- Arrests were up 23% in March 2011. Three of these arrests were made simultaneously at the New Carrollton station Kiss-and-Ride. During an arrest of a subject in possession of a knife and a second arrest for marijuana possession, officers observed a third subject committing a parking violation. Upon investigation, the third subject was in possession of 57 grams of marijuana hidden in the vehicle dashboard and was subsequently arrested.
- Round-the-clock details at L'Enfant Plaza have been in place since January to curtail youth disorder and prevent assaults and robberies. Of the twenty offenses committed at the station since January, twelve have been closed by arrest.
- Citations/summonses were also up 23% in March, and are above the same month last year. Officers completing field training focused their activities on enforcement of public conduct ordinances, including fare evasion and consumption of food/drink in the paid areas of Metro stations. In addition, Metrobus Enforcement Division staffing is 59% larger than March of last year, resulting in more citations issued for public misconduct on buses and at stops.

Arrests, Citations and Summonses



Actions to Improve Performance

- MTPD is working in partnership with DC government to reduce youth disorder in the transit system. DC will be piloting a student ID card/transit pass that may enable MTPD to suspend passes for young people who misbehave in the transit system.
- MTPD will have 14 new officers join the police force in April. The recruits completed 37 weeks of training on the rules, regulations and laws governing DC, Maryland and Virginia.
- In addition to cameras for station entrances, MTPD is working with Metro's Office of Long Range Planning to identify appropriate locations for camera surveillance monitoring systems at selected bike racks and high-crime areas outside of stations.

Conclusion: MTPD is using every resource available to keep the Metro system safe for our customers, with enforcement actions (arrests, citations and summonses) focused on crimes in parking lots and robberies in stations.

KPI: Customer Comment Rate (April) Per Million Passengers

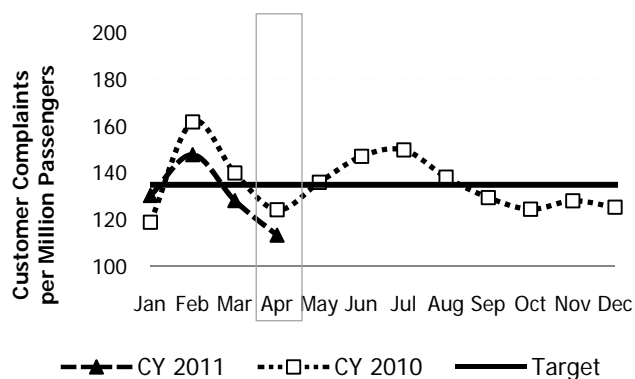
Objective 2.3 Maximize Rider Satisfaction

Reason to Track: Listening to customer feedback about the quality of service provides a clear roadmap to those areas of the operation where actions to improve the service can best help to maximize rider satisfaction.

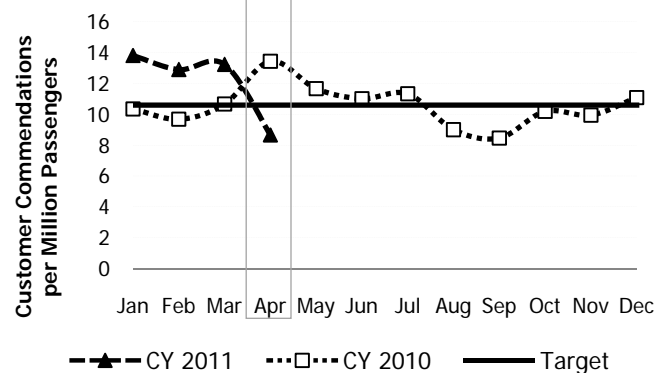
Why Did Performance Change?

- Complaints for rail dropped by 30% from March in all of the top five categories. Most notable were reduction in complaints for timeliness (50%) and for inadequate service (60%). These correspond with efforts by Rail Transportation to improve on-time performance, which is the highest it has been in almost a year (See page 10). Rail commendations also declined significantly due to processing delays.
- Bus complaints also declined slightly overall, but increased 5% in each of the timeliness related categories (delay/late, failure to service stop, and no shows). Bus commendations were also down from March's increase due to reduction in visitor ridership. Visitors and special event patrons make more commendations than Metro's regular riders.
- MetroAccess experienced a typical level of commendations in April, average for the year so far. Complaints dropped in each of the top five categories as customers became more accustomed to schedule and fare adjustments made during February and March. For information on MetroAccess on-time performance, please see page 12.

Customer Complaint Rate



Customer Commendation Rate



Actions to Improve Performance

- Rail Transportation will continue to focus on providing timely service and continue running 8-car trains that were added in March. These efforts reflect in the on-time performance and customer comment measures.
- Process customer commendations more timely with the help of two interns and a limited duration employee.
- Bus transportation supervisors will monitor bus time-points in an effort to improve on-time performance and maintain vehicle spacing as we move into construction season. Superintendents will continue to use customer comments as part of their management data used to monitor performance.
- MetroAccess will continue to manage efficiency and customer expectations by providing service within regulatory guidelines, which includes responsive customer service.

Conclusion: Customer feedback declined in April resulting in lower complaint and commendation rates.

Vital Signs Report

Definitions for Key Performance Indicators

Bus On-Time Performance – Metrobus adherence to scheduled service.

Calculation: For delivered trips, difference between scheduled time and actual time arriving at a time point based on a window of no more than 2 minutes early or 7 minutes late. Sample size of observed time points varies by route.

Bus Fleet Reliability (Bus Mean Distance between Failures) – The number of revenue miles traveled before a mechanical breakdown. A failure is an event that requires the bus to be removed from service or deviate from the schedule.

Calculation: Number of failures / miles

Rail On-Time Performance by Line – Rail on-time performance is measured by line during weekday peak and off-peak periods. During peak service (AM/PM), station stops made within the scheduled headway plus two minutes are considered on-time. During non-peak (mid-day and late night), station stops made within the scheduled headway plus no more than 50% of the scheduled headway are considered on-time.

Calculation: Number of Metrorail station stops made up to the scheduled headway plus 2 minutes / total Metrorail station stops for peak service. Number of Metrorail station stops made up to 150% of the scheduled headway / total Metrorail station stops for off-peak service.

Rail Fleet Reliability (Railcar Mean Distance between Delays) – The number of revenue miles traveled before a railcar failure results in a delay of service of more than three minutes. Some car failures result in inconvenience or discomfort, but do not always result in a delay of service (such as hot cars).

Calculation: Number of failures resulting in delays greater than three minutes / total railcar miles

MetroAccess On-Time Performance – The number of trips provided within the on-time pick-up window as a percent of the total trips that were actually dispatched into service (delivered). This includes trips where the vehicle arrived, but the customer was not available to be picked up. Vehicles arriving at the pick-up location after the end of the 30-minute on-time window are considered late. Vehicles arriving more than 30 minutes after the end of the on-time window are regarded as very late.

Calculation: The number of vehicle arrivals at the pick-up location within the 30-minute on-time window / the total number of trips delivered

Elevator and Escalator System Availability – Percentage of time that Metrorail escalators or elevators in stations and parking garages are in service during operating hours.

Calculation: Hours in service / operating hours. Hours in service = operating hours – hours out of service (both scheduled and unscheduled). Operating hours = revenue hours per unit * number of units.

Customer Injury Rate (per million passengers¹) – Injury to any customer caused by some aspect of Metro's operation that requires immediate medical attention away from the scene of the injury.

Calculation: Number of injuries ÷ (number of passengers ÷ 1,000,000)

Employee Injury Rate (per 200,000 hours) – An employee injury is recorded when the injury is (a) work related; and, (b) one or more of the following happens to the employee: 1) receives medical treatment above first aid, 2) loses consciousness, 3) takes off days away from work, 4) is restricted in their ability to do their job, 5) is transferred to another job, 6) death.

Calculation: Number of injuries ÷ (total work hours ÷ 200,000)

Crime Rate (per million passengers) – Crimes reported to Metro Transit Police Department on bus, rail, or at parking lots, Metro facilities, bus stops and other locations in relation to Metro's monthly passenger trips. Reported by Metrobus, Metrorail, and Metro parking lots.

Calculation: Number of crimes / (number of passengers / 1,000,000)

Arrests, Citations and Summonses – The number of arrests and citations/summonses issued by the Metro Transit Police Department. Examples of citations/summonses include minor misdemeanors, fare evasion and public conduct violations.

Customer Comment Rate (per million passengers) – A complaint is defined as any phone call, e-mail or letter resulting in investigation and response to a customer. This measure includes the subject of fare policy but excludes specific Smarttrip matters handled through the regional customer service center. A commendation is any form of complimentary information received regarding the delivery of Metro service.

Calculation: Number of complaints or commendations / (number of passengers / 1,000,000)

¹ Passengers are defined as follows:

- Metrobus reports unlinked passenger trips. An unlinked trip is counted every time a customer boards a Metrobus. In an example where a customer transfers between two Metrobuses to complete their travel two trips are counted.
- Metrorail reports linked passenger trips. A linked trip is counted every time a customer enters through a faregate. In an example where a customer transfers between two trains to complete their travel one trip is counted.
- MetroAccess reports completed passenger trips. A fare paying passenger traveling from an origin to a destination is counted as one passenger trip.

Vital Signs Report
Performance Data

June 2011

KPI: Bus On-Time Performance / Target = 78%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. Thru Apr.
CY 2010	79.4%	70.6%	76.6%	73.8%	73.8%	73.0%	72.8%	74.7%	71.7%	72.7%	74.0%	75.7%	75.1%
CY 2011	78.5%	76.9%	77.5%	76.3%									77.3%

KPI: Bus Fleet Reliability (Bus Mean Distance Between Failures) / Target = 7,400 Miles

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. Thru Apr.
CY 2010	7,223	6,878	6,882	6,270	5,902	6,578	6,670	6,673	7,366	7,842	8,982	8,587	6,813
CY 2011	8,681	8,144	7,794	7,171									7,948

Bus Fleet Reliability (Bus Mean Distance Between Failure by Fleet Type)

Type (~ % of Fleet)	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Avg.
CNG (30%)	7,905	9,059	9,093	6,680	9,165	9,939	10,410	9,520	10,242	8,480	9,802	7,790	9,007
Hybrid (27%)	8,844	9,944	10,161	11,378	11,361	13,526	14,198	12,474	11,853	11,158	10,433	9,536	11,239
Clean Diesel (8%)	7,345	7,933	10,547	7,931	10,300	12,118	12,290	12,958	11,473	8,042	7,637	9,442	9,835
All Other (35%)	4,102	4,517	4,332	4,921	4,798	4,698	5,718	5,699	5,751	6,191	5,340	5,012	5,090

KPI: Rail On-Time Performance by Line / Target = 90%

	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Avg.
Red Line	91.0%	90.1%	88.5%	88.3%	88.0%	88.3%	87.5%	87.9%	85.1%	87.2%	90.7%	90.7%	88.6%
Blue Line	88.3%	87.5%	86.0%	86.1%	88.3%	87.3%	87.9%	86.3%	88.0%	86.4%	88.9%	88.8%	87.5%
Orange Line	91.4%	90.4%	88.8%	90.5%	92.1%	91.6%	91.0%	90.0%	91.7%	91.4%	93.0%	93.3%	91.3%
Green Line	91.0%	90.8%	90.3%	91.9%	91.9%	91.0%	88.3%	86.5%	90.2%	90.1%	91.3%	91.2%	90.4%
Yellow Line	90.7%	89.8%	89.0%	91.4%	92.0%	90.7%	91.2%	91.0%	91.5%	92.4%	92.3%	92.6%	91.2%
Average (All Lines)	90.6%	89.9%	88.6%	89.2%	89.7%	89.3%	88.5%	87.9%	88.0%	88.7%	91.0%	91.0%	89.4%

KPI: Rail Fleet Reliability (Rail Mean Distance Between Delays by Railcar Series) / Target = 60,000 miles

	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Avg.
1000 series railcars	41,859	32,241	32,258	46,370	43,908	40,517	45,595	45,557	54,137	46,302	43,866	29,118	41,811
2000/3000 series railcars	44,354	49,175	65,428	39,911	49,582	31,572	35,820	42,065	28,076	40,431	45,169	41,760	42,779
4000 series railcars	41,703	18,166	21,553	17,893	18,645	36,587	25,073	25,195	31,393	31,646	58,442	31,054	29,779
5000 series railcars	55,967	29,265	28,290	29,410	34,094	44,462	54,016	47,509	30,078	47,868	41,251	46,561	40,731
6000 series railcars	80,046	93,631	57,029	107,198	77,921	88,918	119,427	56,172	74,865	110,928	94,443	57,550	84,844
Fleet average	49,375	39,573	42,424	40,435	43,420	41,121	45,471	43,712	37,703	48,241	50,328	39,302	43,425

Vital Signs Report
Performance Data (cont.)

June 2011

KPI: MetroAccess On-Time Performance / Target = 92%

	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Avg. Thru Apr.
CY 2010	93.5%	87.4%	91.7%	91.1%	92.1%	93.1%	94.6%	94.3%	91.8%	91.2%	91.8%	92.9%	90.9%
CY 2011	90.1%	89.0%	91.3%	91.2%									90.4%

KPI: Escalator System Availability / Target = 89%

	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Avg. Thru Apr.
CY 2010	90.0%	89.2%	89.5%	90.5%	89.6%	90.3%	89.5%	88.9%	89.7%	89.5%	86.7%	88.6%	89.8%
CY 2011	88.8%	86.6%	86.9%	86.2%									87.1%

KPI: Elevator System Availability / Target = 97.5%

	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Avg. Thru Apr.
CY 2010	99.0%	97.9%	97.5%	97.3%	96.4%	97.2%	96.0%	94.8%	94.9%	97.0%	96.4%	96.4%	97.9%
CY 2011	96.3%	96.0%	96.9%	96.4%									96.4%

KPI: Customer Injury Rate (per million passengers) * / Target = ≤ 2.02 injuries per million passengers

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. Thru Mar.
CY 2010	1.67	3.00	1.46	1.54	1.97	2.25	1.69	1.78	3.43	1.65	3.49	1.49	2.05
CY 2011	2.08	1.66	2.16										1.97

*Includes Metrobus, Metrorail, rail transit facilities (stations, escalators and parking facilities) and MetroAccess customer injuries

Bus Customer Injury Rate (per million passengers)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. Thru Mar.
CY 2010	2.08	3.66	1.73	1.77	1.84	3.33	2.40	1.61	6.92	1.98	5.91	1.78	2.49
CY 2011	1.72	0.93	3.38										2.01

Rail Customer Injury Rate (per million passengers)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. Thru Mar.
CY 2010	0.06	0.15	0.10	0.19	0.22	0.20	0.10	0.11	0.17	0.11	0.18	0.00	0.10
CY 2011	0.13	0.19	0.15										0.16

Vital Signs Report
Performance Data (cont.)

June 2011

Rail Transit Facilities Occupant Injury Rate (per million passengers)*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. Thru Mar.
CY 2010	1.09	2.31	0.99	0.91	1.31	1.03	0.89	1.35	0.95	1.22	1.56	1.09	1.46
CY 2011	2.00	1.81	1.17										1.66

*Includes station, escalator and parking facility customer injuries.

KPI: MetroAccess Customer Injury Rate (per million passengers)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. Thru Mar.
CY 2010	26.18	22.06	21.57	31.55	48.11	46.48	34.47	38.84	24.61	14.45	25.50	20.53	23.27
CY 2011	16.45	10.55	14.63										13.88

KPI: Employee Injury Rate (per 200,000 hours) / Target = ≤ 5.05 injuries per 200,000 hours

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. Thru Mar.
CY 2010	5.18	7.94	4.03	6.38	5.79	6.82	4.39	5.72	7.76	4.59	6.36	6.24	5.72
CY 2011	6.92	5.16	5.20										5.76

KPI: Crime Rate (per million passengers) / Target = ≤ 2,279 Part I Crimes in Calendar Year 2011

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. Thru Mar.
CY 2010 Metrobus	0.52	0.23	0.74	1.23	1.46	0.96	0.86	0.66	1.50	1.51	0.90	0.89	0.50
CY 2011 Metrobus	0.86	0.31	0.95										0.71
CY 2010 Metrorail	7.59	6.11	4.68	5.06	6.11	5.26	6.19	4.91	6.95	4.97	6.38	6.71	6.13
CY 2011 Metrorail	6.63	4.68	3.96										5.09
CY 2010 Parking	2.79	2.53	3.05	2.39	4.53	3.94	4.06	5.40	2.75	2.17	2.89	4.54	2.79
CY 2011 Parking	3.06	2.50	1.78										2.45

Vital Signs Report
Performance Data (cont.)

June 2011

Crimes by Type**

	Apr-10	May-10	June-10	July-10	Aug-10	Sept-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Avg.
Robbery	91	89	71	66	58	83	76	91	97	92	60	77	79
Larceny	66	97	111	131	111	91	50	58	67	44	40	41	76
Motor Vehicle Theft	9	13	13	10	18	9	17	13	10	15	5	6	12
Attempted Motor Vehicle Theft	9	9	5	10	6	9	3	3	3	6	5	1	6
Aggravated Assault	9	15	7	14	15	14	14	11	12	9	11	5	11
Rape	0	0	0	1	0	0	0	1	0	0	0	0	0
Burglary	0	1	0	0	0	1	1	1	0	0	0	0	0
Homicide	0	0	0	0	0	0	0	0	0	0	0	0	-
Arson	0	0	0	0	0	0	0	0	0	0	0	0	-
Total	184	224	207	232	208	207	161	178	189	166	121	130	184

**Monthly crime statistics can change as a result of reclassification following formal police investigation.

KPI: Metro Transit Police Arrests, Citations and Summonses

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. Thru Mar.
CY 2010 Arrests	142	100	201	193	193	146	234	196	178	139	113	126	148
CY 2011 Arrests	135	142	175										151
CY 2010 Citations/Summonses	543	295	572	559	639	647	727	644	650	611	440	379	470
CY 2011 Citations/Summonses	433	471	580										495

KPI: Customer Commendation Rate (per million passengers) / Target = \geq 10.6 per million passengers

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Avg. Thru Apr.
CY 2010	10.3	9.7	10.7	13.4	11.7	11.0	11.3	9.0	8.5	10.2	10.0	11.1	11.0
CY 2011	13.8	12.9	13.2	8.7									12.2

KPI: Customer Complaint Rate (per million passengers) / Target = \leq 135 complaints per million passengers

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Avg. Thru Apr.
CY 2010	119	162	140	124	136	147	150	138	129	125	128	125	136
CY 2011	130	148	128	113									130

**Vital Signs Report
Performance Data (cont.)**

June 2011

Metrobus Ridership (millions of unlinked trips)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. Thru Apr.
CY 2010	9.6	7.1	11.0	10.8	10.3	10.5	10.4	10.6	10.5	10.6	10.1	9.0	9.6
CY 2011	9.3	9.7	11.5	10.8									10.3

Metrorail Ridership (millions of linked trips)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. Thru Apr.
CY 2010	16.5	13.4	20.3	20.8	18.3	20.3	20.2	18.5	17.8	18.9	16.6	15.7	17.7
CY 2011	16.0	16.0	19.7	19.3									17.7

MetroAccess Ridership (100,000s of completed trips)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. Thru Apr.
CY 2010	1.91	1.36	2.32	2.22	2.08	2.15	2.03	2.06	2.03	2.08	1.96	1.95	1.95
CY 2011	1.82	1.90	2.05	1.87									1.91

Note: Targets are re-evaluated annually and based on changing operating conditions and performance.



Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 101187	Resolution: <input checked="" type="radio"/> Yes <input type="radio"/> No
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TITLE:

Approval of the FY2012 Budget

PURPOSE:

To request Board approval of the FY2012 Budget and six-year Capital Budget.

DESCRIPTION:

The total FY2012 Budget is \$2,554.6 million and the six-year Capital Budget is \$5,682.4 million.

The FY2012 Operating Budget is \$1,482.5 million, which includes operating revenue, expense, and subsidy. The FY2012 Operating Reimbursable Programs budget is \$37.3 million.

The FY2012 Capital Budget is \$1,034.9 million, including \$100.4 million in Capital Reimbursable projects. The six-year Capital Budget totals \$5,682.4 million.

Unexpended FY2011 amounts that are not included in the Budget are not included in these amounts.

FUNDING IMPACT:

Approval of the FY2012 Operating and Capital budgets will provide expenditure authority for the fiscal year.

RECOMMENDATION:

Approval of the FY2012 budget.

SUBJECT: APPROVAL OF FY2012 BUDGET

RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, The Board of Directors has received and considered the General Manager and Chief Executive Officer's (GM/CEO) proposed FY2012 Budget and has conducted town hall meetings and public hearings on proposed service changes; and

WHEREAS, As required by Title VI of the Civil Rights Act of 1964, Metro staff has evaluated any proposed adjustments to service or fares. At the system-wide level, the proposed changes do not show a disparate impact on minority and low-income populations. However, analysis shows that there may be a slightly greater impact on low-income and minority populations if the recommended adjustments to rail headways and Metrobus E6 are not implemented and the other recommendations are implemented. However, these changes will not have a meaningful impact on minority and low-income populations, due to the low number of riders affected by the proposed changes; and

WHEREAS, The Montgomery County Council has approved funding for the "Kids Ride Free" program to subsidize the free Metrobus fares for students of Montgomery County between 2:00 P.M. and 7:00 P.M. for Fiscal Year 2012 Budget; now, therefore be it

RESOLVED, That the Board of Directors approves the FY2012 Budget of \$2.55 billion as detailed in Attachment A; and be it further

RESOLVED, That the FY2012 operating portion of the Budget totals \$1.46 billion with operating revenue, expense and subsidy as detailed in Attachments B-1 and B-2; and be it further

RESOLVED, That the 103-mile rail construction debt service portion of the FY2012 Budget totals \$27.5 million and is allocated to the jurisdictions as detailed in Attachment B-2; and be it further

RESOLVED, That \$21.2 million of debt service expenditures resulting from the issuance of Metro Matters bonds are allocated to the jurisdictions as detailed in Attachment B-2; and be it further

RESOLVED, That the FY2012 Budget for the Capital Improvement Program (CIP) totals \$0.86 billion as detailed in Attachments C-1, C-2 and C-3; and be it further

RESOLVED, That the American Recovery and Investment-Reinvestment Act of 2009 Projects FY2012 Budget totals \$42.6 million and the budget for Safety & Security Projects totals \$33.1 million as detailed in Attachments D-1 and D-2; and be it further

RESOLVED, That the budget for operating reimbursable program projects totals \$37.3 million and \$100.4 million for the capital portion which includes \$3.0 million for new projects and \$97.4 million for prior-year reimbursable program project budgets, all as detailed in Attachments D-3 and D-4; and be it further

RESOLVED, That the Board of Directors approves the multi-year CIP for FY2012 through FY2017 of \$5.7 billion plus the roll-over of unexpended capital funds from FY2011 into FY2012; and be it further

RESOLVED, That the GM/CEO is authorized to rollover unexpended Capital Budget at the end of a fiscal year into the following fiscal year; and be it further

RESOLVED, That, effective for the billing of the FY2010 Audit adjustment of \$16.6 million, the Board of Directors approves quarterly billings during FY2012 to the local jurisdictions equal to one quarter of the amount due; and be it further

RESOLVED, That the Board of Directors approves use of capital funds of \$30.7 million for preventive maintenance expenditures, a decrease of \$30 million from the FY2011 amount; and be it further

RESOLVED, That the Board of Directors authorizes the transfer of the following funds within the FY2012 CIP:

- CIP042 – Bus & Rail Asset Management Software of \$250,000;
- CIP043 – Bus Operations Support Software of \$500,000;
- CIP045 – Data Centers and Infrastructures for \$500,000;
- CIP047 – Enterprise Geographic Information System for \$300,000;
- CIP050 – Metro IT OneStop and Office Automation for \$200,000;
- CIP052 – Network & Communications for \$100,000;
- CIP053 – Network Operations Center (NOC) for \$850,000;
- CIP054 – Customer Electronic Communications & Outreach for \$100,000; and
- CIP056 – Rail Operations Support Software for \$700,000

To project CIP049 – Management Support software for \$3,500,000; and be it further

RESOLVED, That the Board of Directors authorizes the GM/CEO to make changes to the headcount that are funded within the Operating, Capital and Reimbursable Budgets; and be it further

RESOLVED, That the Board of Directors accepts the Staff Report on the town hall meetings and public hearings held in May of 2011, concerning proposed service changes and attached as Attachment E; and be it further

RESOLVED, That the Board of Directors adopts the service and fare changes shown on Attachment F to be effective on September 25, 2011 except for the creation of Metrobus Route 7M which shall be effective on August 8, 2011; and be it further

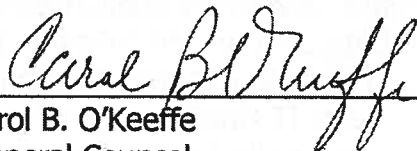
RESOLVED, That the Board of Directors directs that MetroAccess fares shall be based on the SmarTrip® fares where applicable even though SmarTrip® is not accepted on MetroAccess vehicles; and be it further

RESOLVED, That the Board of Directors approves funding by Montgomery County of the "Kids Ride Free" program to subsidize the free Metrobus fares for students of Montgomery County between 2:00 P.M. and 7:00 P.M. for Fiscal Year 2012 Budget; and be it further

RESOLVED, That in order to implement the elements of the CIP and Operating Budget, the GM/CEO and the Chief Financial Officer or designee are authorized to (1) file and execute grant applications on behalf of Metro for funds from the federal government and any other public or private entity consistent with the CIP and Capital Needs Inventory; and (2) execute and file the annual Federal Transit Administration Certifications and Assurances; and be it finally

RESOLVED, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Carol B. O'Keeffe
General Counsel

ATTACHMENT A
FY2012 BUDGET
(dollars in millions)

	Fiscal 2012 Budget	Capital Six-year Budget
Operating Budget:		
Metrobus Operations	\$535.1	
Metrorail Operations	\$813.0	
MetroAccess Operations	\$116.4	
Subsidized Operating Budget	\$1,464.5	
Preventive Maintenance	(\$30.7)	
Debt Service	\$27.5	
Metro Matters Debt Service	\$21.2	
Total Operating Budget	\$1,482.5	
Operating Reimbursable Programs	\$37.3	
Capital Budget:		
Capital Improvement Program	\$858.8	\$5,153.2
ARRA	\$42.6	\$42.6
Safety and Security	\$33.1	\$33.1
Capital Reimbursable - Prior Approved	\$97.4	\$435.5
Capital Reimbursable	\$3.0	\$18.0
Total Capital Budget	\$1,034.9	\$5,682.4
FY2012 BUDGET APPROVAL	\$2,554.6	\$5,682.4

FY2012 Approved Headcount

Operating	10,226
Capital	1,019
Reimbursable	74
	<u>11,319</u>

ATTACHMENT B-1
FISCAL 2012 OPERATING BUDGET
REVENUE, EXPENSE & FUNDING SOURCES

	FY2012 Budget	Metrobus	Metrorail	MetroAccess
REVENUES				
Passenger	\$ 712,849,186	\$ 124,974,322	\$ 581,623,064	\$ 6,251,800
Other Passenger	7,000,000	4,866,200	2,133,800	-
Parking	47,842,000	-	47,842,000	-
Charter	-	-	-	-
Advertising	15,000,000	10,050,000	4,950,000	-
Joint Development	6,450,000	-	6,450,000	-
Other	7,129,000	1,749,652	5,379,349	-
Employee Parking	240,000	120,000	120,000	-
Interest	515,000	185,400	329,600	-
Fiber Optics	14,840,000	-	14,840,000	-
Total Revenues	\$ 811,865,186	\$ 141,945,574	\$ 663,667,813	\$ 6,251,800
EXPENSES				
Personnel	\$ 1,023,280,239	\$ 414,858,873	\$ 601,582,068	\$ 6,839,299
Services	\$ 199,507,016	32,489,983	59,289,121	107,727,912
Materials & Supplies	\$ 58,893,027	21,937,793	36,309,895	645,339
Fuel & Propulsion Power	\$ 101,005,173	40,083,746	60,921,427	-
Utilities	\$ 47,230,092	9,526,646	37,591,206	112,240
Casualty & Liability	\$ 28,745,587	12,489,858	15,968,205	293,523
Leases & Rentals	\$ 5,192,830	1,768,279	2,701,751	722,801
Miscellaneous	\$ 5,034,111	1,992,651	2,978,025	63,435
Reimbursements	\$ (4,380,163)	(74,300)	(4,305,863)	-
Total Expenses	\$ 1,464,507,912	\$ 535,067,529	\$ 813,035,834	\$ 116,404,548
GROSS SUBSIDY	\$ 652,642,726	\$ 393,121,957	\$ 149,368,021	\$ 110,152,748
Less: Preventive Maint	(30,700,000)	(10,438,000)	(20,262,000)	-
Net Operating Subsidy	\$ 621,942,726	\$ 382,683,957	\$ 129,106,021	\$ 110,152,748

FISCAL YEAR 2012 BUDGET
SUMMARY OF STATE/LOCAL OPERATING REQUIREMENTS

	Total	District of Columbia	Montgomery County	Prince George's County	City of Alexandria	Arlington County	City of Fairfax	Fairfax County	City of Falls Church
Metrobus Operating Subsidy									
Regional Bus Subsidy	\$311,283,980	\$133,647,739	\$46,748,024	\$61,422,893	\$14,637,680	\$23,679,793	\$657,348	\$39,137,723	\$1,352,780
Modify 3Y	\$106,822					\$106,622			
Subtract non-revenue trips 7M	(\$176,358)	(\$75,719)	(\$26,485)	(\$29,134)	(\$8,293)	(\$13,416)	(\$372)	(\$22,173)	(\$766)
Modify Regional 70-71	(\$637,172)	(\$368,825)	(\$72,640)	(\$68,741)	(\$20,833)	(\$34,928)	(\$529)	(\$69,651)	(\$1,025)
Regional Component 74	\$671,800	\$385,798	\$77,303	\$73,890	\$22,279	\$37,227	\$604	\$73,534	\$1,165
Revised Regional Bus Subsidy	\$311,248,872	\$133,588,993	\$46,726,202	\$51,398,908	\$14,630,833	\$23,775,298	\$657,051	\$39,119,433	\$1,352,154
Non-Regional Bus Subsidy									
New 22A	\$70,918,184	\$30,790,933	\$8,243,603	\$22,484,989	\$412,997	\$668,135	\$0	\$8,317,528	\$0
Add Non-Regional 7M	\$300,891					\$300,891			
Eliminate service on K1	\$468,117				\$468,117				
Eliminate service on N8	(\$205,183)	(\$205,183)							
Non-Regional 74	(\$344,955)	(\$344,955)							
Revised Non-Regional Bus Subsidy	\$298,030	\$298,030							
Bus Subtotal	\$71,435,084	\$30,538,825	\$9,243,603	\$22,484,989	\$881,114	\$969,026	\$0	\$8,317,528	\$0
Percent of Total	100%	42.9%	14.4%	19.3%	4.1%	6.5%	0.2%	12.4%	0.4%
MetroRail Operating Subsidy									
Base Allocation	\$118,990,890	\$41,059,701	\$22,246,332	\$21,461,186	\$5,421,195	\$11,383,432	\$354,906	\$16,766,327	\$297,811
22A Rail Implications	(\$152,064)					(\$152,064)			
Max Fare Subsidy	\$10,267,195	\$802,334	\$4,109,478	\$1,906,462	\$324,251	\$252,438	\$112,370	\$2,723,688	\$36,174
Subtotal	\$129,106,021	\$41,862,035	\$26,355,810	\$23,367,648	\$5,745,446	\$11,483,806	\$467,276	\$19,490,015	\$333,985
Percent of Total	100%	32.4%	20.4%	18.1%	4.5%	8.9%	0.4%	15.1%	0.3%
MetroAccess Subsidy									
Percent of Total	\$110,152,748	\$27,334,901	\$23,394,898	\$44,413,116	\$1,022,712	\$1,131,386	\$306,578	\$12,409,775	\$139,381
	100%	24.8%	21.2%	40.3%	0.9%	1.0%	0.3%	11.3%	0.1%
Net Operating Subsidy	\$621,942,726	\$233,324,754	\$104,720,514	\$141,664,661	\$22,280,105	\$37,359,516	\$1,430,905	\$79,336,752	\$1,825,520
	100%	37.5%	16.8%	22.8%	3.6%	5.0%	0.2%	12.6%	0.3%
FY2010 Audit Adjustment	\$16,586,570	\$2,920,037	\$4,676,961	\$5,108,495	\$419,873	\$1,122,191	\$65,326	\$2,259,077	\$14,609
Total Net Operating Subsidy	\$638,529,296	\$236,244,791	\$109,397,475	\$146,773,156	\$22,699,978	\$38,481,706	\$1,496,231	\$81,595,829	\$1,840,129
(Including FY2010 Audit Adj)									
Debt Service	\$27,476,660	\$10,328,462	\$4,866,163	\$4,871,561	\$1,417,810	\$2,739,447	\$46,667	\$3,168,029	\$38,489
Metro Matters Debt Service	\$21,178,098	\$10,673,715	\$4,945,064	\$5,506,282	\$0	\$0	\$0	\$0	\$52,945
Total Debt Service	\$48,654,656	\$21,002,177	\$9,811,227	\$10,377,843	\$1,417,810	\$2,739,447	\$46,667	\$3,168,029	\$91,434
FY2012 Jurisdictional Operating Funding	\$697,183,952	\$257,246,968	\$119,208,702	\$157,150,999	\$24,117,789	\$41,221,154	\$1,542,918	\$84,763,859	\$1,931,563

**BOARD OF DIRECTORS
REMARKS
GM/CEO RICHARD SARLES
Thursday, June 23, 2011**

(D)

Good Afternoon Chair Hudgins and Board Members.

Budget

- Today we are seeking the Board's approval of our FY2012 operating and six-year capital budget.
- The Board's action will enable Metro to continue providing the current level of core services for our customers without a fare increase, while continuing our aggressive capital program to rebuild our infrastructure and equipment to improve safety, reliability and customer service.
- Also noteworthy is that we are forecasting a favorable finish to this fiscal year, and careful budget management has put us in a position to repay to the capital program all of the extra preventive maintenance money transferred in the previous year—which is in keeping with both board policy and the preference of our own customers, who voiced their opinion in our online survey about this topic.

- This \$30 million repayment allows us to increase funding for escalator reconstruction by \$2 million and accelerate by one year the purchase of 51 new 30-foot buses, at a cost of \$28 million.
- Fully funding the capital program is a strong signal from this Board and from the jurisdictions about our commitment to restoring the state of good repair of our transit system and is an extraordinary step forward, as a matter of financial responsibility and good transportation policy.

Metro Forward

- Last week we launched our “Metro Forward” customer information campaign designed to explain the importance of our capital “rebuilding” program, and the tangible benefits that customers will realize from the multitude of projects that we have underway throughout the entire Metro system.
- Last week, we unveiled our new social media tools and in the coming weeks, you’ll start to see posters in the stations, and on the buses and trains, as we have done with other campaigns.
- Ultimately, the campaign will also help us communicate about what to expect from our accelerated construction calendar, which we briefed you on two weeks ago and plan to announce next month. As we

discussed, we want to better inform and also provide our customers and the regional communities with advance notification when temporary changes in the service are expected.

- Let me add that this week, we announced that there will be no track work at all on Monday July 4th. In fact, we are adding service to help people get to and from the fireworks, for which we expect about 500,000 rail passenger trips.
- On the Holiday Monday, we will operate a near rush-hour schedule on Metrorail from 6 pm til Midnight.

Safety

- Yesterday we gathered at Fort Totten to commemorate the second anniversary of the June 2009 accident. I was heartened to see so many of the family members participate this year in our wreath laying ceremony, and it provided us another opportunity to pay our respects to the memories of those who were lost or whose lives were changed forever by that tragic accident, as well as to recommit ourselves to a legacy of safety and efforts to change our safety culture at Metro – which is work that must continue to be our daily focus.

- With respect to our safety commitment, I recently had an opportunity to appear before Metro's Congressional delegation for a safety roundtable chaired by Senator Mikulski. Chief Safety Officer Jim Dougherty and I reported on Metro's safety progress over the last year and discussed the work and challenges ahead, as we discussed this morning in Committee.
- In addition to our unwavering focus on safety, the other topic that requires our constant vigilance is security.

Security

- To that end, I will testify tomorrow before the House Subcommittee on Health Care, District of Columbia, Census and National Archives.
- I will update the Committee on Metro's homeland security preparedness including the fact that:
 - Metro has a thorough, up to date, threat assessment that guides resource allocation and personnel deployment.
 - Metro Transit police now collaborate with more than 40 federal, state and local law enforcement agencies to enhance security in

the region and coordinate anti-terrorism efforts, including the FBI and TSA with whom we have active and positive partnerships.

- Metro uses highly visible policing techniques to deter threats to the system, including Metro PD's Anti-Terrorism Team – a group of sworn officers made possible through federal Transit Security Grant funding, as well as collaborative efforts such as Blue TIDE and Operation RAILS SAFE which both partner with other agencies to increase the show of force.
- Metro has responded to 339 calls for service in the first half of 2011 involving a suspicious person, package, bomb threat, or similar condition.
- Metro has thousands of closed circuit cameras on its system and, thanks to a federal grant from the Department of Homeland Security, we are advancing a project to install cameras at the entrances of 86 Metrorail stations.
- Metro has implemented multiple high tech security measures to improve security, including a chemical detection system that alerts incident commanders to the chemical's identity and provides estimates of the above and below ground spread of the chemical to protect public safety.

- I will also report to the Committee that, since FY 2006, Metro has received commitments of \$108.6 million in transit security funds, for which we have obligated 100% for specific projects and expended nearly \$24 million to date.
- I plan to detail for the Committee certain challenges we have encountered with the Department of Homeland Security grant award process that impacts our ability to expend the funds in a more timely way.
- While we can and must continue to improve our level of preparedness, I will report that we have substantially improved our emergency preparedness by taking a layered and strategic approach to protecting our customers, employees and assets with a combination of technology, training, and target hardening.

Employee Spotlight

- While we are on the subject of emergency preparedness, I want to personally present our first employee spotlight today, because she recently exemplified the kind of calm and focus we all strive to achieve during a crisis.
- Selithia (Sell-ee-thee-ah) Cole was operating a red line train on Monday, June 13, at around 7:45 a.m., when she was called on the intercom by passengers alerting her that a woman on the train had declared that she had a bomb and was threatening to kill everyone.
- Ms. Cole asked the passengers to please remain calm and then immediately notified Metro's central control who then contacted Metro's Transit Police.
- While talking to Central Control, Ms. Cole observed passengers self-evacuating and began explaining to the passengers why walking on the tracks is dangerous -- pleading with them to return to the train. When this did not work she asked them to stop and stand against the fence and give her a few minutes to investigate. During this time Central Control had cut rail power.

- She walked through the 8-car train asking passengers to please remain calm and explaining the incident as she went. Ms. Cole helped some of the customers back onto the train, then calmly led the passengers through the train and onto the Rockville platform via the last car that was still at the platform.
- Throughout this entire ordeal, Ms. Cole's calm demeanor enabled her to follow every procedure and help our passengers. She told us that she felt well trained and prepared to handle this ordeal.
- Even with that training, her level of calm and her extraordinary efforts to ensure the safety of our customers, were remarkable under the circumstances.
- Ms. Cole we salute you -- will you join me please in the center of the room.

DJK

- I would now like to ask Mr. Kubicek to introduce our additional employee spotlight:
- Mr. Kubicek:

[While Ms. Cole exemplified excellent judgment and professionalism in this situation, she is not alone in her class of excellence. Train operators Charlie Richardson and Ms. Danielle Glass, were shining examples of Metro's high level of technical skill and knowledge, along with Car Maintenance Mechanics Jacob Stout, Roland Lamar and Adrian Tase. These five employees made up the winning team of the American Public Transportation Association (APTA) International Rail Rodeo's prestigious Rail Transit Team Achievement Award.

The Rail Transit Team Achievement Award is given to the system with the highest rail operator and maintenance team combined score.

Metro's Operator team came in second place overall. The competition required measurement of professional skills including train operation; knowledge of safety regulations; train equipment; and track right-of-way rules and procedures.

The maintenance mechanics placed third overall. They were judged on their ability to troubleshoot maintenance problems.

Metro's Rail Rodeo team competed on June 11 against eleven other public transportation systems from across North America for this honor. The APTA International Rail Rodeo Competition is designed to encourage excellence and professionalism in rail transit operations. Within their own right, these employees are all models of excellence as they showcased professionalism and top-notch skills.


I would now like the 2011 International Rail Rodeo winners to please join me, the General Manager and our Board Chair in the center of the room to be presented with a certificate and to pose for a few photos.]



Published on *Washington Examiner* (<http://washingtonexaminer.com>)

[Home](#) > Metro taking next steps to create new payment system

Metro taking next steps to create new payment system

 Examiner file photo Metro riders grapple with persnickety farecards, broken bus fareboxes, receiptless vending machines and other glitches paying their way onto the Metro system.

Now the transit agency is seeking a better way -- by getting out of the business of handling riders' money at all.

Metro is taking the next steps in coming up with a system that would allow riders to avoid buying farecards and instead use their cell phones, credit cards or even federal ID cards to pay fares.

The agency has been working on the project for a while. Metro's board members gave initial permission to pursue a new payment system in May 2009, and the agency had hoped to seek proposals from financial institutions more than a year ago.

Now seven companies have submitted initial proposals and the agency plans to seek additional information from potential vendors later this month.

The new approach is what officials call a "contactless" payment system that other transit agencies around the country are pursuing. London already is using it, said Metro Chief Financial Officer Carol Dillon Kissal.

Riders would use their own devices to pay directly, rather than having Metro act as the middleman. The new system would include new faregates and new card readers in buses and parking garages.

Changing over has many benefits, Kissal told board members.

The current technology is outdated, she said, and it's also proprietary, limiting Metro from doing some work in house. Problems with the system forced the agency to delay fare increases at the last minute last summer.

And it's expensive to collect fares and maintain the equipment. Metro said it is spending \$48.3 million this year processing fares and parking fees.

The agency would shift much of the collection cost to the credit card and bank companies.

In a decade, Metro expects the new system to save \$33.8 million a year.

Kissal said it also could create some opportunities for Metro to make money with partnerships modeled off a deal between Barclays Bank and London's system. Or it could allow Metro to create a loyalty program.

But making the change would take an initial investment of about \$60 million, officials said.

Some issues remain unresolved, such as how to handle riders who don't have credit or debit cards.

Board member Jeff McKay also raised concerns about how the change would affect the communities that rely on the SmarTrip technology for their local bus systems. A massive push was completed less than three years ago to get them all on the same system.

kweir@washingtonexaminer.com

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[Weir](#) [Metro](#) [SmarTrip](#) [WMATA](#)

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[Back to previous page](#)

2 years after Red Line crash: Metro making progress, work remains

By **Dana Hedgpeth**, Published: June 18

Two years after a crash on Metro's Red Line killed nine people, the transit authority is still working to replace aging rail cars, install new equipment and make other changes that a federal agency said are necessary to ensure passenger safety.

Metro has made progress, but senior executives, congressional leaders and oversight groups say the transit agency has a lot of work ahead.

"The good news is Metro did pay attention," said Deborah A.P. Hersman, chairman of the National Transportation Safety Board. "They listened and they're committed to taking action to address the deficiencies. They've done what we asked for, and they're still making progress."

Last June, the first anniversary of the accident, Metro was struggling with a host of problems.

The agency had a huge budget shortfall. The NTSB's final report on the crash between the Fort Totten and Takoma stations still loomed. Riders faced a complex fare increase, and the transit system was in the middle of a search for a permanent general manager. Plus, Metro was criticized when it was late inviting the victims' families to a memorial to mark the deadliest accident in the transit system's 35-year history.

The past year has brought a multitude of changes. In January, the agency hired Richard Sarles as its permanent general manager. Ten of 14 seats on its board have new members. (Two positions remain vacant.) The transit agency has beefed up its safety department, and it has a new public relations message for its riders: Metro is moving forward.

"The system is absolutely safer than it was a year ago," said Sarles, who was brought in on an interim basis in spring 2010. "We've adopted an attitude of we're going to change the safety culture to one that's going to prevent accidents."

Since the June 22, 2009, accident, Metro has installed new safety equipment and done more training to help prevent accidents. It has resolved more than 100 "corrective action items" from the NTSB, the Federal Transit Administration and other watchdog groups. It hopes to resolve 10 others soon.



Can having a place to call home help families in D.C. feel secure?

Bank of America  [See full story](#)

Metro has also worked to solve some of the technical problems the NTSB identified as the cause of the Red Line crash. It is improving its train detection systems, replacing more than 1,500 track circuit modules and operating its trains in manual instead of automatic mode as a safety precaution.

At a recent roundtable discussion with the national capital region's congressional delegation, Sen. Barbara A. Mikulski (D-Md.) — who was one of Metro's harshest critics — said the transit agency has started to show "substantial improvement." Mikulski said Metro had a "culture of cover-up of the problems and denial of the problems, and this is changing."

Sarles said Metro is spending \$1 billion to make repairs and improve its safety operations. The work includes:

lInstalling rollback protection on rail cars.

lReplacing 148 switches, which guide trains from one track to another. (Metro plans to replace 30 more by summer 2012.)

lSpending \$689 million to replace its oldest rail cars, the 1000 series, which make up about 25 percent of the fleet and which the NTSB has criticized as offering little protection in a crash.

lGetting safety officers out of their offices and into the field.

Metro still has troubles, though. It faces a \$66 million budget shortfall, questions remain about its security after a bomb scare Monday, and federal efforts to set safety standards and oversight for transit systems nationwide have stalled.

Metro also has to address about 200 procedural and administrative safety "action items" identified by the Tri-State Oversight Committee, Metro's internal audits and the FTA. But TOC Chair Matt Bassett said, "We can sleep at night knowing that the process they have in place to implement these plans is sound."

Challenge of battling distrust

More work needs to be done on changing attitudes, Bassett said. In its final report on the causes of the crash, the NTSB criticized Metro's former senior management for a "lack of a safety culture" and its board of directors for "ineffective safety oversight."

"You're not talking about just changing a piece of equipment," said Bassett, whose group monitors safety at Metro. "You're trying to change mind-sets. That's more difficult."

Battling the distrust that had grown between management and employees remains a challenge. Many employees in the field have said they fear retaliation for reporting safety concerns.

"The culture of reporting on each other and holding each other accountable has not changed," said Jackie Jeter, president of Amalgamated Transit Union's Local 689, which represents most Metro employees and has more than 10,000 members.

"It's about trust between management and the employees, and trust between co-workers," she said. "There's been a culture of nothing but discipline, and we have to change that so people are not fearful to speak up and correct each other when they know a process or procedure is not being followed."

“All of us have had a slap in the face, and we’re all being judged on how well the system does or does not do.”

‘How many lives are at stake’

But Metro’s changes aren’t enough for some families of the Red Line crash victims.

Carolyn Jenkins of Upper Marlboro, whose daughter Veronica DuBose was killed in the crash as she was on her way to nursing school in the District, said she hasn’t ridden Metro since the accident.

“My daughter got on that train and put her life — and trust — in Metro’s hands,” said Jenkins, who is raising DuBose’s 3-year-old daughter. (DuBose’s 10-year-old son lives with his father in Culpeper, Va.)

“She never made it to school,” Jenkins said. “They killed her.” Jenkins is one of the many family members who have an ongoing lawsuit against Metro. The case is expected to go to trial in February.

Clare Wherley, 66, of Berkeley Heights, N.J., lost her brother, retired Maj. Gen. David Wherley, and his wife, Ann, in the crash. She said she is concerned that Metro has not moved fast enough to make its rail system safer.

“We don’t want to see other families suffer the way we have,” she said, noting that she had hoped that federal laws would be passed to standardize safety measures in rail systems nationwide.

“I don’t think Metro has done enough,” she said. “‘We’re making progress’ sounds a bit like PR. . . . How many lives are at stake while they’re replacing switches? In the meantime, we cross our fingers and hope nothing happens.”

Even those closest to Metro recognize there is work to do.

Mort Downey, chairman of the Metro board’s safety and security committee, said that he is concerned about recent incidents of overworked Metro employees and that they may be less focused on safety as the agency pushes an aggressive \$5 billion capital plan to upgrade the system. Metro has said it is recruiting more inspectors and supervisors but notes that it will take time.

“Metro is a safer place because everyone from the top to the bottom is paying attention to safety,” Downey said. “Have we done everything we can do? No, but we’ve made a really good start from what was a very deep hole.”

Union officials plan to hold a town meeting to begin a dialogue with riders at 6 p.m. Monday at the Martin Luther King Jr. Memorial Library, 901 G St. NW. Metro officials will place a wreath at the Fort Totten Station during a memorial ceremony at 10 a.m. Wednesday.

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 101106	Resolution: <input type="radio"/> Yes <input checked="" type="radio"/> No
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TITLE:

Approval for Cinder Bed Road Bus Garage (CIP-085)

PURPOSE:

To obtain Board approval to:

- Award a Design Build Contract for Cinder Bed Road Bus Garage; and
- Enter into agreements with utility companies.

DESCRIPTION:

The request to approve the Design Build Contract is necessary to continue the progress towards building a new bus garage to replace the Royal Street Bus Garage. The existing garage has exceeded its useful life, has no potential for expansion, and is not compatible with the surrounding neighborhood. New technology buses and fuels in an expanded and modern facility, will improve the quality of bus service, thereby enhancing Metro's image. In addition, a modern, well-designed facility will help to attract new employees, advancing Metro's goal of attracting and retaining the best and the brightest.

An unsolicited proposal was received in August 2008 offering to provide the real estate necessary to house a new garage to replace Royal Street Bus Garage. The proposal also offered design and construction services and proposed a private financing plan to cover the project's costs. Following a procurement request for alternatives, of which there were none, authorization was given to proceed with the developer, Iskalo. After a Metro Public Hearing, the Board of Directors on September 24, 2009 approved the Public Hearing Staff Report and amended the Mass Transit Plan to add the Cinder Bed Road Bus Garage.

The next step was the negotiation of the Master Development Agreement (MDA) that addressed the efforts leading up to and including closing for property acquisition. Board approval for execution of the MDA was provided in January 2010. To further advance the project, WMATA and the Developer amended the Master Development Agreement for the performance of preliminary engineering by the designer for the garage. By advancing the design to a higher level of completion than existed at the time, the pricing for the Design/Build Agreement can be of higher accuracy. That design effort was completed in

Project:	Royal Street Replacement (CIP 085)		
Project Manager:	John Thomas		
Project Department/Office:	TIES/CENI		
Budget:	FY11	FY12-16	Total
	\$13,895,332	\$82,183,400	\$96,078,732
This Action:	\$2,903,802	\$51,773,889	\$54,677,691
Prior Approval:	\$10,543,338	\$0	\$10,543,338
Remaining Budget:	\$448,192	\$30,409,511	\$30,857,703
Remarks:	<p>In addition to CIP funding, there is approximately \$4.3 million of reimbursable funding that has already been expended. Thus the total project budget is \$101,114,675. Funding for FY12 and beyond is subject to Board approval and availability of funds. In March, the Board approved a reprogramming of \$2.7 million from this project in FY2011.</p>		
Operating Budget Impact:	<p>Positions: None Annual Expenses: None</p>		

RECOMMENDATION:

Board approval to:

- Award a Design Build Contract for Cinder Bed Road Bus Garage; and
- Enter into agreements with utility companies.



AGENDA ITEM #6

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube and Scott Kalkwarf
DATE: June 30, 2011
SUBJECT: Update on DRPT's SJ 297 Study

The first meeting of the stakeholders committee was held in Richmond on June 16, 2011 (an agenda and list of committee members is attached.)

Five broad themes were identified for the study:

1. Stability of allocations and revenue sources (including awareness of DRPT's rules and funding priorities and criteria before applications are due);
2. Education (advocacy);
3. Performance measures (with the caution that different transit systems have different objectives);
4. Equity and fairness;
5. Relationships (cooperation with DRPT and among transit providers).

The group agreed to open meetings with some opportunity for comment by non-committee members.

The phases of the study are roughly:

1. May-June: Overview;
2. June-July: Issue identification, inventory of needs, examination of other states, gathering of performance data;



3. July-October: Develop and analyze scenarios

Round 1 -- Develop 12-15 scenarios

Round 2 -- Narrow to 5

4. October-December: Draft and final reports

The next meeting is August 3, 2011.

ST 297 Committee

Name	Company	Email	Phone
Curtis Andrews	Radar	curtis@radartransit.org	540-343-1721
Noelle Dominguez	Fairfax County	Noelle.Dominguez@fairfaxcounty.gov	703-877-5665
Larry Hagin	GRTC	lhagin@ridegrtc.com	804-358-3871
Al Harf	PRTC	aharf@omninde.com	703-580-6121
Howard Jennings	Arlington	hjennings@transpartners.com	571-214-2974
Amie Levine	Fredericksburg	allevine@fredericksburgva.gov	540-372-1222 ext. 209
Henry Li	HRT	hli@hrttransit.org	757-222-6164
Dan Lysy	RRPDC	dlysv@richmondregional.org	804-323-2033, ext 101
Mark McGregor	VRT	mark@vatransit.org	703-431-2583
Diana Morris	Blacksburg	dmorris@blacksburg.gov	540-443-7100 ext. 2301
Mark Rickards	WATA	mrickards@james-city.va.us	757-220-8290
Donna Shaunesey	Jaunt / CTAV	Donnas@ridejaunt.org	434-296-3184
Rick Taube	NVTC	Rick@nvtc.org	703-524-3322 x105
Bill Watterson	Charlottesville	watterson@charlottesville.org	434-970-3849

Kickoff Stakeholder Committee Meeting

12th Floor North Conference Room

Virginia Department of Rail and Public Transportation

600 E Main St.

Richmond, VA 23219

June 16, 2011

9:00 AM – 3:00 PM

1. Welcome and Introductions –

- Thelma Drake, Executive Director DRPT
- Bob Wilson, Chief of Public Transportation
- Steve Pittard, Chief Financial Officer

2. Objective of Meeting, Overview of Agenda, and Role of Committee – Liz Sanford

- a. Objective and Format of Meeting
- b. Role of Committee – Why are we here?

3. Background: Review Flow of Funds for Public Transportation – Stacy Cook

- a. Institutional Relationships
- b. Legal Authorities (Distributions)
- c. Funding Implementation
- d. Questions/Comments and Discussion

- ❖ What stands out when you hear the flow of funds review?
- ❖ Any observations to share?
- ❖ Reactions as to changes to consider?

4. Work Plan for Public Transportation Funding Study – Susan Binder

- a. Study Objective
- b. Schedule of Major Activities
- c. Relationship with elements in Resolution
- d. Data and Resource Needs
- e. Option Development and Analysis
- f. Draft and Final Reports
- g. Study Coordination (include stakeholder plan)
- h. Questions/Comments and Discussion

➤ Lunch Break

5. Discuss and Refine Goals

- ❖ Amplify and clarify Resolution directions?
- ❖ Additional considerations and goals?

6. Wrapup and Next Steps – Bob Wilson and Steve Pittard



AGENDA ITEM #7

TO: Chairman Eulle and NVTC Commissioners
FROM: Rick Taube and Scott Kalkwarf
DATE: June 30, 2011
SUBJECT: Adopted Virginia Six-Year Program for Transit.

With final approval in June of the FY 2012-17 Six-Year Transportation Program, the Virginia Commonwealth Transportation Board made some changes to the previous draft. The effects of the changes on NVTC's transit applications are set forth below and on the attached tables.

The CTB refused to include local hybrid vehicles (non-transit) that had been approved by the Northern Virginia Transportation Authority for CMAQ funding. The CTB liaison to NVTC is apparently seeking to resolve this issue with his colleagues on the CTB.

On behalf of the city of Alexandria, NVTC applied for state capital assistance for the purchase of alternative fuels expansion buses. Because the local funding share was contingent on a new commercial real estate property tax scheduled for a vote in May 2011, the buses were not included in the draft program. With the passage of an increase in the real estate tax by the City Council, DRPT added the buses to the final program, but only up to the cost of clean diesel hybrid buses. State funding for these buses equals \$1,350,000.

The final program includes an additional \$4.3 million in state funding for WMATA capital. This is due to an adjustment from the draft program to properly account for FY 2011 carryover funding available for FY 2012.

An adjustment was made to the draft program to properly reflect the funding sources of a VRE capital item, which increases the amount of state assistance by \$3 million in the final program.

The final program includes a 1.2% increase in operating assistance for those systems included in the draft program. For NVTC, this results in an additional \$1.2 million in operating assistance.

Overall, the final program includes an additional \$6.8 million in funding for NVTC, and \$3.1 million for VRE, compared to the draft program.



NORTHERN VIRGINIA TRANSPORTATION COMMISSION
ELIGIBILITY AND ASSISTANCE FOR CAPITAL AND OPERATING ASSISTANCE APPLIED FOR THROUGH NVTC
FY 2011 Final Six-Year Program and FY 2012 Final Six-Year Program

	FY 2011				FY 2012				Increase (Decrease)		
	Eligibility	Actual	Shortfall	Effective State %	Eligibility	Final	Shortfall	Effective State %	Eligibility	Actual	Effective State %
NVTC											
Capital Assistance											
WMATA											
MTTF (53% / 54%)	\$ 18.1	\$ 10.1	\$ (8.0)		\$ 46.1	\$ 26.2	\$ (19.9)		\$ 28.1	\$ 16.1	
MTCF (53% / 54%)	-	-	-		4.7	2.7	(2.0)		4.7	2.7	
MTCF (53% / 50%)	26.3	14.7	(11.6)		-	-	-		(26.3)	(14.7)	
MTCF (80% / 80%)	2.5	2.1	(0.4)		2.7	2.3	(0.4)		0.2	0.1	
TTF (100%)	-	-	-		-	-	-		-	-	
Total	46.9	26.9	(20.0)	54.5%	53.6	31.2	(22.4)	55.3%	6.7	4.3	0.9%
Local											
MTTF (53% / 54%)	15.2	8.5	(6.7)		-	-	-		(15.2)	(8.5)	
MTCF (53% / 50%)	5.2	2.9	(2.3)		37.7	19.9	(17.9)		32.5	17.0	
MTCF (80% / 80%)	-	-	-		-	-	-		-	-	
TTF (100%)	-	-	-		-	-	-		-	-	
Total	20.4	11.4	(9.0)	53.0%	37.7	19.9	(17.9)	50.0%	17.3	8.5	-3.0%
Total Capital	67.3	38.2	(29.0)	54.0%	91.3	51.0	(40.3)	53.1%	24.0	12.8	-0.9%
Operating Assistance											
NVTC-WMATA	137.4	51.2	(86.1)	35.4%	137.3	62.2	(75.1)	43.0%	(0.1)	10.9	7.6%
Local	22.2	10.8	(11.4)	46.0%	35.3	14.0	(21.3)	37.6%	13.1	3.2	-8.5%
Total	159.6	62.0	(97.6)	36.9%	172.6	76.1	(96.5)	41.9%	13.0	14.1	5.0%
Total NVTC Assistance	226.8	100.2	(126.6)	42.0%	263.9	127.2	(136.7)	45.8%	37.1	26.9	3.8%
VRE											
Capital Assistance											
MTTF (53% / 54%)	5.6	3.1	(2.5)		9.8	5.6	(4.2)		4.2	2.5	
MTCF (53% / 54%)	-	-	-		0.7	0.4	-		-	-	
MTCF (53% / 50%)	-	-	-		-	-	-		-	-	
MTCF (80% / 80%)	2.8	2.4	(0.4)		11.8	9.9	(1.9)		9.0	7.6	
TTF (100%)	1.1	1.2	0.1		-	-	-		(1.1)	(1.2)	
Total	9.5	6.7	(2.9)	66.3%	22.3	15.9	(6.0)	68.0%	12.0	8.9	1.7%
Operating Assistance	15.9	7.5	(8.4)	44.7%	13.7	6.9	(6.8)	47.9%	(2.2)	(0.6)	3.2%
Total VRE Assistance	25.4	14.1	(11.3)	52.8%	36.0	22.9	(12.9)	60.3%	9.9	8.3	7.5%

Notes:

Table excludes \$50M PRIIA match provided directly to WMATA.

Assistance Available from Other Program Years:

WMATA's Capital Funding Agreement requires that quarterly capital subsidy billings are adjusted based on anticipated cash flow needs. As a result, a portion of the FY11 capital program will be invoiced in FY12. The related FY11 state assistance has been carried over into FY12. In addition, a portion of the capital subsidies were paid with funds not eligible for reimbursement, resulting in additional FY11 funding carried over into FY12.

MTTF - Mass Transit Trust Fund. Funds are allocated by statute to the FTM/Admin Program (73.5%), the Capital Program (25%) and Special Projects Program (1.5%). The statutory target percentage for the Capital Program is 95% of non-federal costs, while the target percentage for the FTM/Admin (operating) Program is 95% of certain operating expenses. The actual capital percentage and FTM/Admin funding are products of the state-wide needs and funds available in the subprograms. For FY12, this capital program funds debt service and assets with federal funding.

MTCF - Mass Transit Capital Fund. Select capital programs funded at 80%, and 50% for other categories. For FY12, 80% rate for replacement vehicles, and 50% rate for other capital assets.

TTF - Transportation Trust Fund. The required match to CMAQ and RSTP is funded at 100% from the TTF.

Capital shortfall assumes target rate of 95% for all programs.

**COMPARISON OF STATE FINANCIAL ASSISTANCE THROUGH DRPT
PROGRAM ALLOCATIONS
FY 2011 FINAL AND FY 2012 FINAL
(in millions)**

	STATEWIDE				NVTC			
	FY11	FY12	Increase(Decrease)		FY11		FY12	
			\$	%	\$	NVTC %	\$	NVTC %
Available for State-wide Transit Allocations:								
Operating (FTM/Admin) Subprogram of MTTF, plus Recordation Tax	\$ 102.0	\$ 121.5	\$ 19.4		\$ 63.1	61.9%	\$ 77.5	63.8%
Capital Assistance Subprogram of MTTF	24.8	32.5	7.7		20.1	80.8%	26.5	81.3%
Mass Transit Capital Fund (Bond Funds)	42.4	56.5	14.1		20.2	47.7%	30.8	54.6%
Special Projects Subprogram of MTTF (Note A)	0.8	0.9	0.1		0.2	24.3%	-	0.0%
State MTF Paratransit Capital	1.7	0.5	(1.2)		-	0.0%	-	0.0%
Transportation Efficiency Improvement Fund (Note A)	4.3	3.8	(0.5)		1.9	43.1%	1.5	40.3%
State TTF Capital	1.5	-	(1.5)		-	0.0%	-	0.0%
Total Available for State-wide Transit Allocation	177.5	215.7	38.2	21.5%	105.5	59.4%	136.4	63.2%
Other State Transit Financial Assistance								
Transportation Capital Bonds / Federal Match	50.0	50.0	-		50.0	100.0%	50.0	100.0%
Total State Transit Assistance	227.5	265.7	38.2	16.8%	155.5	68.3%	186.4	70.1%
Other Financial Assistance (excluding carryovers)								
Virginia Rail Enhancement Fund (Note B)	26.6	44.7	18.1		-	0.0%	-	0.0%
Virginia Shortline Railway Preservation Fund (Note C)	5.9	4.5	(1.3)		-	0.0%	-	0.0%
Intercity Passenger Rail Operating Program (Note D)	-	3.0	3.0		-	0.0%	-	0.0%
Total Other Financial Assistance	32.5	49.2	16.7	51.5%	-	0.0%	-	0.0%
Total State Financial Assistance Available Through DRPT	\$ 280.0	\$ 315.0	\$ 54.9	68.3%	\$155.5	59.8%	\$186.4	59.2%

Notes

A. May include non-transit projects.

B. Table reflects current year anticipated funding. Actual amount available and programmed in FY12 includes an additional \$18.9M carryover from previous fiscal years, plus \$0.4M carryover of Rail Bonds, with \$0.2M unobligated. Total REF funding programmed for FY12 equals \$63.2M and includes the following projects:

I-81/Rt 29 Passenger Rail	\$ 2.2
I-95/I-64 Corridor, National Gateway	12.1
Port of Virginia, Hampton Roads	2.6
I-81 Crescent Corridor	22.9
Richmond-Hampton Roads Passenger Rail Infrastructure	13.8
I-95 Corridor, NVTC/VRE 3rd Track Spotsylvania Extension	5.2
I-95 Corridor, MAS 90	1.7
Intercity Passenger Rail Operating Program, Richmond and Norfolk train subsidies	2.8
	<u>\$ 63.2</u>

C. Table reflects current year anticipated funding. Actual amount available and programmed in FY11 includes an additional \$1.0M carryover from previous fiscal years. Total RPF funding programmed for FY12 equals \$6.2M for projects located in Culpeper, Staunton, Lynchburg, Hampton Roads, and Richmond districts.

D. For FY12, primarily funded from REF as shown in note B.

*NVTC includes all NVTC Jurisdictions

NVTC

Northern Virginia Transportation Commission

NVTC

AGENDA ITEM #8

TO: Chairman Euille and NVTC Commissioners

FROM: Rick Taube and Scott Kalkwarf

DATE: June 30, 2011

SUBJECT: Virginia Department of Taxation's Administration of NVTC's Motor Fuels Tax.

Staff will provide an update on the corrections by the Virginia Department of Taxation of misallocation of revenues among NVTC's jurisdictions. Progress in hiring a new senior auditor will also be reported.



2300 Wilson Boulevard • Suite 620 • Arlington, Virginia 22201
Tel (703) 524-3322 • Fax (703) 524-1756 • TDD (800) 828-1120
E-mail nvtc@nvtc.org • Website www.thinkoutsidethecar.org

NVTC
Motor Vehicle Fuels Sales Tax Adjustments

	Period Posted	From						Total
		Fairfax City	Falls Church	Alexandria	Fairfax County	Arlington	Loudoun	
ADJ #2	11-10, received 1-11	(110,276.05)	(1,093.49)	-	-	-	-	(111,369.54)
ADJ #1	12-10, received 2-11	(170,435.39)	(42,087.14)	(104,038.35)	(22,069.72)	-	-	(338,630.60)
ADJ #3	2-11, received 4-11	(70,768.68)	(6,856.63)	(3,601.08)	(123,449.59)	(1,851.63)	(1,018.24)	(207,545.85)
ADJ #4	3-11, received 5-11	(25,427.74)	-	(108,726.85)	-	-	-	(134,154.59)
ADJ #5	4-11, received 6-11	-	-	-	-	(12,240.65)	(1,345.23)	(13,585.88)
ADJ #6	4-11, received 6-11	(2,756.38)	(448,661.57)	(88,014.78)	(46,756.33)	(68,006.86)	(1,541.68)	(655,737.60)
		<u>(379,664.24)</u>	<u>(498,698.83)</u>	<u>(304,381.06)</u>	<u>(192,275.64)</u>	<u>(82,099.14)</u>	<u>(3,905.15)</u>	<u>(1,461,024.06)</u>

	Period	To					Total	
		Alexandria	Falls Church	Loudoun	Fairfax County	Arlington		PRTC
ADJ #2	11-10, received 1-11	11,948.00	-	29,077.00	-	-	70,344.54	111,369.54
ADJ #1	12-10, received 2-11	-	-	22,069.73	316,560.87	-	-	338,630.60
ADJ #3	2-11, received 4-11	6,843.00	67,729.89	49,748.02	83,224.94	-	-	207,545.85
ADJ #4	3-11, received 5-11	-	-	-	134,154.59	-	-	134,154.59
ADJ #5	4-11, received 6-11	-	-	-	12,024.17	-	1,561.71	13,585.88
ADJ #6	4-11, received 6-11	56,176.76	41,888.26	18.19	551,750.18	5,904.21	-	655,737.60
		<u>74,967.76</u>	<u>109,618.15</u>	<u>100,912.94</u>	<u>1,097,714.75</u>	<u>5,904.21</u>	<u>71,906.25</u>	<u>1,461,024.06</u>

Net Transfers to Date - (From) To						
Fairfax City	Falls Church	Alexandria	Fairfax County	Arlington	Loudoun	PRTC
<u>(379,664.24)</u>	<u>(389,080.68)</u>	<u>(229,413.30)</u>	<u>905,439.11</u>	<u>(76,194.93)</u>	<u>97,007.79</u>	<u>71,906.25</u>



AGENDA ITEM #9

TO: Chairman Euille and NVTC Commissioners
FROM: Rick Taube and Adam McGavock
DATE: June 30, 2011
SUBJECT: Regional Transportation Items

A. BRAC Items.

Staff will review any new developments as the September, 2011 D-Day approaches.

B. Update on Public Transit Access to Pentagon Transit Center Bus Bays.

As explained at NVTC's June meeting, DOD officials are seeking to alter bus bay assignments at the Pentagon Transit Center to favor DOD shuttles based in part on a flawed study. There will be no immediate response to NVTC's letter pointing out the flaws because the DOD contract with Battelle (the author of the study) has lapsed. WMATA staff will provide to DOD in the next few days a proposed Memorandum of Understanding designed to clarify that WMATA has authority to determine access to the bus bays and layover areas.

C. Dulles Rail Project.

Commissioners participating in ongoing negotiations led by DOT Secretary LaHood will brief NVTC on progress.

D. Legislative Items.

Descriptions are attached from the American Public Transportation Association on progress in Congress regarding multi-year reauthorization of surface transportation programs.

E. Bike Counting.

An interesting description is attached of automatic bike counters deployed in Arlington on the Custis and Four Mile Run Trails using in-ground loop detectors and infrared beams. The peak use measured on the Custis trail was almost 45,000 bike trips in June, 2010 and peak days of close to 2,000 trips. Spikes occur in morning



and afternoon peaks indicating the trail (which parallels I-66) is a significant commuter route.

F. Report on the VTA Conference.

On June 9-10, 2011 VTA met in Portsmouth. There were over 150 attendees. Among the highlights:

1. Bill Euille's term as President concluded. The new officers are: Blacksburg Mayor Ron Riordan, President; Newport News Council member and HRT Vice-chair Dr. Patricia Woodbury, Vice-President; PRTC Executive Director Al Harf, Secretary; Blacksburg Transit General Manager Mike Carroll, Treasurer.
2. Next year's annual conference will be in Tysons Corner and will also feature a vendor exposition. The following year the conference will be held in Alexandria.
3. Among this area's awardees, in addition to Senator Whipple and Supervisor Hudgins, were Tom Whipple (Public Service), Loudoun County Transit and Arlington Transit (Honorable Mentions for Outstanding Programs), Arlington Transit (Outstanding Marketing) and VRE (Honorable Mention in Marketing).

G. Potomac Ferry Service.

The attached article describes the status of a new water taxi service and provides comments on the possibility of future commuter services via the Potomac River.

H. "Aging in Place, Stuck Without Options" by Transportation for America.

The attached memorandum describes this recently released study in detail. It is of special interest given NVTC's previous research into public transit options for seniors.

I. APTA's "Savings from Using Transit".

The American Public Transit Association publishes monthly estimates of savings due to using transit rather than driving a single-occupant automobile. As part of its efforts to promote "National Dump the Pump" day in June, APTA emphasized an average savings of \$10,074 annually based on the June 13th average price of gas nationwide (\$3.70 per gallon) and the national average rate for unreserved monthly parking in downtown business districts (\$161.56). The attachment also shows that the Washington, D.C. area ranked 13th in the U.S. in savings (\$10,217 annually) which is well above the national average.

J. Update on e-Buses.

Years ago NVTC struggled to procure effective electric buses for Falls Church. The initial idea for the project was based on the experience of Chattanooga, Tennessee and one of the bus manufacturing companies was located there. The attached article reviews the mixed experiences of Chattanooga and others in procuring and operating small electric buses in today's marketplace.


The article demonstrates that NVTC's past experience is still the norm:


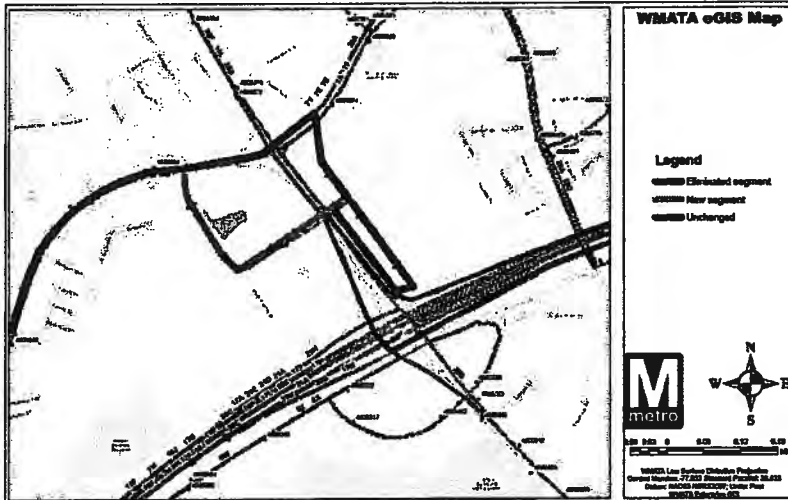
Electrics seem to prove the Catch 22 of technological advancement: Until people and entities invest in the technology enough to drive down prices and spur more production you don't get reasonable repair or maintenance costs because each tech change faces its own steep learning curve.


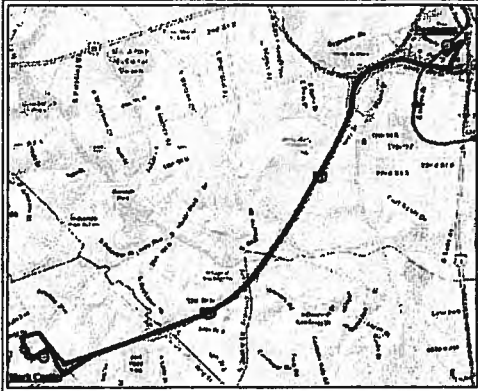



	Washington Metropolitan Area Transit Authority
	<p>BRAC Related Metrobus Service Modifications</p> <p>Jurisdictional Coordinating Committee</p> <p>June 24, 2011</p>


	Maryland Service Modifications
	<ul style="list-style-type: none">• 7700 Hubble Drive, Greenbelt (NASA and NOAA)<ul style="list-style-type: none">– G13, 14 modification to serve• Andrews Air Force Base<ul style="list-style-type: none">– K12 modification to serve visitors' gate• No additional equipment or operating subsidies required


	<h2>7W and X line modifications</h2>
<ul style="list-style-type: none"> • Modified to serve the Mark Center Transit Center <ul style="list-style-type: none"> • Will operate via Mark Center Drive between Southern Towers and Beaugard Street • Bus stops at Berkeley Building will no longer be served by the 7W and X • Bus stop on Beaugard southbound between Southern Towers and Seminary Road will be eliminated 	

	<h2>7W and X line modifications</h2>
	

	<h2>New Metrobus 7M route</h2>
<ul style="list-style-type: none"> • Direct service connecting Pentagon and new Mark Center Transit Center via I-395 • Non-regional service funded by the City of Alexandria through an agreement with DoD 	

	<h2>7M Line Agreement with Alexandria</h2>
<ul style="list-style-type: none"> • Agree to provide subsidy for new non-regional service between Pentagon and Mark Center (line 7M) • Agree to provide reimbursement for a fare buy-down program allowing Mark Center employees to ride for free on all 7 line service from Pentagon, Mark Center or Southern Towers (similar to EPA employees riding the 9S line) • Approval to enter agreement with Alexandria scheduled for July 7th Finance & Administration Committee Meeting and July 21st Board Meeting 	

	Alexandria Agreement with DoD
<ul style="list-style-type: none">• DoD agrees to provide Alexandria the total subsidy for the new service• DoD agrees to provide Alexandria full reimbursement for the fare buy-down program• DoD agrees to provide Alexandria 120 days notice of intent to discontinue service and thus Alexandria will provide same notice to Metro	

	7M Bus Requirements
<ul style="list-style-type: none">• Peak-hour service is primarily the conversion of deadhead and 7D trips to 7M trips• The span of the peak period will be extended on some buses• Two additional buses will be added to midday service• No special branding required• Service will operate from both Four Mile and Royal Street• Primarily interlined with 7E, 7Y and 8W trips<ul style="list-style-type: none">• 8W modified to start / terminate at Mark Center	



June 2, 2011

Chairman
Hon. William D. Euille

Vice Chairman
Hon. Jay Fisette

Secretary/Treasurer
Hon. Jeffrey McKay

Commissioners:

City of Alexandria
Hon. William D. Euille
Hon. Paul Smedberg

Arlington County
Hon. Jay Fisette
Hon. Mary Hynes
Hon. Christopher Zimmerman

Fairfax County
Hon. Sharon Bulova
Hon. John Cook
Hon. John Foust
Hon. Catherine M. Hudgins
Hon. Jeffrey McKay

City of Fairfax
Hon. Jeffrey C. Greenfield

City of Falls Church
Hon. David Snyder

Loudoun County
Hon. Kelly Burk

**Virginia Department of Rail
and Public Transportation**
Hon. Thelma Drake

Virginia General Assembly
Sen. Mark R. Herring
Sen. Mary Margaret Whipple
Del. Barbara J. Comstock
Del. Adam P. Ebbin
Del. Joe T. May
Del. Thomas D. Rust

Executive Director
Richard K. Taube

Lisa Passagaluppi
WHS/DFD/PSD Management Analyst
Department of Defense
Washington Headquarters Services
1155 Defense Pentagon
Washington, DC 20301-1155

Re: Pentagon Transit Center Usage
Analysis (March, 2011).

Dear Ms. Passagaluppi:

At its June 2nd meeting, the Northern Virginia Transportation Commission authorized me to provide the following comments on the subject study performed for Washington Headquarters Services (WHS) by Batelle. You will recall that NVTC has corresponded with WHS previously on behalf of public transit systems in Northern Virginia serving customers at the Pentagon Transit Center. Your agency was very responsive to our concerns at that time and we are offering the following comments for your consideration in that same spirit of mutual cooperation.

As you know, in its study Batelle analyzed existing use of the bus bays at the Pentagon Transit Center and based on its assumptions identified under-utilized and highly utilized bus bays and proposed relocations of buses among the existing bus bays. To do so the consultants separated the hours of operation into three periods (5:00 AM to noon; noon to 7:00 PM; 7:00 PM to 2:30 AM).

Recommendations in the short term included shifting some buses to different bus bays. In the long term, five prime bus bays in the center of the upper level would be reserved for exclusive use of DOD shuttles. Investments in advanced communication devices would "improve alighting of the buses on a real-time basis" and investments in kiosks would allow passengers to see "where/when the next bus/shuttle will be arriving." Also, automatic vehicle location should be employed along with computerized dispatching. Cost estimates for these investments would require another study.

In general, NVTC believes the study underestimates the current challenges experienced by public transit operators at the Pentagon Transit Center. By examining bus movements averaged over large blocks of peak and off-peak hours, the study masks the serious congestion experienced by those operators during the peak hours when transit buses carry the great majority of riders. Also, by selecting a three-minute dwell time for buses (taken from one section of the TCRP Report #100), congestion issues were minimized. If a longer and more realistic dwell time had instead been used in the consultant's analysis (say the five to eight minute dwell time used in the sample problems included in the same TCRP Report #100), a significantly different outcome would result.

To see an illustration of this fatal flaw in Batelle's analysis, please refer to the attached chart. Batelle reached the misleading conclusion that no bus bays currently exceed 80 percent of capacity in the upper tier. NVTC staff replaced Batelle's unrealistic assumptions regarding peak periods and dwell time with realistic figures. As can be seen, examining the peak period of 6 A.M. to 9 A.M. instead of 5 A.M. to noon and assuming a five minute dwell time (from TCRP Report #100) instead of three minutes, several bus bays on the upper level are at or well above capacity now.

For example, NVTC's chart shows that one bus bay (#4) operates at 175 percent of capacity, while Batelle concluded erroneously that the same bus bay operated at about 80 percent of capacity. Similarly, for bus bay #5, Batelle reported that it was used at less than 60 percent of capacity, whereas with NVTC's realistic approach that same bus bay is currently used at almost 175 percent of capacity.

Batelle's analysis suffers from other problems as well. The consultant's proposal separates buses from the same operator and assigns them to bus bays that are no longer adjacent. This disadvantages transit customers seeking to transfer. Similarly, the capacity of the nearby platforms and walkways to handle safely pedestrian and transit customer queuing and movements was not addressed. Such vital factors are considered by WMATA in its current assignments of bus bays and should not have been ignored in Batelle's study.

NVTC is unable to find in the material provided for our review any justification for awarding the five contiguous, centrally located bus bays to DOD shuttles throughout the entire day at the expense of public transit buses serving 300,000 daily passenger trips on 84 bus routes with 1,500 daily bus arrivals and departures, many during the morning and afternoon peak periods. In fact, WMATA's current policy provides the opposite hierarchy based on levels of use: 1) WMATA services; 2) WMATA Compact member local services; 3) Other regional transit services; 4) Private shuttles (including DOD shuttles not open to the public).

We do not see any analysis of specifically how the proposed ITS investments would create sufficient additional capacity without investments in additional bus bays. WMATA and our other transit systems assert that during peak periods they encounter

congested conditions. This is confirmed by replacing Batelle's unrealistic assumptions in its own analysis. The solution to this congestion appears to be constructing additional bus bays, especially if DOD wishes to insert more shuttles. Gambling on the potential benefits of the recommended technologies seems to be unwise (notwithstanding the question of who will pay), because to do so jeopardizes a very successful transit hub.

NVTC also requests that your consultants examine the potential for DOD shuttles using other Pentagon entrances (especially during peak periods) to reduce the number of shuttle trips using the PTC. The PTC is used by many public transit customers and Pentagon visitors, while many persons holding credentials necessary to use the DOD shuttles could likely use other entrances.

We again thank you for the opportunity to comment on your consultant's study. We believe that if the unrealistic assumptions described above are revisited, the recommended insertion of DOD shuttles will need to be revised as well. Clearly there are opportunities to insert DOD shuttles during off peak hours, but the idea of providing priority to DOD shuttles during peak hours at the expense of thousands of the region's transit commuters is unwise.

Please feel free to contact NVTC's executive director, Rick Taube, with any questions. We would greatly appreciate the opportunity to continue to share our reactions with you as your Transit Development Plan proceeds.

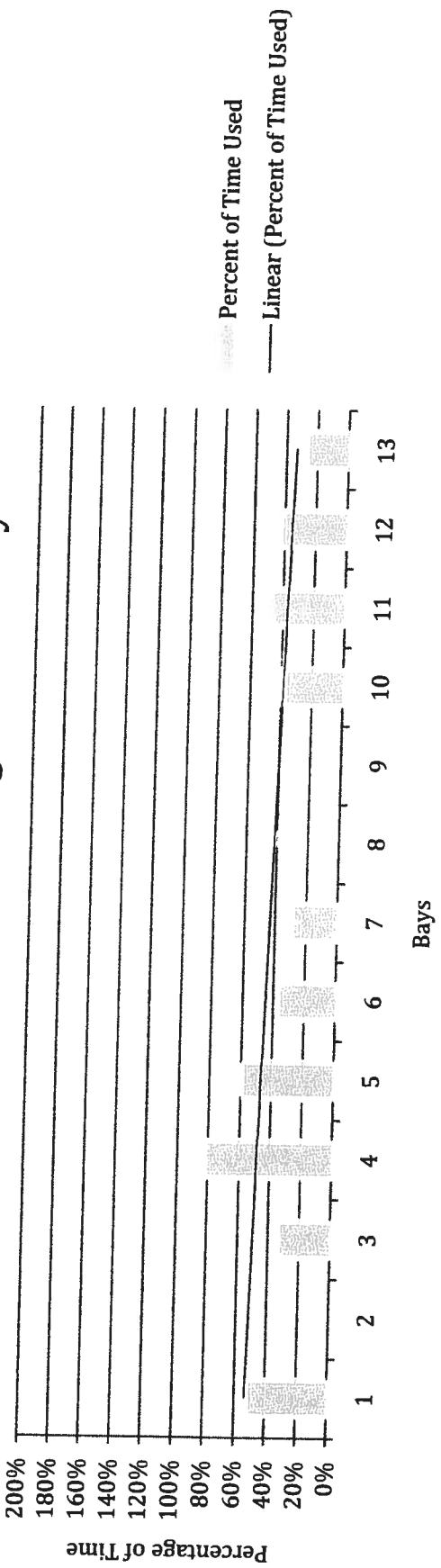
Sincerely,



William D. Euille
Chairman

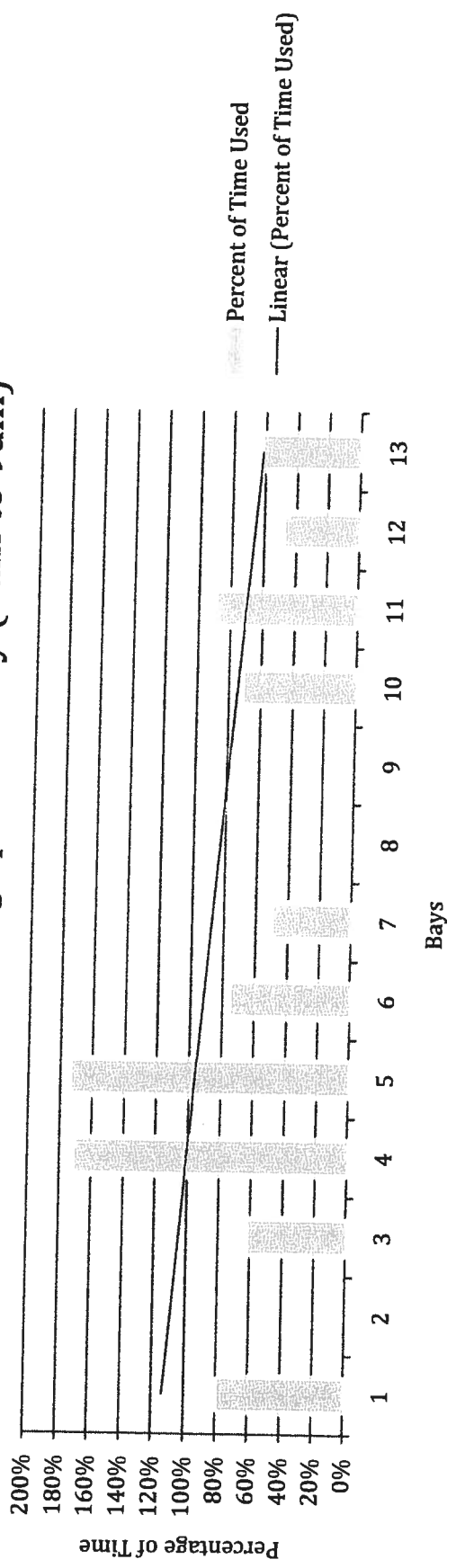
Original Analysis Completed by Battelle for Washington Headquarters Services (WHS) Presentation
Assumes AM Period of 5am to Noon, Average 3 minute Dwell Time Per Bus

Usage Percentage Per Bus Bay



Revised Analysis Completed by NVTC and WMATA Staff
Assumes AM Peak Period of 6am to 9am, Average 5 minute Dwell Time Per Bus

Usage Percentage per Bus Bay (6am to 9am)





June 10, 2011

Ms. Lisa Passagaluppi
Department of Defense
Washington Headquarters Services
1155 Defense Pentagon
Room 3B139A
Washington, DC 20301-1155

Dear Ms. Passagaluppi:

The Pentagon Transit Center (PTC) is a vital resource to our regional transit network, and its effective operation is critical to Metrobus service throughout Northern Virginia. Please consider the following comments in response to the March 2011 Power Point presentation titled Transit Development Plan – Pentagon Transit Center Usage Analysis:

1. TCRP Report 100 on Transit Capacity and Quality of Service cites in their example problem that the each through bus requires 5 minutes and each terminating bus requires 8 minutes (page 4-38.) Additionally this same report also states that typical design practice is to have a separate berth for each route serving a station (page 4-9.) These examples are typical of the operational needs experienced by Metrobus throughout the region.
2. Metro acknowledges that there are times out of the peak periods when the bays at the station have plenty of excess capacity; however the station was designed to meet peak-period demands. The time periods used in the analysis should be recalculated to reflect the true peak utilization period. Appropriate analysis would be to show average utilization from 6 until 9 AM and then 4 until 7 PM.
3. There are other factors contributing to capacity of the station that should be considered in this analysis including the capacity of the passenger waiting area at each bay and the capacity of the road network leading to and from the station. Analysis should also show the level of service for queuing areas as described in the Transit Capacity and Quality of Service Manual Part 4, Figure 4-1 as well as the level of service for pedestrian walkways as described in the same manual, figure 4-15, plus an analysis of the roadway level of service at the intersection of Eads Street and South Rotary Road with the additional vehicles that would be accommodated in both the short-term and long-term recommendations.
4. There are a number of instances where buses that serve common

Washington
Metropolitan Area
Transit Authority

600 Fifth Street, NW
Washington, DC 20001
202/962-1234

By Metrorail:
Judiciary Square—Red Line
Gallery Place-Chinatown—
Red, Green and
Yellow Lines

By Metrobus:
Routes D1, D3, D6, P6,
70, 71, 80, X2

A District of Columbia,
Maryland and Virginia
Transit Partnership

Ms. Lisa Passagaluppi

Page 2

destinations are placed in adjacent bays. Any recommendations to move bus bays must maintain these adjacencies in order to meet the needs of our customers.

5. Metrobus Planning Staff had previously provided a recommendation on some improvements that can be made at the PTC to better accommodate the coordination between transit and shuttle services. These recommendations are included with these comments and we encourage your consideration. As part of these recommendations a few places were identified where some transit services can be combined to help accommodate and coordinate with shuttle operations more efficiently.
6. A comparison of transit operations at the PTC to several other transit stations in the region shows that transit usage at the PTC is very much consistent with usage at other busy stations in the region. This comparison has also been included with these comments.
7. Metro does agree that transit services and shuttles should not share the same bays. It has been very difficult to coordinate these services as they are two distinctly different types of operations. Metro would very much welcome the opportunity to agree on a plan that separates these uses into different bays.

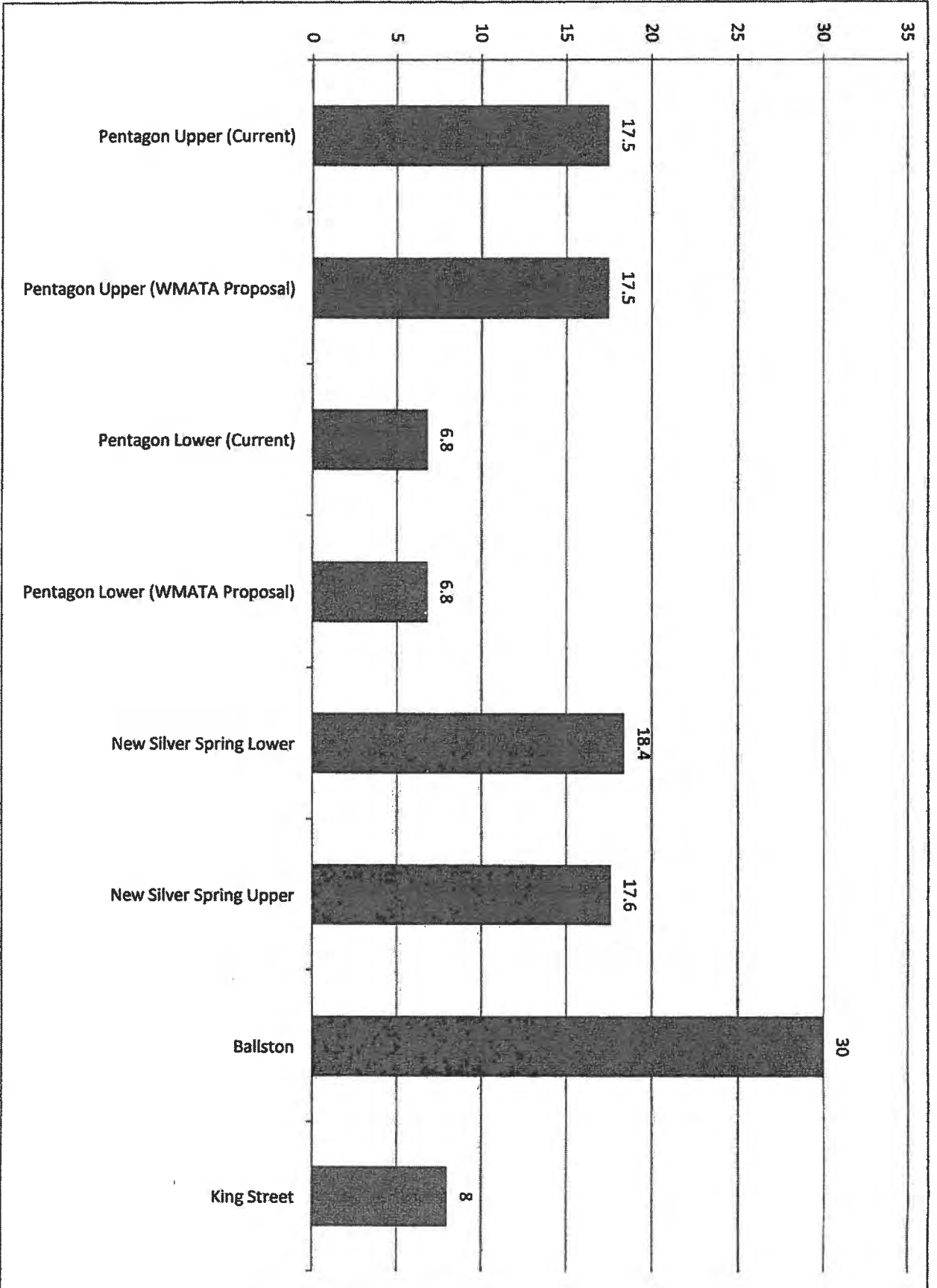
The use of the PTC has changed over the 10 years since it was constructed. Many of the added uses were not included in the original facility design requirements. Metrobus is very much interested in continuing discussions on how the PTC can operate most effectively for all users. Please contact Al Himes (ahimes@wmata.com) of my staff, if you have any questions on these comments. We look forward to continuing the dialogue regarding this vital bus transit facility.

Sincerely,

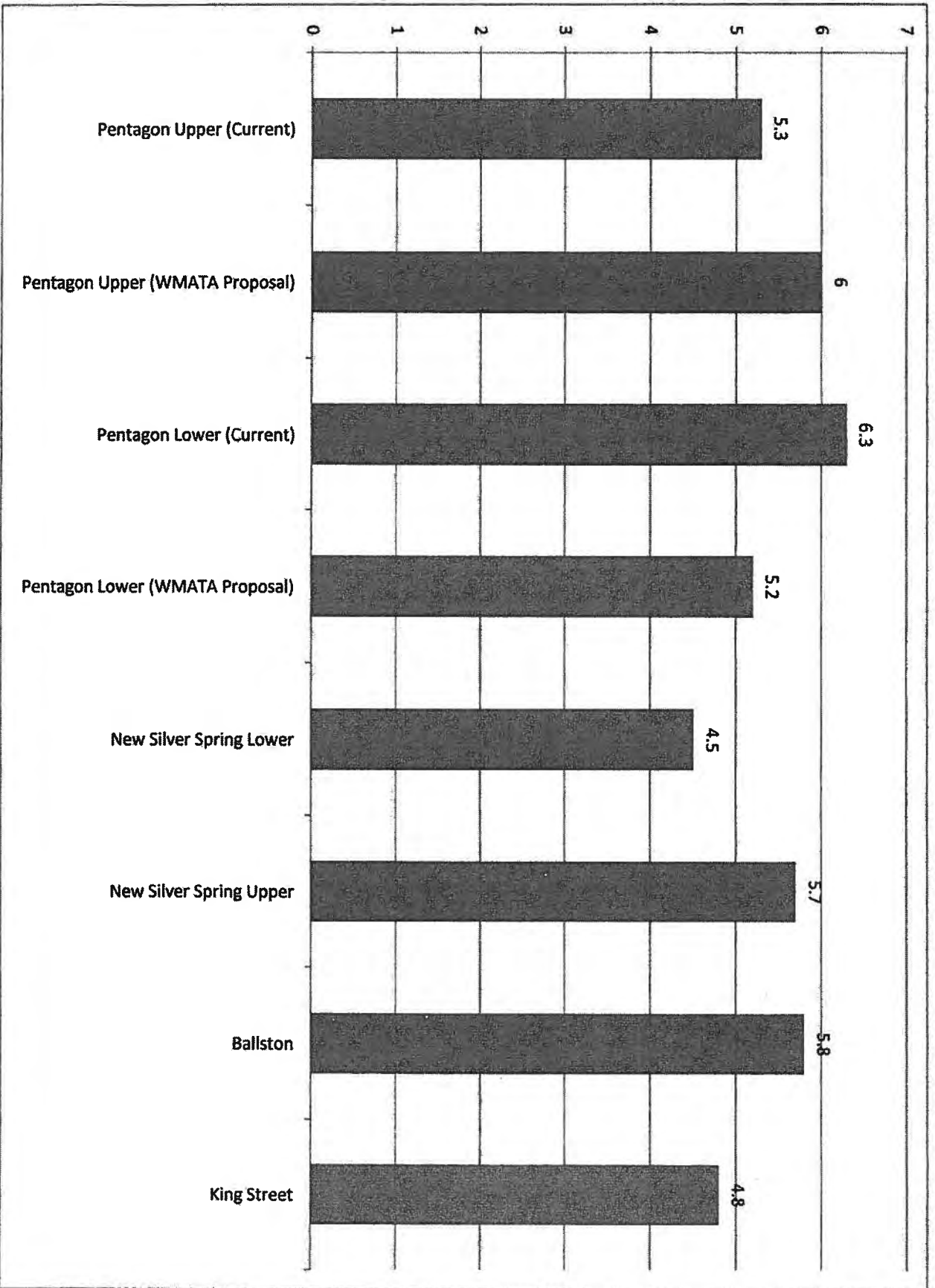


James Hamre
Director
Office of Bus Planning
Department of Bus Services
Washington Metropolitan Area Transit Authority

AM Peak Arrivals Per Alighting Bay Per Hour



PM Peak Departures Per Bay Per Hour



Metrobus Proposed Lower Level Bay Assignments

			departures min/trip
L-11	PRTC	AM - 0* PM - 29	8.3
L-10	PRTC	AM - 0* PM - 24	10
L-9	CONNECTOR / FRED	AM - 0* PM - 23	10.4
L-8	ALIGHT / LOUDOUN	AM - 0* PM - 6	40
L-7	DASH	AM - 16 PM - 22	11.3 10.9
L-6	17A,B,F,H,K,M / 29C	AM - 14 PM - 25	12.9 7.7
L-5	17G,L DOD SHUTTLE UNTIL 4PM**	PM - 16	15
L-4	29E,G,H,X DOD SHUTTLE UNTIL 4PM**	PM - 31	7.7
L-3	DOD SHUTTLE		
L-2	DOD SHUTTLE		
L-1	DOD SHUTTLE		

** 3 pm until 4 pm is shared

Metrobus Proposed Upper Level Bay Assignments

			departures min/trip	arrivals min/trip
U-13	9A, E / 10A, E	AM - 17 PM - 25	10.6 9.6	
U-12	8W,X,Z	AM - 0* PM - 24	10	
U-11	16F / 21A,D	AM - 0* PM - 8	30	
U-10	16A,B,D,E,J,P	AM - 18 PM - 25	10 9.6	
U-9	Alight			
U-8	Alight/Pent. Circ.			
U-7	16L / 21A,D / 28G	AM - 0* PM - 24	10	
U-6	7W,X	AM - 0* PM - 23	10.4	
U-5	7A,B,C,D,E,F,H,P,Y	AM - 21 PM - 32	8.6 7.5	
U-4	7Y / 16F TO DC	AM - 25 PM - 23	7.2 10.4	
U-3	22A / 25A,C,D	AM - 18 PM - 25	10 9.6	
U-2	ART	AM - 22 PM - 26	8.2 9.2	
U-1	8S / 18E,F,G,H,J,P / 28F	AM - 21 PM - 29	8.6 8.3	



Potomac and Rappahannock
Transportation Commission

14700 Potomac Mills Road
Woodbridge, VA 22192

June 2, 2011

Ms. Lisa Passagaluppi
Department of Defense
Washington Headquarters Services
Enterprise Management
Integrated Services Division
1155 Defense Pentagon
Room 3B139A
Washington, D.C. 20301-1155

Dear Ms. Passagaluppi:

On behalf of the Potomac and Rappahannock Transportation Commission (PRTC), I am furnishing reactions to the March 2011 PowerPoint presentation titled Transit Development Plan – Pentagon Transit Center Usage Analysis. As you know, PRTC is one of the transit providers serving the Pentagon, both as a destination and as a transfer point, with thousands of affected daily riders.

The Pentagon Transit Center is vitally important to PRTC, since the Pentagon is both a destination and a transfer hub for thousands of our customers. Thus PRTC has a vital interest in the effective functioning of the Center's bus bays and, to that end, PRTC has worked closely with WMATA during the course of its discussions with the Washington Headquarters Services (WHS) about prospective plans for the bays. PRTC participated in the preparation of the "bays deployment" material WMATA furnished to the WHS previously, and PRTC has also furnished route and schedule information to the WHS consulting team that was used in formulating the subject WHS presentation.

For reasons detailed below, PRTC believes the recommendations appearing in the subject WHS presentation are seriously flawed. The underlying analysis is wanting, and a host of relevant questions are left unanswered by the presentation, which are also detailed below.

1. Analysis flaws

There are two methodological problems with the analysis: the time periods analyzed are so broad that they mask the peaking characteristics of bus movements into and out of the Center; and the assumptions used for dwell times don't square with the realities on the ground.

Ms. Lisa Passagaluppi
June 2, 2011
Page 2

With regard to the time periods, by analyzing usage over three broad intervals -- 5am to noon, noon to 7pm, and 7pm to 2am -- variations in utilization rates during each of these intervals are ignored, and the resultant conclusions fail to account for peaking. With 86% of PRTC's AM buses and 79% of PRTC's PM buses arriving between 6:00-9:00am and 3:30-6:30pm, respectively, the fact that the bays have substantial unused capacity during periods of time outside these hours matters little to how well the bays function when they are needed most. As you know, bus service is scheduled as it is to meet commuters' needs, so averaging utilization over time intervals that treat all the hours as though they all have equal utility is bound to lead to misleading conclusions.

Ironically, the professional source cited in the PowerPoint as a basis for one of the key metrics (i.e., average dwell time) -- the Transit Cooperative Research Program (TCRP) Report #100 -- explicitly recognizes the importance of accounting for peaking characteristics and variability which is an inescapable fact of life for facilities of this sort, though neither appears to play any part in the analysis underpinning the presentation.

Turning to dwell times, the analysis is premised on an "average bus dwell time" assumption of three minutes, with a reference to TCRP Report 100. While PRTC could not find the "three minute" citation in its review of TCRP Report #100, what's more telling is that the complexities that TCRP Report #100 details about dwell time estimates are also ignored by the analysis. By way of illustration, passenger boarding and alighting volumes, numbers of standees, fare payment methods; vehicle type and size, entry/exit configurations, and in-vehicle circulation all play a part in how long a bus has to dwell, such that variations in each of these factors vary dwell times. PRTC's high alighting (AM) and boarding (PM) volumes at the Pentagon, high-floor - one door vehicles, and high incidence of standees all have the effect of lengthening dwell time (the only offsetting factor on PRTC's services is the high incidence of SmarTrip card use, which lessens dwell time).

Stated differently, to credibly analyze utilization of the bus bays, actual dwell times need to be measured and, to the best of PRTC's knowledge, that has not happened as yet. Such measurements should also account for the variability referenced earlier, as TCRP Report #100 suggests, employing coefficients of variation of dwell times, failure rates, operating margins, and clearance time as embodied in the equations appearing in Chapter Four of TCRP Report # 100. After speaking with you on May 26th, I learned that plans for such measurement are being readied for this summer, signifying recognition that this is a necessary next step. Let me suggest that you invite a review of the data collection plan before it is set in motion, because the transit providers are likely to have insights that would add real value to this data collection effort.

In addition to the methodological problems just described, the completed analysis as it pertains to PRTC's services also omits two routes: the Rosslyn route (Bay L1); and South Route 1 route (Bay L2). While each of these routes has only four AM trips and four to five PM trips, all of these trips serve the Pentagon during peak periods and thus they have a significant effect on bus bay congestion.

2. Problems with conclusions

For all the reasons previously described, the analysis itself is not a reasonable basis for drawing conclusions. A reanalysis is essential in PRTC's view and the data collection plan you referenced during the May 26th phone conversation is a key first step. While it seems safe to assume that no decisions will be made about bay redeployments based on the already completed analysis knowing that data collection plans are being readied, it would still be instructive to highlight concerns we would have with the plan as presented even if the analysis itself were above reproach, and that's what the balance of this letter discusses. Numerical references made in the ensuing discussion are based on data from PRTC's spring service change, which went into effect on Monday, May 23rd. This service change did not affect the number of buses serving the Pentagon, but scheduled times at the Pentagon did change slightly.

The study's short and long term plans for AM buses call for combining both of PRTC's bus bays and moving them to bay L3, while leaving L1 and L2 empty. Even using the flawed three minute average dwell time assumption, this would create a bay with usage higher than any current lower level bay – at 63% (72% in the peak). The chart below shows current usage at bays as well as PRTC's usage under the proposed plans over the course of the entire morning. Not only would the plans create unnecessary congestion, but they also leave two empty bus bays for no apparent reason. It would make far more sense from PRTC's perspective to assign bays L1 and L2 to PRTC and locate any unused bays near the center walkway at the PTC, where they could be used as drop-off only locations in the morning. If one or two bays were set aside for drop-off use in the morning, PRTC could, based on current service levels, content itself with one assigned bay in the AM. If AM transfer boardings were also sanctioned at the drop-off bay(s), PRTC could dispense with an assigned bay in the morning.

In the evening, however, most passengers are boarding PRTC buses at the Pentagon and many are transferring between buses. Because boarding activity requires longer dwell times and more precise timepoint adherence, PRTC requires two adjacent bus bays as it currently has for its exclusive use (this is without taking into account expansion of PRTC service to the Pentagon, which may necessitate a third bay). The study's short term plan for PM buses calls for combining PRTC's L1 buses with the two Fairfax Connector routes now in L3. This would create a bay at L6 with 61% usage over the noon to 7pm period, but 68% usage during the peak

period. In addition to much higher congestion than before, this plan would split PRTC's service between bays L2 and L6. This would create more pedestrian congestion, as passengers who now transfer between adjoining bays would have to walk between L2 and L6.

Splitting PRTC's service between two non-adjoining bays would have the added liability of compelling PRTC's Pentagon supervisor to cover a significantly wider area. Also, it would preclude the supervisor from taking advantage of the flexibility provided by having the exclusive use of two adjoining bays – currently, if a bay is full, the supervisor can direct an incoming bus and waiting passengers to use our other bay, even if it is not the assigned bay for that route. Finally, combining PRTC buses with Fairfax Connector buses poses a further management complication -- while PRTC's Pentagon supervisor is currently able to control when buses come into PRTC's two bays – something that is already difficult because of unpredictable traffic in the DC area – the PM short term plan would also necessitate supervisory coordination with Fairfax Connector buses. PRTC does not believe this is a feasible scenario.

The long term plan for PM buses is even more problematic from PRTC's perspective, inasmuch as it confines all PRTC service to bus bay L3. This bay would have 74% usage over the noon to 7pm period, and 83% usage during the peak period. As the above chart shows, both the short and long term proposals for PM bus bays would create "PRTC used" bays with significantly higher usage than any current lower bus bay, even without taking peak period service and variability into account. This seemingly defeats the original purpose of rearranging the bays -- to ease congestion at highly used bays -- and would increase the failure rate, which is the rate at which buses cannot enter a bay because it is already occupied. The more often buses cannot pull into a bay immediately, the more often they are blocking other buses and increasing congestion at the facility.

3. Further observations

Other points that PRTC thinks are important considerations in ensuing analysis efforts include:

- A need to account for growth that can be reasonably expected over the planning horizons being examined. The utilization analysis is premised on existing services only, and there is every reason to believe that service expansion will occur over time. Indeed, serious overcrowding on existing buses signify a need for more service even today, that isn't being furnished only because existing financial constraints preclude it. Those financial constraints are not a permanent condition.

Ms. Lisa Passagaluppi

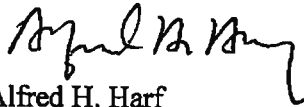
June 2, 2011

Page 5

- A need to consider whether the DOD shuttles might lend themselves to pick-up and drop-off at other Pentagon entrances/exits. An analysis to assess whether certain services can be operated without proximity to the bus bays should be done if it hasn't been already. There's no way of knowing whether an analysis of this sort has occurred based on a reading of the PowerPoint presentation.
- A need to analyze the adequacy of platform storage capacities and pedestrian flows for passengers needing to transfer and awaiting buses. No such analysis appears to have been done, and shifts to bus bay deployments are certain to alter pedestrian traffic flows and usage of platform areas bordering each bay.

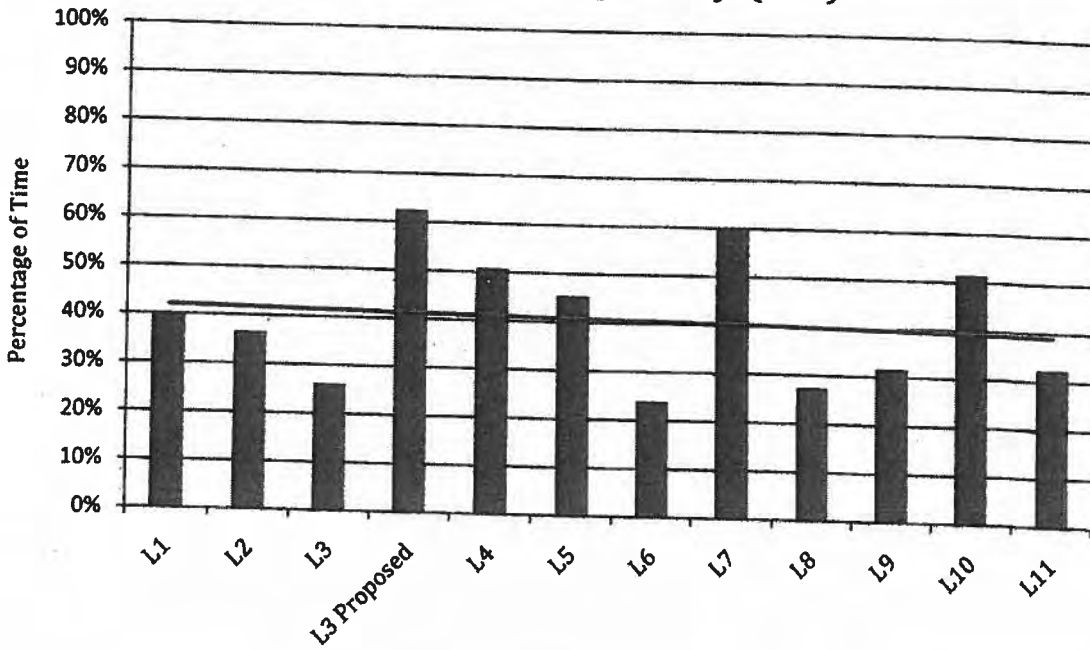
PRTC would also be pleased to answer questions that this set of reactions may prompt, and looks forward to the opportunity for continued participation in upcoming data collection and analysis efforts. To that end, PRTC's Director of Planning and Operations (Eric Marx) is the point of contact. Mr. Marx can be reached by email at emarx@omniride.com or at (703) 580-6117.

Sincerely,

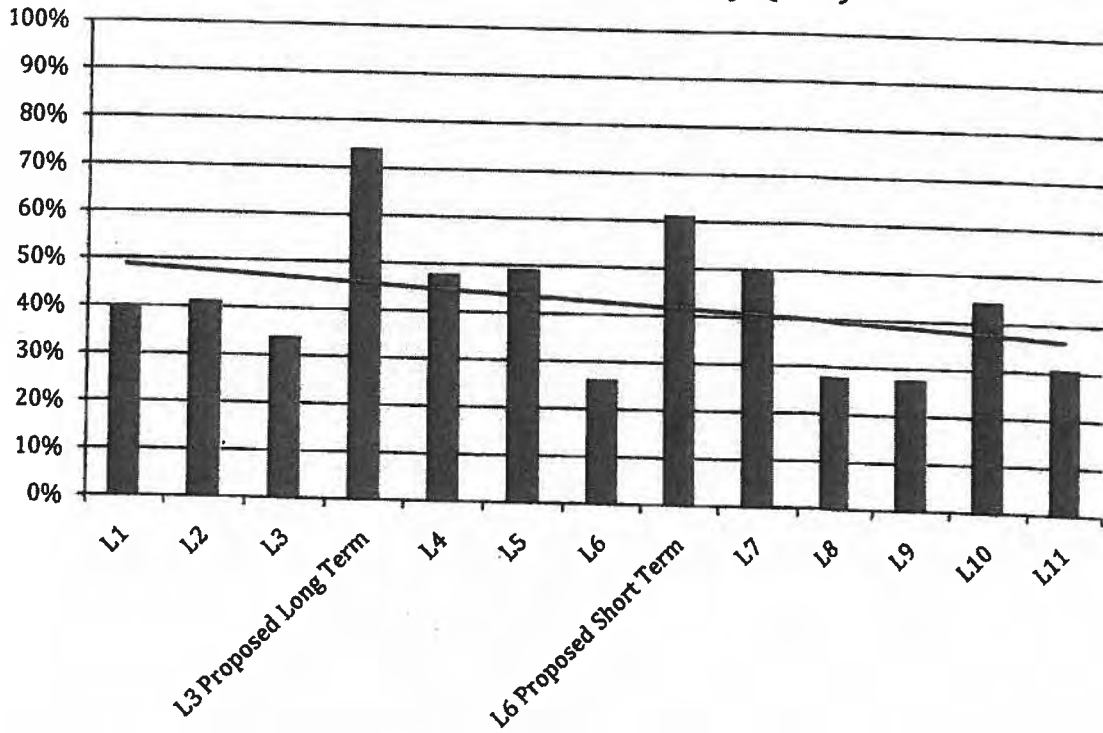


Alfred H. Harf
Executive Director

Percentage Usage per Bay (AM)



Percentage Usage per Bay (PM)



Point of viewfinder.



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Moran: Congress Could Support Transit Through Tax Policy

Matt Lasio

June 06, 2011 - Congress isn't likely to spend a lot on local transportation infrastructure projects in the near term, but Northern Virginia Congressman Jim Moran (D) says lawmakers could use tax policy to make communities less congested.



Arlington County services like the ART Bush could serve as a model for other parts of the county, says Congressman Jim Moran.

Courtesy of: <http://www.flickr.com/photos/arlingtonva/4787390589/>

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In the D.C region, some people have the option to bypass the pump by taking the Metro, but many don't. People are crying out for more public transit friendly living, says Moran -- the kind you can already find in Arlington County, in Moran's district. He wants communities across the U.S. to look to Arlington County in his district as an example of how to save people money.

"At the local level people understand this is a healthier, less expensive, more rational way in which to conduct their daily lives and put together communities," says Moran.

Moran says there may be bi-partisan support for offering tax incentives to get developers to build condos and low income housing near public transit hubs.

Developers have already taken note that people are flocking to these hubs, says Moran, and he thinks Congress should help out.

"The real estate community is starting to get involved, we could start, in response to that, putting together tax policy that gave benefits to mortgage interests," he says. "We could do it through Fannie Mae and Freddie Mac, for housing units that were at public transit stations; that were accessible to public transit."

Congress is looking to slash federal spending and communities across the U.S. are still facing tight budgets, but Moran says if people demand more livable communities they'll be surprised how local leaders will respond.

"This is a movement that's going to have to come from the bottom up," he says.

Moran also says he wants to see auto insurance companies offer lower rates to people who bike more than they drive.

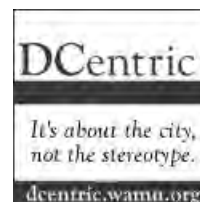
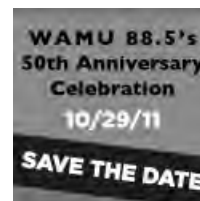
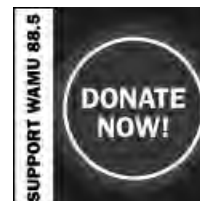
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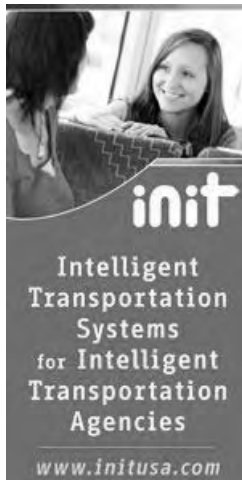
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INSIDE

» NEWS HEADLINES

» SAVE THE DATE

» IN THE MEDIA



JUNE 24, 2011

NEWS HEADLINES

Sen. Menendez, 24 Colleagues Demand Adequate Transit Funding

Sen. Robert Menendez (D-NJ), chair of the Senate Banking Subcommittee on Housing, Transportation, and Community Development -- which holds jurisdiction over public transportation -- was the lead signatory (supported by 24 colleagues) on a letter sent to the Senate Finance Committee June 23 urging that public transit receive adequate resources in a surface transportation authorization bill. This letter seeks such funding in the face of a possible 31 percent cut by the House.

FTA Publishes Complete Listing of NOFAs in the Federal Register

FTA announced today its full schedule of Notices of Funding Availability (NOFAs). This listing will make transit agencies and communities aware of the entire slate of programs from which they can choose. Rogoff, who announced his intent to do this at APTA's recent Rail Conference, took this step in response to suggestions from APTA members and grantees.

Millar Testifies at House T&I Hearing

APTA President William Millar testified June 22 before the full House Transportation and Infrastructure Committee on a draft bill -- "Competition for Intercity Passenger Rail in America Act of 2011" -- introduced by Chairman John L. Mica (R-FL) and Railroads, Pipelines, and Hazardous Waste Subcommittee Chairman Bill Shuster (R-PA). The bill would direct Amtrak to transfer to the DOT secretary the Northeast Corridor (NEC) rolling stock and other equipment used to provide intercity passenger rail service on the NEC and create a competitive bidding process for the operation and maintenance of passenger rail service, including high-speed passenger rail service on the NEC. The bill would also allow states, groups of states, and public agencies to solicit competitive bids to operate intercity passenger rail service under cost share agreements with states on routes of up to 750 miles.

Because the draft bill had been introduced only days earlier and the hearing was scheduled on short notice, Millar explained that APTA was still reviewing the bill's impact on APTA's diverse member organizations. He noted that the NEC is one of the most complex rail corridors in the world, with an enormous number of passengers and thousands of intercity and commuter trains using the corridor each day. Millar expressed appreciation for the committee's effort to encourage the development of high-speed passenger rail on the NEC and to attract private sector investment in the form of public-private partnerships in the provision of intercity and high-speed passenger rail service. He emphasized, however, that APTA does not view public-private financing as a substitute for adequate federal investment in the nation's transportation infrastructure and asserted that the bill should be considered as part of a larger, well-funded six-year multimodal surface transportation bill that provides predictable federal funding for all of the modes.

The committee is expected to mark up the bill in July. It could be considered as a stand alone, but is more likely to be brought to the full House of Representatives as part of a larger, long-term authorization bill.

TSA's Pistole, Others Provide Testimony on Capitol Hill

At a hearing of the Senate Committee on Homeland Security & Governmental Affairs on "See Something, Say Something, Do Something: Next Steps for Securing Rail and Transit," legislators supported increased rail security after evidence found at Osama bin Laden's compound showed he was plotting terrorist attacks against U.S. passenger trains. Transportation Security Administration (TSA) officials testified about the steps they are taking to protect public transit passengers in the U.S.

TSA Administrator John Pistole said: "Due to the large populations and substantial infrastructure served by mass transit and national railroad systems, these networks remain a target for terrorist groups. Moreover, an open architecture connecting millions of passengers in major metropolitan areas creates inherent potential security vulnerabilities."

DOT Secretary LaHood Announces Availability of Up to \$175 Million in 'Livability' Grants

DOT Secretary Ray LaHood has announced the availability of up to \$175 million in livability grants to help urban, suburban, and rural communities develop public transportation options to better connect people to where they live, work, and play. With the announcement June 20 in the *Federal Register*, FTA has begun accepting applications.

Tick Tock: Nomination Time is Running Out

It's not too late to submit your nominations for positions on APTA's Board of Directors and its Executive Committee! But it will be if you delay

SAVE THE DATE

Don't miss out on APTA's next Sustainability and Public Transportation Workshop: *The Value of Sustainability: Increasing Quality, Efficiency and Community Benefits in an Ever-Changing Environment*, July 31- August 3 in Los Angeles.

Participate in L.A. County Metropolitan Transportation Authority's educational tours on Sunday afternoon! Hear international perspectives and learn sustainable practices, planning, operations, and design that will add value to your organization and to your community!

The deadline for early registration has been extended to Monday, June 27. So register today and SAVE! See the online preliminary program for a detailed overview of session descriptions, or contact Rich Weaver.

IN THE MEDIA

What makes a "convenient" city? According to Walk Score, it's a city that is both walkable and has easy access to public transportation, which in turn means easy access to work, schools, doctors, supermarkets, and anywhere else someone wants to go. Based on data from Walk Score, the real estate site Zillow, and APTA, here are America's 10 most convenient cities.

Read in the Economist how an airport light rail link made a UK traveler quite happy.

If thinking of taking the subway in Boston doesn't get your toes tapping, perhaps you should take in "T: An MBTA Musical," a scripted show opening Thursday at ImprovBoston in Cambridge.



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Behind Bars by Chris Eatough

Counting Bikes to Plan for Bikes

There is an old adage that says “you can’t manage what you don’t measure”. Arlington County planners are taking this to heart as they continue their work to make Arlington a great community for biking.

A robust program using automated counters is being rolled out throughout Arlington and the data being gathered is already providing some interesting and useful information. Technology is being utilized to provide around the clock data that will strengthen the case for investment and encouragement in bicycle transportation, and direct efforts so that they make the most impact.

Traditionally, bike trip data has come from a combination of manual counts and survey. Both methods provided limited information that was not particularly dependable and required a lot of manpower. Imagine the task of working for weeks to organize a team of volunteers, bribing them to commit to a full day of standing on a street corner observing activity and checking off bikes with a clipboard, compiling all the data, only to be frustrated by the fact that some of the volunteers did not follow directions and provided inaccurate data, or the whole day gets sabotaged by rain, making the numbers small and the counts not very useful. Similarly, survey results are often incomplete or skewed and are almost impossible to do in a manner that gives an accurate representation of reality.



The first two automated bike and pedestrian counters in Arlington were installed in the fall of 2009 on the Custis Trail and the Four Mile Run Trail. They use a combination of in-ground loop detectors and infrared beam to collect data on trail usage, both pedestrians and cyclists (ok, the occasional deer might get counted as a pedestrian also). There is a huge amount of data being collected by these counters, and it will become most useful once several years worth can be compared. Some early insights include:

- People are riding bikes on these trails – lots of them!
- People are biking on these trails to commute to and from work.
- Many cyclists are not deterred by the cold temperatures in the winter, but rain, snow and ice do have a major impact on ridership.

Figure 1: Bike Trips on Custis Trail

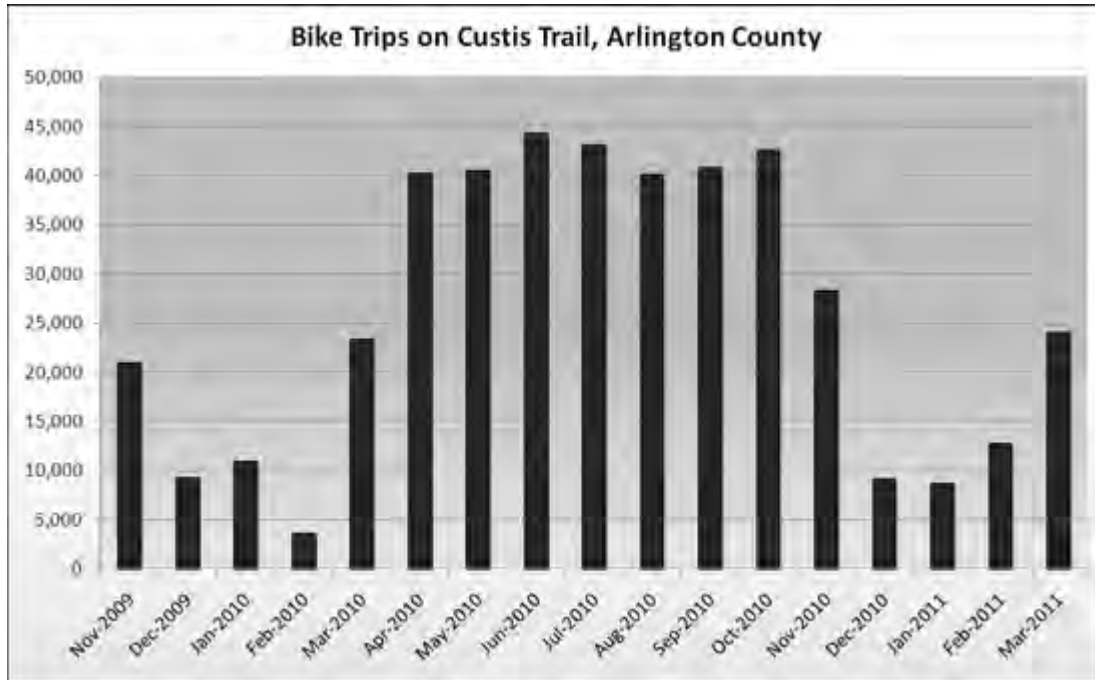


Figure 1 shows the popularity of the Custis Trail, an off-street, paved multi use pathway which runs east-west across Arlington paralleling I-66. Over 44,000 bike trips in June of 2010, with peak days close to 2,000 bike trips. Imagine if all those trips were added as vehicle trips to I66 and the other already congested roads. Biking is making a difference!

Figure 2: A.M. and P.M. Commute Hours

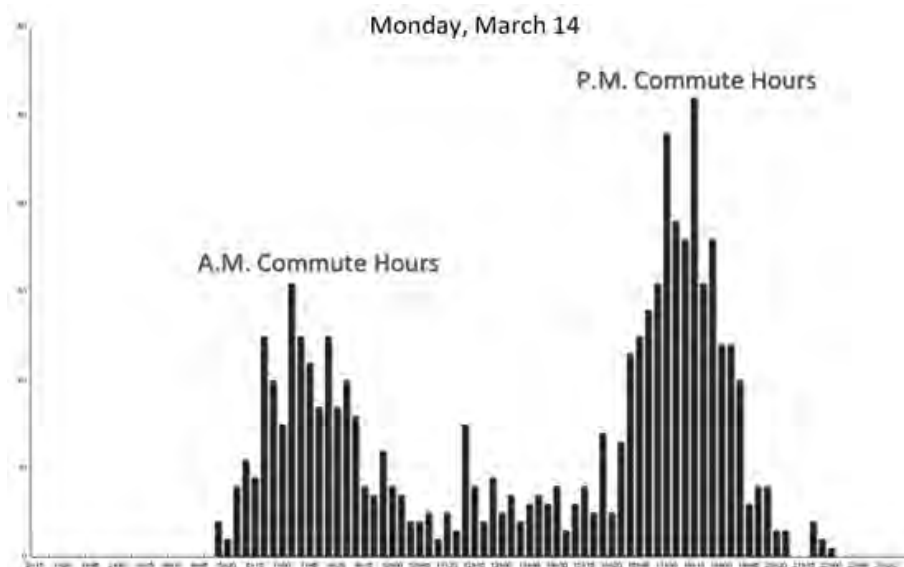


Figure 2 shows that the Custis Trail is being used heavily as a commuter route during the week. Notice the am and pm spikes, which are typical commuter travel patterns. I can verify this from my own observations on the Custis Trail, where I see most riders with backpacks or panniers

during commuting hours. This sends an important message that this trail is a valuable commuting facility, and much more than a recreational trail where people go for some exercise and fresh air. This is important as facilities and projects compete for limited funding that provides improvements, expansion and general maintenance.

Figure 3: Effect of Weather

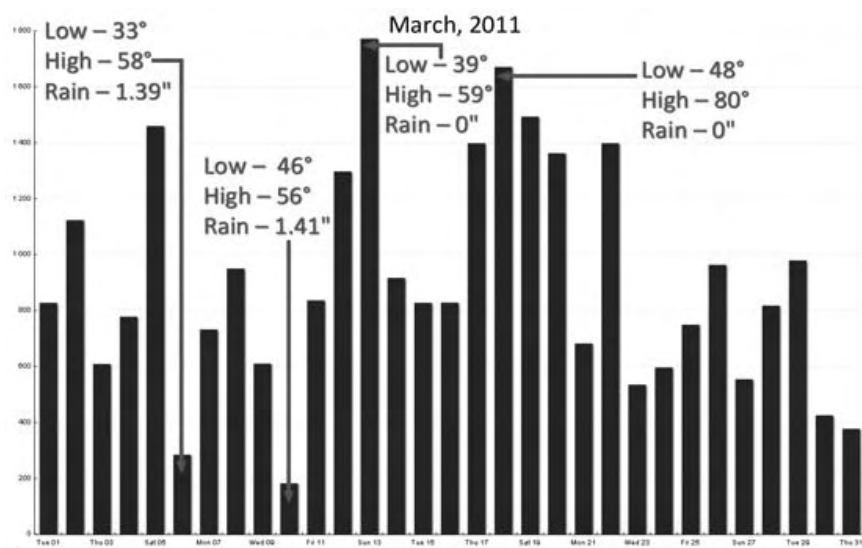


Figure 3 shows the effect of the weather on bike trips. Cyclists on the Custis Trail are much more averse to rain than to cold temperatures. This also strengthens the case for trail maintenance and snow clearing through the winter. If the trails are clear of snow, many people will ride despite the cold. A relatively small investment in clearing the trails keeps people on their bikes, which mean less cars on the road.

In addition to the initial 2 counters that have been up and running since the fall of 2009, Arlington now has 3 more automatic counters installed on trails around the County. Even more are coming later this year, including counters in on-street locations that will count cyclists in bike lanes. This wealth of data is extremely helpful in legitimizing cycling as a valid form of transportation, and also in guiding the efforts of transportation planners. So the next time your ride in Arlington, remember – we are “counting” on you!

The Washington Post

[Back to previous page](#)

Will D.C. area residents commute by water?

By [Lori Aratani](#), Published: June 9

Hot coffee. Check. Gas. Check.

On a bright and sunny Wednesday morning, Washington's newest water taxi commuter service was ready to go.

There was just one thing missing: commuters.

For decades, regional leaders and private entrepreneurs have dreamed of harnessing the Potomac River to relieve congested highways. But despite hundreds of thousands of dollars spent on studies, a network of ferries and water taxis that quickly deliver commuters from their homes to their workplaces has yet to materialize. But that might be changing.

[American River Taxi](#) is the latest company to attempt to lure Washington area residents out of their cars, off Metro and onto the water. After months of shuttling baseball fans from Georgetown to [Nationals Park](#), meeting area residents and researching the market, the company decided to enter the commuting game. In April, it launched an early morning water taxi service to shuttle workers from the [Southwest waterfront](#) to Georgetown.

For \$8 each way, American River Taxi whisked commuters from the waterfront to Washington Harbour. The 30-minute ride was billed as a pleasant, relaxing alternative that would take commuters around [Hains Point](#) and [Reagan National Airport](#) and past several major roadways where passengers could see lines of cars idling in traffic. The boat, painted bright taxi yellow, can accommodate 24 commuters.

But the company is struggling to make the service work. Commuters say that while they love the concept, they're not quite ready to make the switch.

"It was relaxing, and I was in a fantastic mood when I got to work," said Jennifer Druliner, one of American River Taxi's first customers. But, ultimately, Druliner, who works at the U.S. Green Building Council, said the water taxi wasn't practical because it was about four times as expensive as Metro and took too much time.

That, transportation planners say, will be a challenge for companies with hopes of using the river as a commute route.

"It's easy for people to say they'd take it, but then they have to figure out the logistics — how they'll get to

the ferry and how they'll get from the ferry to work," said Katherine Graham, a transportation engineer with the [Virginia Department of Transportation](#).

Ron Kirby, director of transportation planning for the [Metropolitan Washington Council of Governments](#), said regional leaders have talked about using the Potomac as a commuter route for decades but have never been able to make it happen.

"It's kind of an obvious thing to look at, because [the Potomac's] there and there are other places that have ferry services," Kirby said. "But when people start looking at the details — that's when reality starts to set in."

A 2009 study, funded by the [Virginia Department of Transportation](#), estimated that it would cost nearly \$30 million to make the necessary capital improvements for a Woodbridge-to-D.C. route and about \$20 million for improvements for service that would run between Virginia and Maryland. Then there's the question of whether people would use such a system and whether fares could be priced to compete with other modes of transit, Kirby said.

Officials might soon have those answers. Prince William County Supervisor Frank J. Principi (D-Woodbridge), an enthusiastic backer of ferry service, is part of a new group of regional leaders working with the [Northern Virginia Regional Commission](#) to study the viability of a ferry system. After a series of test trips in 2009 to gauge travel times, Principi said, the new group decided to commission a study to determine whether there is enough demand.

Kirby said the key to building a Potomac-based transportation system, at least initially, might be to focus on other types of users, as [Potomac Riverboat Co.](#) has: tourists and residents looking for weekend fun.

"We have a tendency to focus on commuting because that's the first thing we want to tackle, but commuting is only 20 percent of the trips" people take, he said.

Kirby might be on to something.

Willem Polak, president of Potomac Riverboat Co., has built a successful business that offers water taxi service between National Harbor and Alexandria and on several other routes along the Potomac. The service is geared toward the leisure, business traveler and tourist market. Lately, though, Polak, who is part of the Northern Virginia group looking into expanding commuter offerings, said he has noticed that a growing number of commuters are riding his boats, which is why he thinks there's a market for the service.

Despite quietly suspending its early morning service at the end of May, American River Taxi is hopeful that the Potomac can become a viable route, said Shaun Guevarra, the company's president. He said the company plans to retool its efforts to make the service work.

"It's really about changing people's mind-set, getting them to think about the water," Guevarra said.



AGENDA ITEM #9H

TO: Chairman Euille and NVTC Commissioners
FROM: Adam McGavock
DATE: June 30, 2011
SUBJECT: Transportation for America Study on Elderly Mobility

This study examines the effects of “aging in place” on the baby boomer generation, and their transportation options in the future. The study finds that the number of seniors with “poor access to transit” is increasing each year, and that the numbers will likely continue to increase beyond 2015. The study recommends increased funding for transit options in areas where these seniors and soon-to-be seniors are currently living. This funding could come from dedicated funding, increased federal investments, increased flex funds from highway money, and public-private partnerships. The study also calls for state DOTs and MPOs to make increased efforts to involve seniors in the planning process for future transportation services.

The main thrust of the study’s research is a geo-spatial analysis of seniors and transit services, to determine the level of transit service available to seniors. In metro areas with a population less than 250,000, poor access to transit service is defined as having access to less than .8 bus or transit routes (on average). For urbanized areas with a population between 250,000 and 1 million, poor access is defined as having access to fewer than 1.1 bus or transit routes. For metro areas between 1 and 3 million in population, poor transit access is defined as having access to fewer than 1.7 bus or transit routes. For metro areas over 3 million in population, poor access to transit is defined as having access to less than 1.9 bus or transit routes. The study made a separate definition for New York City, defining poor access to transit as having access to less than 11.7 bus or transit routes. The fact that the study changes the definition of poor access to transit according to the size of the metropolitan area is understandable, given that a senior in a larger urban area would potentially need to travel to a more diverse and widespread selection of destinations, and the authors do a good job of explaining how these levels are determined. However, the huge disparity between what the study classifies as poor transit access in New York City versus what is classified as poor transit access in a small city is troubling.



Why would a senior in New York, with access to nine bus routes and a subway station, be considered to have poor access to transit, while a senior in a small city with access to two bus routes be considered adequately served? The reason for this is that the study defines poor transit access according to an average of availability for a given size range of urbanized areas. New York City is the only city in its size range in this report. New York City is only a relative term, in that areas of New York with poor transit access are only poor in comparison with other areas of New York City. If the authors felt that New York City was so different from all other urbanized areas, in terms of the level of available service and the number of destinations, perhaps they should have excluded it from the study.

In addition, the study states that the number of seniors with poor access to transit will likely continue to increase in 2015 and beyond. This should not be a surprise to anyone. The number (and overall percentage) of seniors in the United States is increasing each year. Census projections estimate that by 2015, the number of persons age 65 and older in the United States will increase by 15 percent. By 2020, the number will increase by 35%. Since seniors are less likely than other age groups to live in cities or other heavily urbanized areas, which are generally well-served by transit, it should not be a surprise to anyone that the growth in senior populations would occur in areas with poor transit access. In fact, researchers have been saying it for years.

While this study does a good job of explaining the impending mobility crisis facing seniors, the report presents very little in the way of new data or new information.

A photograph of an elderly woman standing on a city sidewalk, waiting for a bus. She is wearing a long, brown, fur-lined coat and a dark hat. She has a black bag slung over her shoulder. In the background, a blue bus is stopped at a curb, and other people and cars are visible on the street. The scene is set in an urban environment with trees and buildings in the distance.

Aging in Place, Stuck without Options:

Fixing the Mobility Crisis Threatening
the Baby Boom Generation

This report was written by Kevin DeGood of Transportation for America. Additional writing, editing and production by David Goldberg, Nick Donohue, and Lilly Shoup of Transportation for America. The consulting firm Nelson\Nygaard provided research assistance. The transit access data and case study maps were created by the Center for Neighborhood Technology. Valuable contributions and edits were also provided by these T4 America national partners:

AARP// Debra Alvarez and Jana Lynott

Executive Committee

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Transit for Livable Communities (Minn.)
U.S. Public Interest Research Group

This report can be accessed online at:

<http://t4america.org/resources/seniorsmobilitycrisis2011>



Transportation for America (T4 America) is the largest, most diverse coalition working on transportation reform today. Our nation's transportation network is based on a policy that has not been significantly updated since the 1950's. We believe it is time for a bold new vision — transportation that guarantees our freedom to move however we choose and leads to a stronger economy, greater energy security, cleaner environment and healthier America for all of us. We're calling for more responsible investment of our federal tax dollars to create a safer, cleaner, smarter transportation system that works for everyone.

Contents

I. Executive Summary	3
II. Aging in Place, and Implications for Transportation	7
III. Ranking Metropolitan Regions	15
IV. Implications for Federal Policy	18
V. Metropolitan Transit Access Case Studies	20
VI. Best Practices to Improve Accessibility	35
VII. Conclusion	45
Appendix 1. Methodology	46
Appendix 2. Metropolitan Rankings	50

I. Executive Summary

The baby boom generation is the largest in U.S. history, with more than 77 million people born between 1946 and 1964.¹ Baby boomers are also unique because they came of age during the unprecedented economic expansion that followed World War II, which helped fuel the rise of new suburban communities and increased reliance on the automobile. At the same time, the Federal Government initiated the largest infrastructure project in U.S. history with the construction of the Interstate Highway system. Whereas previous generations tended to live in close proximity to employment centers, new suburban housing developments required frequent, long-distance trips by automobile. With the support of substantial federal funding, metropolitan regions developed vast road networks to connect people to employment, healthcare, recreation and friends and family. Automobiles became an essential component of daily life as opposed to a luxury.

Only a small percentage of Americans move after they reach retirement age, according to demographic researchers, meaning most will “age in place” in neighborhoods where daily activities require frequent car trips. With rising life expectancies, America’s largest generation will also be the oldest ever. Inevitably, aging experts note, a large share will find that their ability to navigate by vehicle diminishes or disappears over time. These millions of older adults will need affordable alternatives to

driving in order to maintain their independence as long as possible.

Many seniors will rely on relatives or friends to take them around, and a smaller number will move to places where services and activities are close by. Pedestrian-friendly streets and recreational trails built with seniors in mind will help older Americans get around safely and remain active, regardless of where they live. But only adequate public transportation services can assure that older adults are able to travel as often or as far as they would like, without worrying about inconveniencing others.

Absent access to affordable travel options, seniors face isolation, a reduced quality of life and possible economic hardship. A 2004 study found that seniors age 65 and older who no longer drive make 15 percent fewer trips to the doctor, 59 percent fewer trips to shop or eat out, and 65 percent fewer trips to visit friends and family, than drivers of the same age.² A 2002 study in the American Journal of Public Health found that men in their early 70s who stop driving will need access to transportation alternatives, such as public transportation, for an average of six years; women in the same age group will, on average, need transportation alternatives for ten years.³ A 2008 survey by AARP found that 85 percent of older Americans were either extremely

1 Coughlin, Joseph F. (2009) “Longevity, Lifestyle, and Anticipating the New Demands of Aging on the Transportation System” Public Works Management & Policy Volume 13 Number 4 301-311

2 Bailey, Linda (2004), “Aging Americans: Stranded without Options” Surface Transportation Policy Project, Washington, D.C.

3 Foley, Daniel, Heimovitz, Harley, Guralnik, Jack and Dwight Brock “Driving Life Expectancy of Persons Aged 70 Years and Older in the United States” American Journal of Public Health, August 2002, Vol 92, No. 8

concerned or very concerned about rising fuel prices, leading many to look toward other forms of transportation or to reduce their travel.⁴

Whether seniors have access to transportation options depends both on where in the country they live, as well as where they reside within a metropolitan region. To gauge the emerging transportation issues for aging Americans, Transportation for America commissioned the Center for Neighborhood Technology (CNT) to analyze the adequacy of public transportation service for 241 metropolitan areas with a population of 65,000 or more (See the methodological appendix for a complete list of those metro areas where digitized transit data was not available at the time of the study). The analysis considered the total number of public transit lines and stops – bus routes and rail and ferry stations – in a given location, as well as the number of seniors living in that area in 2000, and their likely numbers in 2015. Within the communities examined in this report more than 11.5 million Americans 65 and older lived with “poor” transit access in 2000. If most seniors get their wish to “age in place,” by 2015, our analysis shows that this figure will increase to more than 15.5 million older Americans, meaning a substantial majority of that population will be faced with declining mobility options. We do not make specific projections beyond 2015, because they are less likely to be accurate. However, the aging in place phenomenon will continue until well beyond 2030, when the last baby boomer turns 65.⁵

4 Skufca, Laura. (2008), “Is the Cost of Gas Causing Americans to Use Alternative Transportation?” AARP, Washington, D.C.

5 United States Census Bureau, “Population under age 18 and 65 and older: 2000, 2010, and 2030” data available at the <http://www.census.gov/population/www/projections/projectionsagesex.html>

Defining Poor Transit Access

This report ranks metro areas by the percentage of seniors with poor access to public transportation in 2015. Poor transit access is defined for each metro size category to allow for a fair comparison and avoid holding small metro areas to the same standard for transit service and access as large metro areas. For a typical senior, poor access to transit is defined as the average number of bus, rail, or ferry routes within walking distance of their home. For each metro size category, poor access is defined as follows:

- For a metro area with fewer than 250,000 residents, a typical senior with poor transit service has access, on average, to less than .8 bus, rail, or ferry routes;
- For a metro area with between 250,000-1 million residents, a typical senior with poor transit service has access, on average, to fewer than 1.1 bus, rail, or ferry routes;
- For a metro area with between 1-3 million residents, a typical senior with poor transit service has access, on average, to fewer than 1.7 bus, rail, or ferry routes;
- For a metro area with 3 million or more residents, a typical senior with poor transit service has access, on average, to fewer than 1.9 bus, rail, or ferry routes;
- For the New York metropolitan area, a typical senior with poor transit service has access, on average, to fewer than 11.7 bus, rail, or ferry routes

Table 1 shows the total increase in older Americans with poor transit access for each metropolitan size category. While the most significant percentage increase occurs in communities with fewer than 250,000, the greatest in absolute numbers is in communities of 1 to 3 million. Even the New York metropolitan region, which has the most extensive transit access of any area, is estimated to add 101,159 seniors with poor transit access by 2015.

The demographic shifts taking place in America are unprecedented. In a 2003 study, Sandra Rosenbloom of the Brookings Institution, found that 79 percent of seniors age 65 and older live in car-dependent suburban and rural communities.⁶ The growth in automobile-reliant suburban areas has been supported and encouraged in large measure by Federal investments, programs and regulations over the last several decades. The sheer scale of the transportation challenges presented by the aging of our largest demographic cohort requires a national response, particularly given the fiscal constraints facing local communities. Federal leadership and

investment in a variety of transportation projects and programs will be essential to help communities provide for the mobility needs of an aging America.

The current drafting of the next transportation bill provides Congress an historic opportunity to ensure that older Americans are not stranded without adequate and affordable travel options. As Congress rewrites and updates surface transportation programs this year, decision-makers should ensure the legislation includes the following:

- Increased dedicated funding for a variety of forms of public transportation such as buses, trains, vanpools, specialized transit and ridesharing – including support for operations and maintenance for services essential to seniors in both urban and rural areas.
- Transit should continue to receive funding from federal motor fuel receipts deposited into the Highway Trust Fund, and public transportation should receive a fair share of any new revenues.

⁶ Rosenbloom, Sandra (2003) "The Mobility Needs of Older Americans: Implications for Transportation Reauthorization" Brookings Institution, Washington, D.C.

Table 1:
Number of Seniors with Poor Transit Access by Metro Size Category

Metropolitan Size Category	Number of Seniors 65 + with Poor Transit Access in 2000	Number of Seniors 65-79 with Poor Transit Access in 2015	Increase from 2000 to 2015
Less than 250,000	1,017,080	1,343,056	325,976
250k to 1 million	3,076,054	3,907,936	831,912
1 to 3 million	4,536,571	6,041,513	1,504,942
3 Million or more	2,450,143	3,685,341	1,235,198
New York, NY	461,305	562,464	101,159

- Provides funding and incentives for transit operators, nonprofit organizations, and local communities to engage in innovative practices such as coordination among existing programs and services, public-private partnerships, expansion of outreach and education programs for seniors, and the wider deployment of “intelligent transportation” technology that has the ability to help make transport systems more efficient and customer-friendly.
- Encourages state departments of transportation, metropolitan planning organizations, and transit operators to involve seniors and community stakeholders in developing plans for meeting the mobility needs of older adults.
- Ensures that state departments of transportation retain current authority under federal law to “flex” a portion of their highway funds for transit projects and programs. This flexibility is essential for states to respond to their unique transportation needs and avoids locking them into “one-size-fits-all” expenditure requirements.
- Includes a “complete streets” policy to ensure that streets and intersections around transit stops are safe and inviting for persons of all ages and abilities.

The federal government must take the lead in spurring innovation and coordination and providing some of the financial resources necessary to meet the mobility needs of older Americans. Failure to act quickly will lock in a future that leaves millions of seniors isolated and without options.

Most importantly, addressing the needs of older adults through increased transportation options will result in greater opportunity and access for all Americans.



American Public Transportation Association

Transit News

6/13/2011

Contact:

Mantill Williams
(202) 496-4869
mwilliams@apta.com

Despite Dip in Gas Prices, Individuals Continue to Save Big By Taking Public Transportation

Savings of more than \$10,000 a year on display during National Dump the Pump Day June 16

Washington, DC- Despite a recent dip in gas prices, individuals continue to rack up big savings by simply riding public transportation. For instance, riding public transportation saves individuals, on average, \$10,074 annually and \$840 per month according to the American Public Transportation Association's (APTA) *Transit Savings Report* which bases these savings on the June 13, 2011 average national gas price (\$3.70 per gallon-reported by AAA) and the national unreserved monthly parking rate. Gas prices are a dollar higher per gallon compared to this time last year.

These savings will be on full display as Americans across the country participate in the sixth annual National Dump the Pump Day this Thursday June 16. APTA, in partnership with the Sierra Club and the Natural Resources Defense Council (NRDC), are sponsoring National Dump the Pump Day to encourage people to save money by parking the car and using public transportation instead. In addition, the groups are reminding individuals that taking public transit helps the environment and reduces our country's dependence on oil.

Public transportation systems from across the country – from Alaska to Florida to Chicago – have signed up to participate in National Dump the Pump Day. Some public transportation systems are offering free rides, holding contest and giveaways, and spreading the word through social media.

“High gas prices are still straining American's daily travel budget,” states APTA President William Millar. “Dump the Pump Day is the perfect time for individuals to try public transit to beat the high gas prices. You will be joining millions of American who will also be helping out the planet by reducing our dependence on oil.”

APTA releases this monthly *Transit Savings Report* to examine how an individual in a two-person household can save money by taking public transportation and living with one less car.

The national average for a monthly unreserved parking space in a downtown business district is \$161.56, according to the *2010 Colliers International Parking Rate Study*. Over the course of a year, parking costs for a vehicle can amount to an average of \$1,939.

The top 20 cities with the highest transit ridership are ranked in order of their transit savings based on the purchase of a monthly public transit pass and factoring in local gas prices for June 13, 2011 and the local monthly unreserved parking rate.*

Top Twenty Cities – Transit Savings Report

	City	Annual Savings	Monthly Savings
1	New York	\$1,218	\$14,619
2	Boston	\$1,119	\$13,431
3	San Francisco	\$1,097	\$13,163
4	Chicago	\$1,020	\$12,238
5	Seattle	\$991	\$11,893
6	Philadelphia	\$976	\$11,709
7	Honolulu	\$943	\$11,312
8	Los Angeles	\$901	\$10,817
9	Minneapolis	\$883	\$10,595
10	San Diego	\$872	\$10,460
11	Denver	\$867	\$10,406
12	Portland	\$865	\$10,378
13	Washington, DC	\$851	\$10,217

14	Baltimore	\$846	\$10,150
15	Cleveland	\$845	\$10,135
16	Miami	\$828	\$9,941
17	Pittsburgh	\$799	\$9,583
18	Dallas	\$788	\$9,460
19	Atlanta	\$786	\$9,428
20	Las Vegas	\$773	\$9,280

*Based on gasoline prices as reported by AAA on 6/13/11.

Methodology

APTA calculates the average cost of taking public transit by determining the average monthly transit pass of local public transit agencies across the country. This information is based on the annual APTA fare collection survey and is weighted based on ridership (unlinked passenger trips). The assumption is that a person making a switch to public transportation would likely purchase an unlimited pass on the local transit agency, typically available on a monthly basis.

APTA then compares the average monthly transit fare to the average cost of driving. The cost of driving is calculated using the 2011 AAA average cost of driving formula. AAA cost of driving formula is based on variable costs and fixed costs. The variable costs include the cost of gas, maintenance and tires. The fixed costs include insurance, license registration, depreciation and finance charges. The comparison also uses the average mileage of a mid-size auto at 23.4 miles per gallon and the price for self-serve regular unleaded gasoline as recorded by AAA on June 13, 2011 at \$3.703 per gallon. The analysis also assumes that a person will drive an average of 15,000 miles per year. The savings assume a person in two-person household lives with one less car.

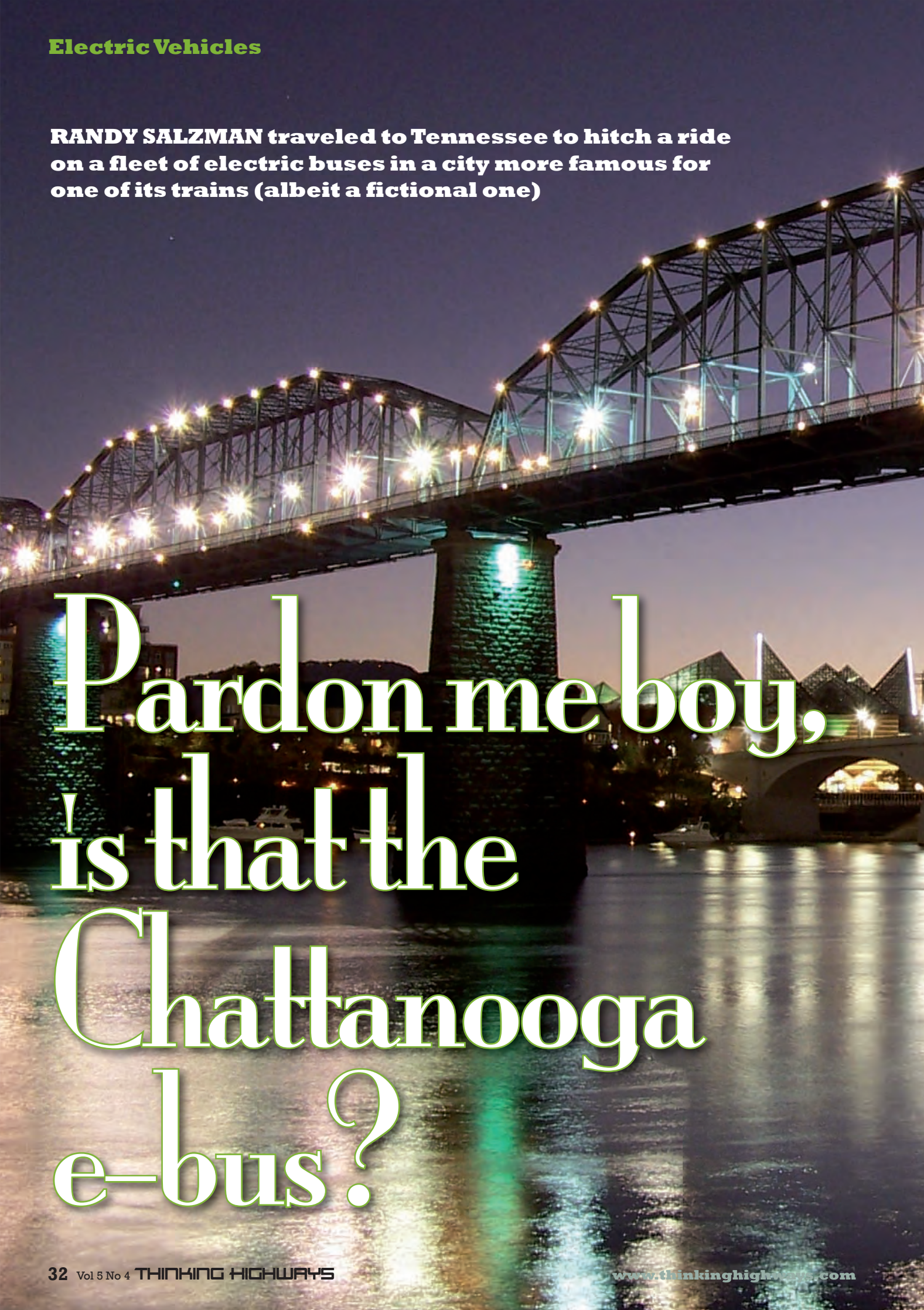
In determining the cost of parking, APTA uses the data from the *2010 Colliers International Parking Rate Study* for monthly unreserved parking rates for the United States.

To calculate your individual savings with or without car ownership, go to www.publictransportation.org.

###

The American Public Transportation Association (APTA) is a nonprofit international association of 1,500 public and private member organizations, engaged in the areas of bus, paratransit, light rail, commuter rail, subways, waterborne services, and intercity and high-speed rail. This includes: transit systems; planning, design, construction, and finance firms; product and service providers; academic institutions; transit associations and state departments of transportation. More than 90 percent of the people using public transportation in the United States and Canada are served by APTA member systems.

RANDY SALZMAN traveled to Tennessee to hitch a ride on a fleet of electric buses in a city more famous for one of its trains (albeit a fictional one)



**Pardon me boy,
is that the
Chattanooga
e-bus?**



The elderly man in a baseball cap climbs onto the free downtown shuttle and hugs the female driver. “When did they give you your driver’s license back, Johnnie?” he chuckles over her big smile and winks at the half dozen passengers.

“Aren’t you going to tell the visitors about Chattanooga, Johnnie?” one of them shouts over the whine of the electric engine as Johnnie Nance turns onto the Market Street Bridge.

This time she responds in a soft Southern accent: “Why ya’ll trying to make more work for me?” After another massive smile in the rearview mirror, aided by an expressive right hand, she continues: “If ya’ll are new to ‘Nooga, you might try Aretha Frankenstein’s restaurant ova’ here on the North Shore. Ya’ll gotta walk a ways up Tremont Street after I let you off, but the pancakes are this, I mean it, this thick.”

There are two inches between Johnnie’s bright red fingernails as she laughs again, a ‘one of the family’ tour guide in the form of a driver in the second-oldest electric bus system in the country. At any given time there are five or six 22-seat electric shuttles plying downtown Chattanooga, Tennessee but Johnnie’s is the only trolley which crosses the Tennessee River and invades an

area that sprang to life after the Walnut Street Bridge (pictured) was turned over to pedestrians and bicyclists a decade ago.

Charm offensive

The little non-polluting peplemovers on the main Broad Street line arrive every five minutes at 20 stops between the famous Chattanooga Choo Choo (now a hotel) and the Tennessee Aquarium. These electric trolleys indicating both the potential and limits of all-electric transportation in America - have become tourist attractions themselves. Driver Linda Rodriquez, for example, pitches free hot dogs at the nearby Community Center on a sunny September Friday. “What other city in the world let’s you ride for free, then feeds you lunch too,” the Hawaiian-born driver laughs between telling every single rider to “have a nice weekend.”

It’s the best of Southern charm, matched with hard-headed realism and the “good-old-boy” love of a bargain, plus the surprising desire to be ahead of the environmental game. This is the heart of the American South we’re talking about; an area well-known for skepticism over global warming and a town presently luring a Volkswagen assembly line. Even Al Gore didn’t carry his

Electric Vehicles

home state in the 2000 election. But 40 years ago the air nestled under the famous Civil War Battlefields of Lookout Mountain and Missionary Ridge was bad enough to “eat the paint off your auto,” as Chattanooga Area Regional Transportation Authority electrical foreman Cliff Lowrance puts it, and city fathers decided that revitalizing downtown included revitalizing transportation.

Though Chattanooga tip-toed into electric with two “nightmare” buses in 1992, the city did what most don’t. CARTA separated electric staffing, routing, maintenance and warehousing from its diesel programs and, most importantly, never expected the electrics to compete with the 45-mph speeds of suburban routes. Instead, the downtown trolleys average less than 13 mph as behind Lowrance and Tom Dugan, executive director of CARTA, the city began keeping an eye out for the first generation of electrical refuse.

Sale of the century

Many city political administrations from Savannah to Sacramento had gone “green” in the wake of the early 1990s Earth Days and bought electric, or electric hybrid, buses but then found untrained and unimpressed maintenance staffs unable to keep the one or two electrics on regular routes. A few years later, those cities quietly put rarely used units on the market and Chattanooga picked them up for “pennies on the hundreds of dollars.”

Today, CARTA has 15 electric vehicles, all with two complete sets of lead-acid batteries and some with three. None of Chattanooga’s electrics are less than 13 years old, almost double the age that the Federal Transit Authority would have put the eBuses out to pasture, yet all but one can handle the 3.5 mile loop for six-to-eight hours daily.

The FTA seeks a 20 per cent “spare ratio” to ensure any city transit system can handle emergencies but has “pretty much looked the other way,” according to Dugan, because Chattanooga was buying US\$160,000 vehicles sometimes for less than US\$1,000. Even today, with cities across America seeking stimulus sustainability dollars, used 2004-08 electric trolleys can be had for under US\$25,000.

“We tell (other transit) people who call that you’ve got to have local money, local commitment,” Dugan says. “You can buy the buses with grant money but you can’t operate them. Sure, our council likes the shuttle but transit in Chattanooga is not going to be in the top 10 of what a councilman is going to worry about. If you’re an elected official with the nation’s extreme financial problems today, you’re worried about the basics - police, fire, storm run-off.”

Cliff Lowrance (pictured far right) is even more succinct: “If you’re in transit and you want to keep your job, don’t put all your eggs in the electric basket. An all-electric bus can do what we do but if you’re running suburban commuter routes, an all-electric system would be a gamble. It really would.”

After spending 18 years repairing diesels, Lowrance took over the electrics and over another 18 years has all-but built, and certainly rebuilt, everything from suspensions and steering to recycling batteries and DC-AC inversions. One thing that many forget, he says, is that computer engineers over-design features which not only cost more but also flummox the guy with the wrench. Simple relay logic, instead of all the bells and



whistles that computers can produce but are rarely, if ever, used, allows for fast turnaround when anything breaks.

A certain ratio

Almost to underline the concept, in September Colorado’s Proterra unveiled a new, fully electric passenger bus with a “first-of-its-kind fast charge system” utilizing “nanotechnology-based lithium batteries” which can be recharged at bus stops in 10 minutes. Remove the batteries before charging, Lowrance warns however, because that forces staff to visually inspect them and prevents fire and potential liability problems if, as sometimes happens, a battery explodes. It takes about 15 minutes for Chattanooga to change a shuttle’s batteries but they rarely do under any time pressure because of the city’s 20 per cent spare ratio.

“Bus companies can’t afford computer programmers and we can’t afford to send guys to college for a degree to work on our buses,” Lowrance says. “We’ve had enough of these LEDs flashing everywhere. It’s overwhelming when you’re trying to trouble-shoot. Why complicate something when you don’t even save money?”

At US\$1.2m, each Proterra “Ecoliner” at Foothill Transit near Los Angeles costs almost double the conventional diesel or electric-diesel hybrid but, over its lifetime, Proterra estimates as much as US\$430,000 in fuel savings for the full-size bus. Another company, eBus, used to sell 22-seat electrics but now, for about US\$350,000, primarily refurbishes diesels into electric or fuel-cell hybrids or provides electric propulsion systems for other manufacturers. Both new eBus propulsion and the Proterra

“Electrics seem to prove the Catch 22 of technological advancement”



Electric Vehicles

need fast chargers along routes to keep battery power high. But every single regeneration decreases the life of new batteries. That, plus high maintenance costs, lead to the removal of the last diesel-electric hybrid from Coral Gables Florida's trolley line in December 2009. In the mid-2000s, the city had five new electric-hybrids plying its downtown route but gradually began replacing them with diesels as the Nickel Cadmium batteries went down and the diesel turbines began running almost constantly.

"What happens at the end of the life-cycle?" Steve Riley, Coral Gables automotive manager, asks. "What's the cost of maintaining them once the warranty runs out? You just can't put a bus in a situation [6am to 9pm] where the batteries are in a constant state of charge and recharge all day long. A fast charge degrades the batteries that much faster."

"Everything was very sophisticated in our hybrids," Riley continues. "The unique things that go, the programming, the software, the diagnostics and then you're looking at US\$50,000 in battery replacement, US\$40,000 for a turbine and US\$13,000 for the controllers. Ever seen the back of the [hybrid] bus? There are racks and racks of computers, boxes and wires. It's packed with electronics and all those electronics are inside the engine compartment, exposed to the heat."

Building a charge

Andy Eklov, owner of eBus, now uses lithium-titanate batteries in eBus products and notes that his supplier promises 20,000 charges, needed, he says, when day to day the batteries will be charged as often as 16 times.

"This is a breakthrough development which makes the whole (electric) concept a lot more viable," Eklov says. "We've been at

this a dozen years and everything today has an emphasis on fast (inside-the-vehicle) charging."

Foothill Transit has federal stimulus funding in place for nine more of Proterra's 35-foot buses and hopes to convert Route 291, from Pomona to Pasadena, into an all-electric commute line. "We're going to run them like workhorses," Foothill operations director George Karbowski told the press.

The Chattanooga experience, however, implies that electrics may not stand up to the day-to-day, high-speed and often 24-hour pounding of a normal commute line. As Eklov points out, nobody knows if any new battery will ever take those promised 20,000 charges simply because it takes years for that kind of testing. And, as CARTA's Dugan notes, unless a city has its own operations funding in place, the "wave of the future" may disappear soon after the grant dollars are gone.

Electrics seem to prove the Catch 22 of technological advancement: until people and entities invest in the technology enough to drive down prices and spur mass production you don't get reasonable repair or maintenance costs because each tech change faces its own steep learning curve. Meanwhile, when you keep investing in research and development without proven results you get stuck in the "technological trap" that ensures expensive new technology will always sound better.

Eventually, however, reality hits home and you often fall back on the tried and true. And the tried and true in the bus world is diesel. Consequently, with dozens of transit systems seeking federal stimulus dollars earmarked for sustainability today, good-old-boys like Cliff Lowrance might soon be picking up used eBuses and batteries for "pennies on the millions - rather than the hundreds - of dollars." **TH**

salz@rocketmail.com

NVTC

Northern Virginia Transportation Commission

NVTC

AGENDA ITEM #10

TO: Chairman Eulle and NVTC Commissioners
FROM: Scott Kalkwarf and Colethia Quarles
DATE: June 30, 2011
SUBJECT: NVTC Financial Items for May, 2011.

The financial reports for May, 2011 are attached for your information.



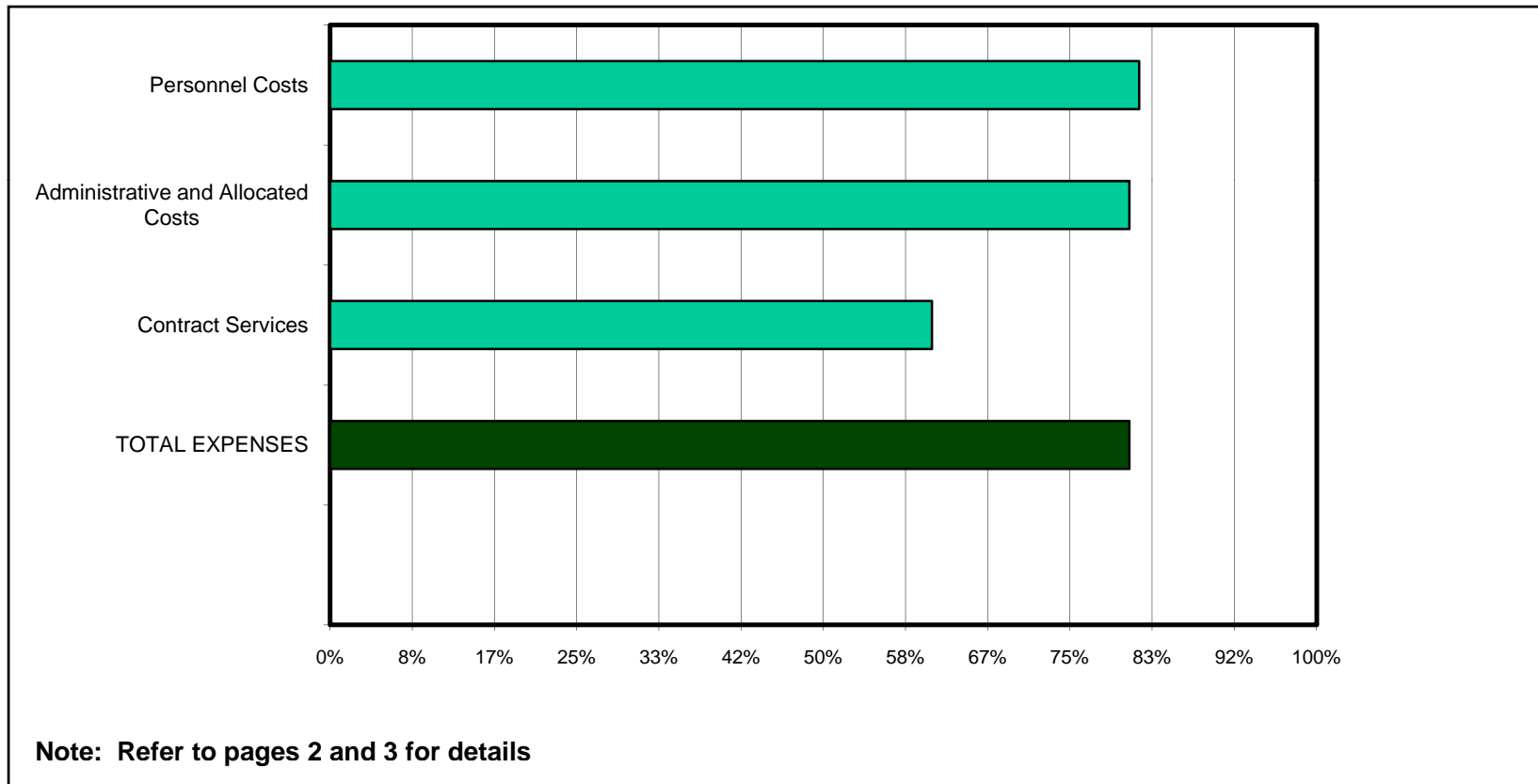
2300 Wilson Boulevard • Suite 620 • Arlington, Virginia 22201
Tel (703) 524-3322 • Fax (703) 524-1756 • TDD (800) 828-1120
E-mail nvtc@nvtc.org • Website www.thinkoutsidethecar.org

Northern Virginia Transportation Commission

Financial Reports

May, 2011

Percentage of FY 2011 NVTC Administrative Budget Used
May 2011
(Target 91.66% or less)



**NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
May 2011**

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<u>Personnel Costs</u>					
Salaries	\$ 51,522.80	\$ 611,004.17	\$ 737,900.00	\$ 126,895.83	17.2%
Temporary Employee Services	-	-	-	-	
Total Personnel Costs	51,522.80	611,004.17	737,900.00	126,895.83	17.2%
<u>Benefits</u>					
Employer's Contributions:					
FICA	3,523.90	40,367.17	52,400.00	12,032.83	23.0%
Group Health Insurance	6,474.15	64,871.41	80,200.00	15,328.59	19.1%
Retirement	5,240.00	59,940.00	73,700.00	13,760.00	18.7%
Workmans & Unemployment Compensation	93.75	1,524.04	2,950.00	1,425.96	48.3%
Life Insurance	301.32	3,291.32	4,300.00	1,008.68	23.5%
Long Term Disability Insurance	252.81	3,033.72	3,950.00	916.28	23.2%
Total Benefit Costs	15,885.93	173,027.66	217,500.00	44,472.34	20.4%
<u>Administrative Costs</u>					
Commissioners Per Diem	1,550.00	15,900.00	16,850.00	950.00	5.6%
<i>Rents:</i>					
Office Rent (see note)	49,838.85	150,947.25	182,180.00	31,232.75	17.1%
Parking	726.00	8,407.80	11,200.00	2,792.20	24.9%
<i>Insurance:</i>					
Public Official Bonds	1,194.57	4,339.92	4,100.00	(239.92)	-5.9%
Liability and Property	900.00	2,300.00	2,300.00	-	0.0%
	294.57	2,039.92	1,800.00	(239.92)	-13.3%
<i>Travel:</i>					
Conference Registration	821.17	3,721.04	6,300.00	2,578.96	40.9%
Conference Travel	-	-	-	-	0.0%
Local Meetings & Related Expenses	-	367.04	2,000.00	1,632.96	81.6%
Training & Professional Development	821.17	3,257.00	4,000.00	743.00	18.6%
	-	97.00	300.00	203.00	67.7%
<i>Communication:</i>					
Postage	456.34	7,819.33	10,200.00	2,380.67	23.3%
Telecommunication	(9.50)	2,339.43	4,000.00	1,660.57	41.5%
	465.84	5,479.90	6,200.00	720.10	11.6%
<i>Publications & Supplies</i>					
Office Supplies	466.28	11,664.68	13,500.00	1,835.32	13.6%
Duplication	-	3,510.79	3,000.00	(510.79)	-17.0%
Public Information	466.28	7,753.89	10,000.00	2,246.11	22.5%
	-	400.00	500.00	100.00	20.0%

Note - furniture capital outlay and other moving costs funded through rent abatement charged to office rent line.

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
May 2011**

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<i>Operations:</i>	387.00	3,518.16	8,000.00	4,481.84	56.0%
Furniture and Equipment	-	-	-	-	0.0%
Repairs and Maintenance	-	-	1,000.00	1,000.00	100.0%
Computers	387.00	3,518.16	7,000.00	3,481.84	49.7%
<i>Other General and Administrative</i>	216.11	3,487.23	5,350.00	2,151.65	40.2%
Subscriptions	-	288.88	-	-	0.0%
Memberships	-	305.00	1,300.00	995.00	76.5%
Fees and Miscellaneous	216.11	2,628.99	2,950.00	321.01	10.9%
Advertising (Personnel/Procurement)	-	264.36	1,100.00	835.64	76.0%
Total Administrative Costs	<u>54,930.32</u>	<u>201,397.61</u>	<u>246,480.00</u>	<u>45,371.27</u>	<u>18.4%</u>
	<u>Contracting Services</u>				
Auditing	-	12,320.00	20,000.00	7,680.00	38.4%
Consultants - Technical	-	-	-	-	0.0%
Legal	-	-	-	-	0.0%
Total Contract Services	<u>-</u>	<u>12,320.00</u>	<u>20,000.00</u>	<u>7,680.00</u>	<u>38.4%</u>
 Total Gross G&A Expenses	 <u>\$ 122,339.05</u>	 <u>\$ 997,749.44</u>	 <u>\$ 1,221,880.00</u>	 <u>\$ 224,419.44</u>	 <u>18.4%</u>

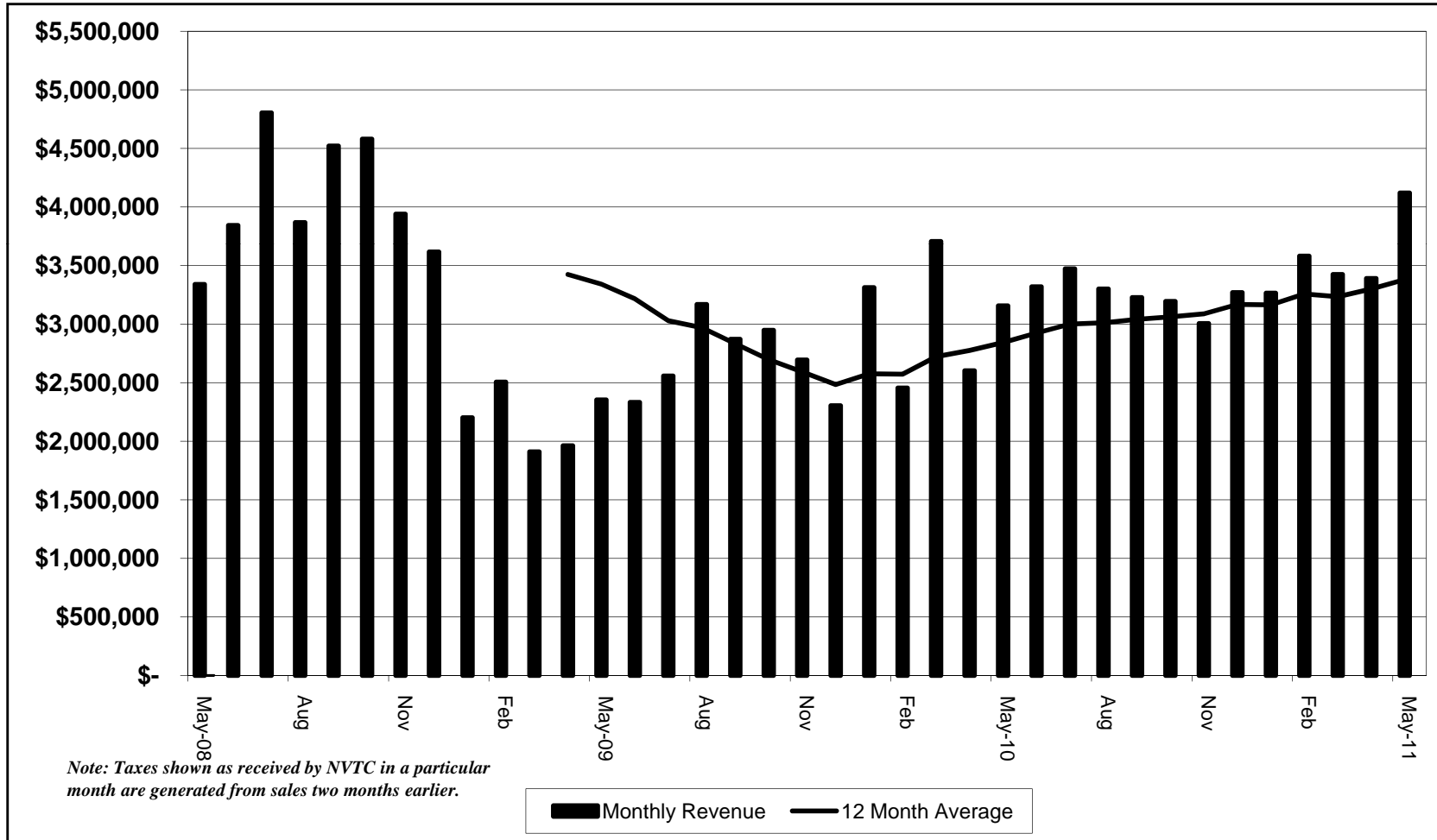
NVTC
RECEIPTS and DISBURSEMENTS
May, 2011

Date	Payer/ Payee	Purpose	Wachovia (Checking)	Wachovia (Savings)	VA LGIP	
					G&A / Project	Trusts
RECEIPTS						
5	DRPT	Capital grants receipts, VRE			\$ 16,780.00	
6	DRPT	Capital grants receipts, VRE			111,740.00	
16	DRPT	NVTA update grant receipt			4,962.00	
16	DRPT	Capital grants receipts, VRE			363,524.00	
17	DRPT	Operating assistance grant receipt				4,269,756.00
17	Dept. of Taxation	Motor Vehicle Fuels Sales tax receipt				4,120,085.80
18	VRE	Staff support		6,234.23		
20	DRPT	Capital grants receipts				462,186.00
25	DRPT	Vanpool project grant receipt			1,832.00	
26	FTA	Vanpool project grant receipt			7,328.00	
27	DRPT	NVTA update grant receipt			15,746.00	
31	DRPT	Capital grants receipts			144,778.00	
31	DRPT	Capital grants receipts, VRE			71,529.00	
31	Banks	Interest earnings		7.49	17.45	15,698.65
			<u>-</u>	<u>6,241.72</u>	<u>738,236.45</u>	<u>8,867,726.45</u>
DISBURSEMENTS						
1-31	Various	G&A expenses	(69,503.23)			
5	VRE	Capital grants receipts			(16,780.00)	
5	City of Fairfax	Other operating				(126,058.73)
6	VRE	Capital grants receipts			(111,740.00)	
16	VRE	Capital grants receipts			(363,524.00)	
17	Cambridge	Consulting - NVTA update	(4,961.61)			
26	VHB	Consulting - Vanpool project	(9,159.50)			
26	Stantec	Consulting - Bus data project	(15,760.78)			
26	Cambridge	Consulting - NVTA update	(15,746.16)			
31	VRE	Capital grants receipts			(71,529.00)	
31	Wachovia Bank	Service fees	(51.69)	(12.00)		
			<u>(115,182.97)</u>	<u>(12.00)</u>	<u>(563,573.00)</u>	<u>(126,058.73)</u>
TRANSFERS						
20	Transfer	From LGIP to checking	100,000.00		(100,000.00)	
26	Transfer	From LGIP to LGIP (bus data project)			15,760.78	(15,760.78)
			<u>100,000.00</u>	<u>-</u>	<u>(84,239.22)</u>	<u>(15,760.78)</u>
NET INCREASE (DECREASE) FOR MONTH			<u>\$ (15,182.97)</u>	<u>\$ 6,229.72</u>	<u>\$ 90,424.23</u>	<u>\$ 8,725,906.94</u>

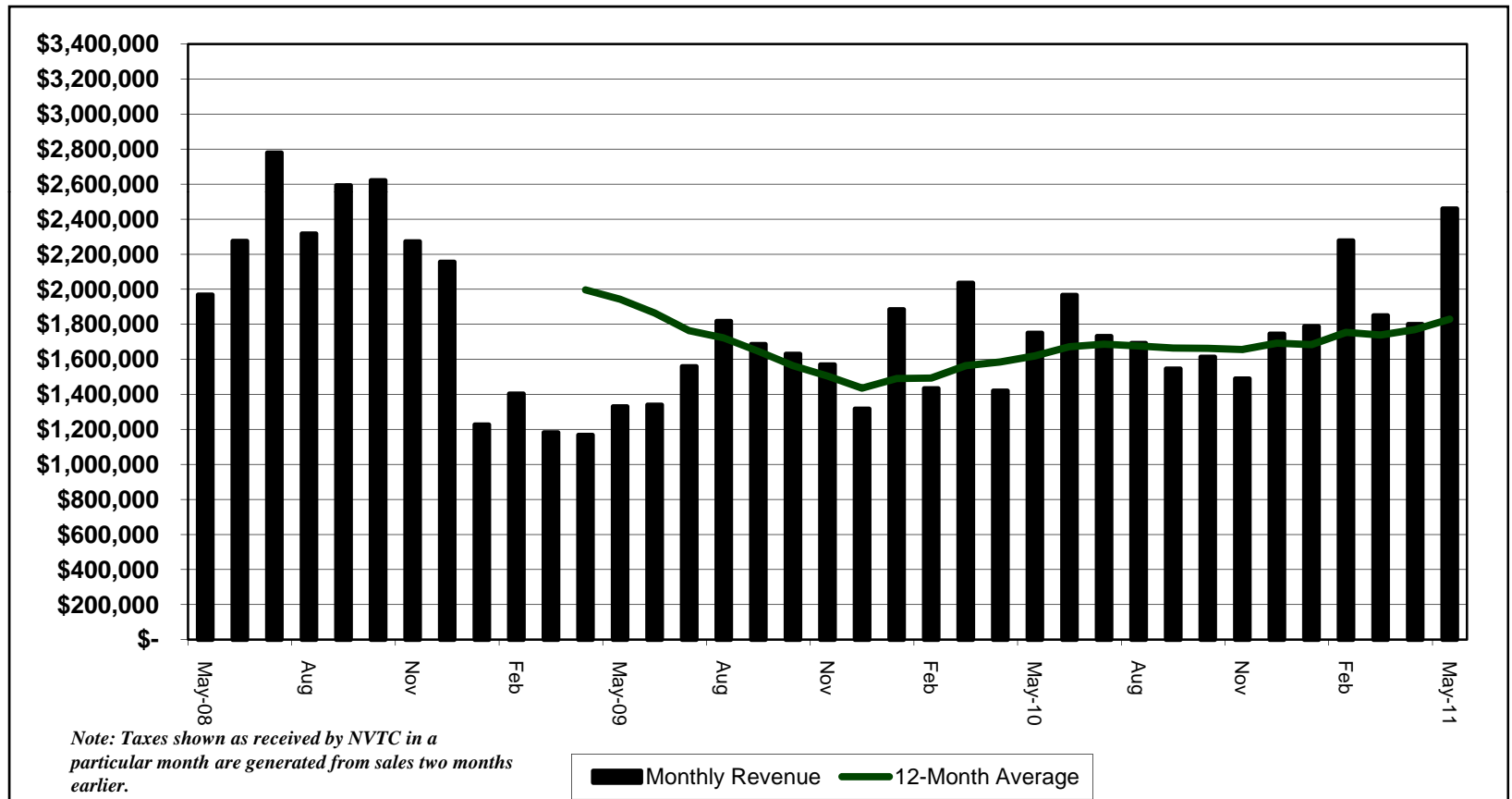
**NVTC
INVESTMENT REPORT
May, 2011**

<u>Type</u>	<u>Rate</u>	<u>Balance 4/30/2011</u>	<u>Increase (Decrease)</u>	<u>Balance 5/31/2011</u>	<u>NVTC G&A/Project</u>	<u>Jurisdictions Trust Fund</u>	<u>Loudoun Trust Fund</u>
<u>Cash Deposits</u>							
Wachovia: NVTC Checking	N/A	\$ 73,188.88	\$ (15,182.97)	\$ 58,005.91	\$ 58,005.91	\$ -	\$ -
Wachovia: NVTC Savings	0.050%	168,444.75	6,229.72	174,674.47	174,674.47	-	-
<u>Investments - State Pool</u>							
Bank of America - LGIP	0.140%	126,082,311.79	8,816,331.17	134,898,642.96	117,485.56	117,262,802.63	17,518,354.77
		<u>\$ 126,323,945.42</u>	<u>\$ 8,897,802.15</u>	<u>\$ 135,131,323.34</u>	<u>\$ 350,165.94</u>	<u>\$ 117,262,802.63</u>	<u>\$ 17,518,354.77</u>

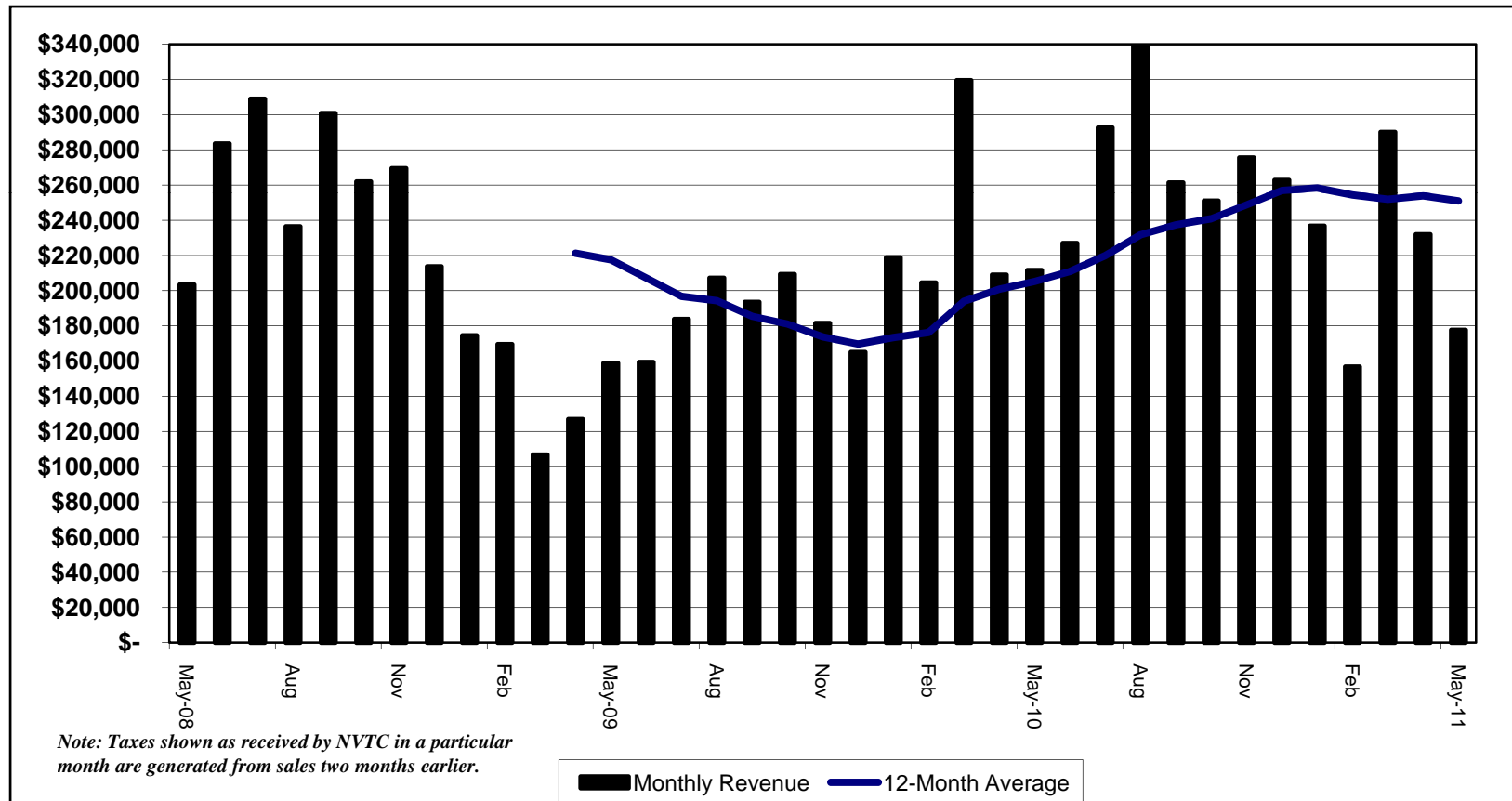
NVTC MONTHLY GAS TAX REVENUE ALL JURISDICTIONS FISCAL YEARS 2008-2011



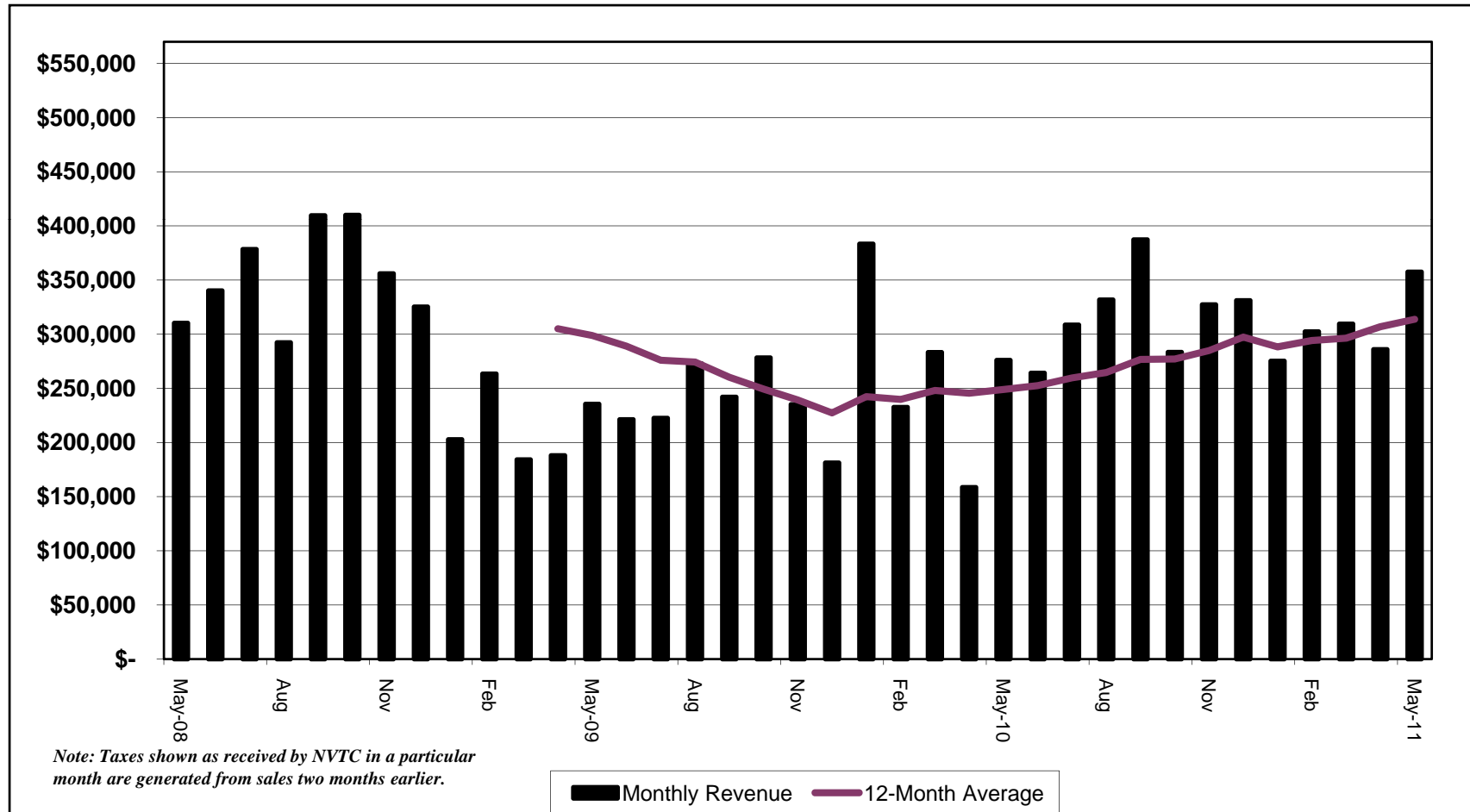
NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2008-2011



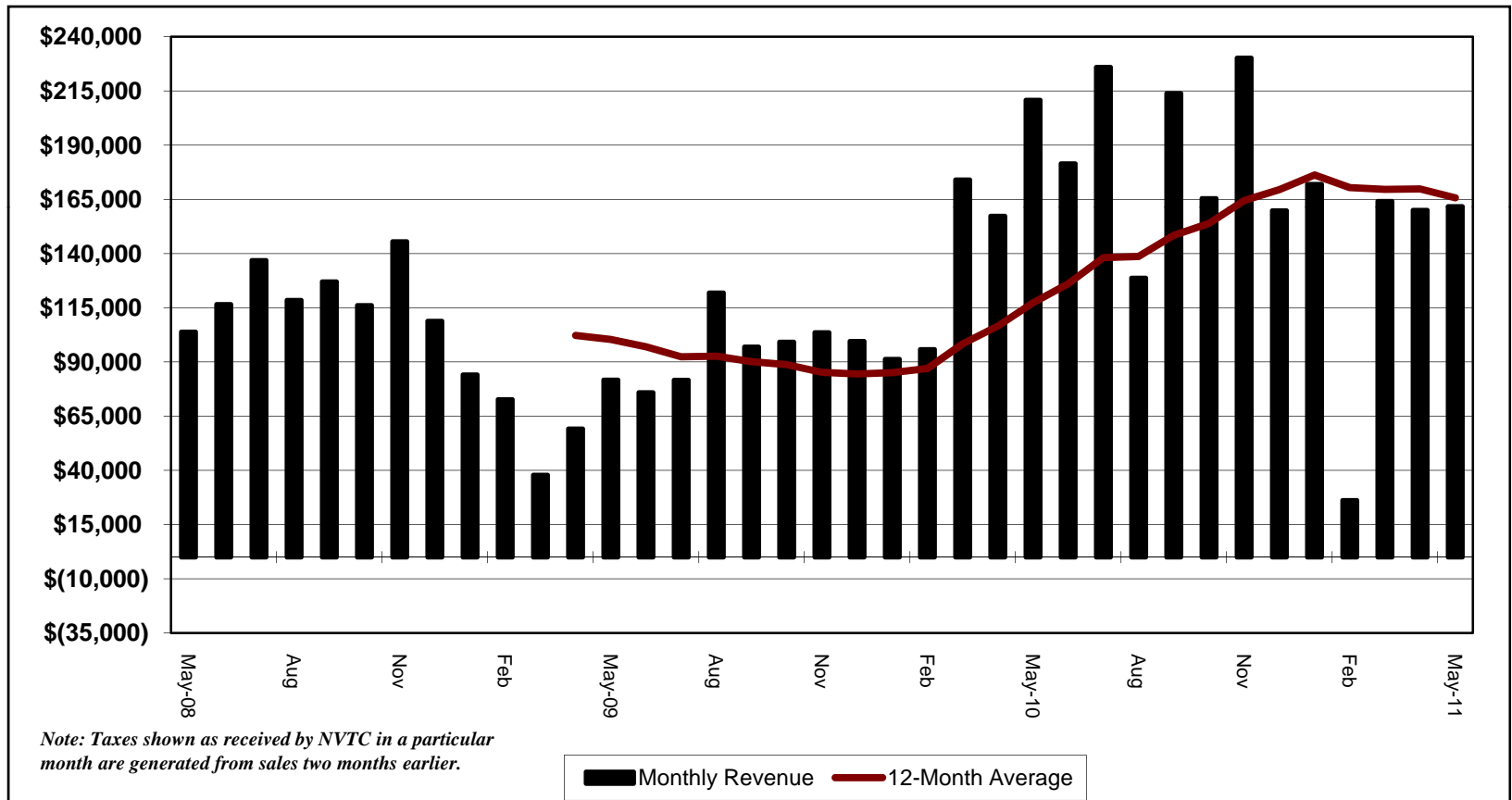
NVTC MONTHLY GAS TAX REVENUE CITY OF ALEXANDRIA FISCAL YEARS 2008-2011



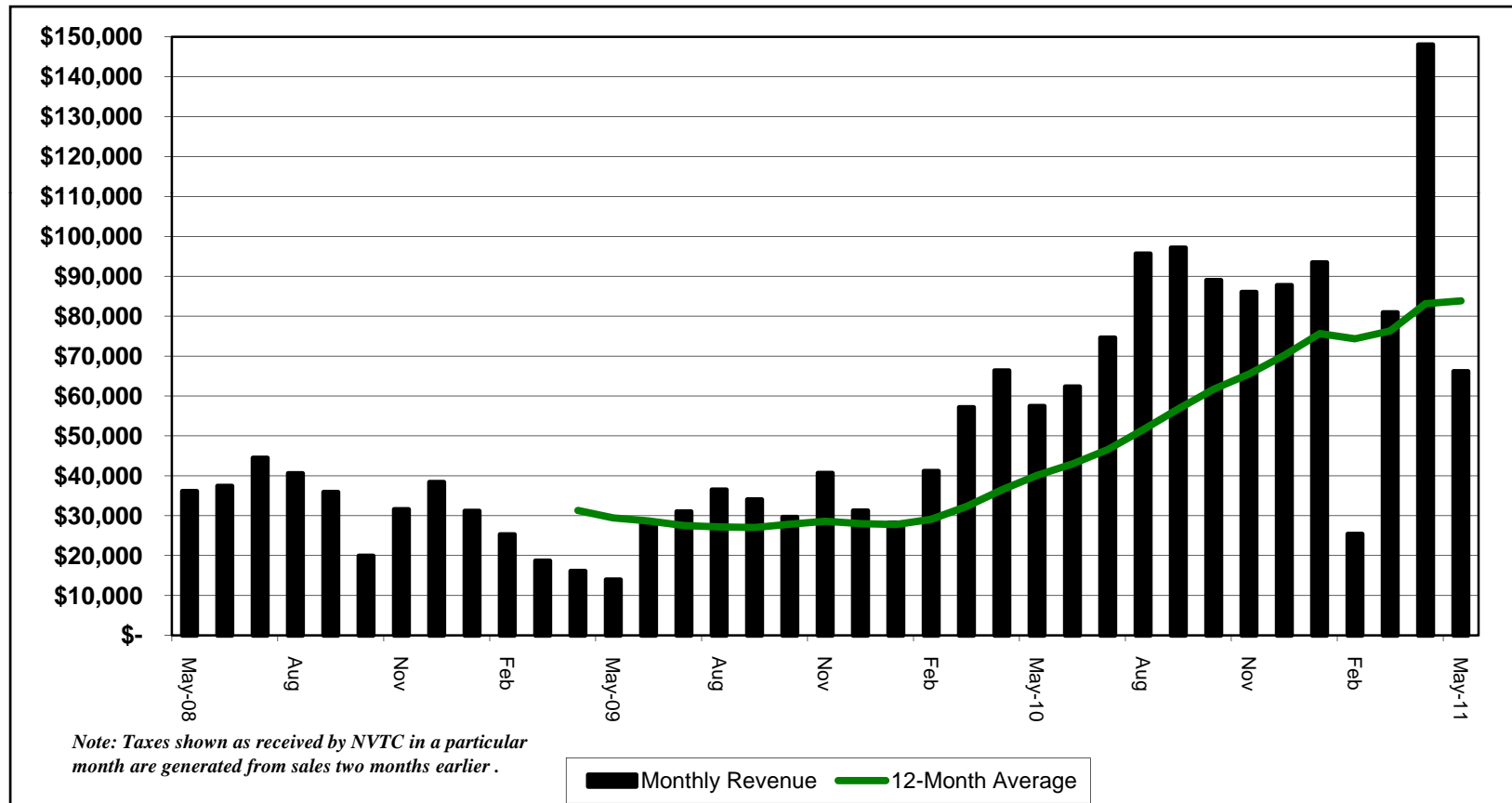
NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2008-2011



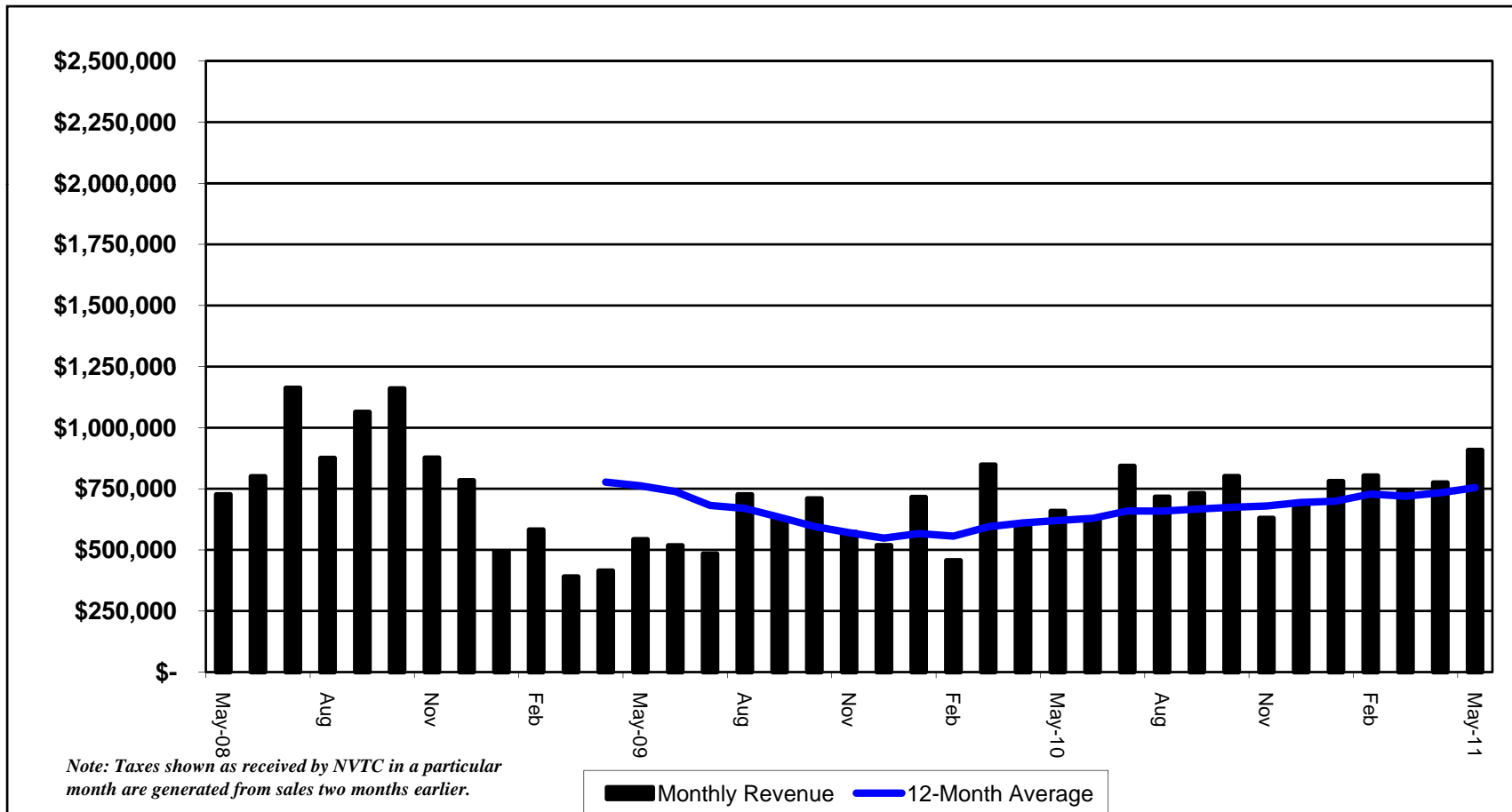
NVTC MONTHLY GAS TAX REVENUE CITY OF FAIRFAX FISCAL YEARS 2008-2011



NVTC MONTHLY GAS TAX REVENUE CITY OF FALLS CHURCH FISCAL YEARS 2008-2011



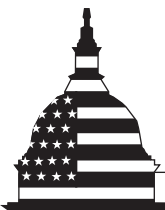
NVTC MONTHLY GAS TAX REVENUE LOUDOUN COUNTY FISCAL YEARS 2008-2011



June 2011

**PUBLIC
TRANSPORTATION**

**Washington Metro
Could Benefit from
Clarified Board Roles
and Responsibilities,
Improved Strategic
Planning**



G A O

Accountability * Integrity * Reliability

Why GAO Did This Study

The Washington Metropolitan Area Transit Authority's (WMATA) public rail transit and bus systems are vital to the national capital region. However, the 35-year-old rail system has experienced safety and reliability problems, including fatal accidents. A 16-member board of directors governs WMATA, setting policies and providing oversight. Recent reports have noted weaknesses in WMATA's governance structure and recommended changing it. GAO assessed WMATA's governance in terms of the board's roles and responsibilities, oversight, and strategic planning. To do so, GAO compiled leading practices from previous GAO work on public and private sector governance, non-GAO transit governance studies, and strategic planning standards; then compared WMATA's approach to those practices. GAO also spoke with six transit agencies selected based on board composition and ridership, among other things.

What GAO Recommends

GAO recommends among other things that the WMATA board of directors follow through with its efforts to clarify the roles and responsibilities of the board; conduct a regular self-assessment of the board's effectiveness; and improve its strategic planning process by actions such as increasing the board's involvement in the process and updating the agency's performance metrics. WMATA reviewed a draft of this report and noted that it has taken recent actions that begin to address some issues covered in this report.

View [GAO-11-660](#) or key components. For more information, contact David Wise at (202) 512-2834 or wised@gao.gov.

PUBLIC TRANSPORTATION

Washington Metro Could Benefit from Clarified Board Roles and Responsibilities, Improved Strategic Planning

What GAO Found

Although some requirements and guidance for board roles and responsibilities are provided in the WMATA compact and board procedures, WMATA board members, officials, and other stakeholders have reported that sometimes the board focuses on management's day-to-day responsibilities rather than higher level board responsibilities such as oversight and strategic planning. This focus may have resulted from, for example, inadequate delineation and documentation of the board's responsibilities as well as inadequate communication among board members. In addition, while leading governance practices state that effective transit boards monitor the effectiveness of the board's organization, structure, and functioning through a regular board self-assessment, WMATA's board does not do so. As a result, the board lacks a key mechanism for regular, ongoing measurement of its performance. In April 2011, the board released draft bylaws that clarify the roles and responsibilities for the board and propose that the board chair coordinate a board self-evaluation. These draft bylaws represent a good first step toward addressing some of the concerns discussed in this report but will need to be adopted and then effectively implemented to achieve their desired effect.

The board's oversight role is supported by the board's committee structure, which provides a communication channel for information to reach the board. Past board practices such as infrequent meetings of the Audit and Investigations Subcommittee and the lack of routine briefings on outside safety recommendations may have impaired the ability of the board to use information about areas in need of improvement regarding the operations and finances of the agency. However, given the variety in other transit agencies' practices and the lack of clear criteria on how often audit committees should meet, there is no clear standard against which to measure WMATA's practices. The board's draft bylaws propose changes to the organization of the board's committee structure.

WMATA has developed elements of strategic planning over the past 4 years, but the agency's board and management could enhance their strategic focus and long-term planning processes to improve performance. WMATA acknowledged several failed past efforts at strategic planning. WMATA officials said that prior attempts failed due to a lack of management support, employee buy-in, and specific actions to execute the plans; and a focus on tactical versus strategic decision making. WMATA management has developed several elements of strategic planning, such as a mission statement, goals, objectives, and strategies. However, the agency's strategic planning process could benefit from more board and stakeholder involvement, internal and external environmental assessments, longer time frames, program evaluations, and updated performance metrics. In June 2011, the board launched an effort to overhaul its strategic planning process.

Contents

Letter		1
	Background	3
	Stakeholders Believe Inadequate Delineation, Documentation, Communication, and Self-Assessment of the Board's Responsibilities Have Led to Occasional Lack of Strategic Focus	10
	WMATA's Board Is Structured to Receive Information That Could Facilitate More Effective Oversight of the System	16
	WMATA Has Made Progress, but Does Not Fully Address All Elements of Sound Strategic Planning	22
	GSA Lacks a Formal Process to Appoint Federal Board Members	30
	Conclusions	30
	Recommendations for Executive Action	31
	Agency Comments	32
Appendix I	Objectives, Scope, and Methodology	34
Appendix II	Discussion of Recommendations Concerning WMATA Board Structural Changes	40
Appendix III	Comparison of Selected Transit Agencies to WMATA	49
Appendix IV	Comments from the Washington Metropolitan Area Transit Authority	53
Appendix V	Comments from the General Services Administration	62
Appendix VI	GAO Contact and Staff Acknowledgments	63

Tables

Table 1: Information on the Processes Used to Appoint WMATA Board Members	7
Table 2: Categories of Leading Practices	35
Table 3: Entities and Offices Interviewed	37
Table 4: Size and Composition of the Selected Transit Agencies	41
Table 5: Jurisdictions Represented On Transit Agency Boards	49
Table 6: Transit Services Provided	50
Table 7: Size of Rail Operations	50
Table 8: Heavy Rail Ridership as of 4th Quarter 2010	51
Table 9: Transit Agencies Ranked by Passenger Trips in 2009	51
Table 10: Operating and Capital Budgets	52
Table 11: Size of Workforce	52

Figures

Figure 1: Map of WMATA's Metrorail System Including Planned Expansion and Total Capital and Operating Subsidy from Local Jurisdictions, Fiscal Year 2011	5
Figure 2: WMATA Board of Directors Committee Structure (May 2011)	8
Figure 3: WMATA's Organization Chart as of May 2011	9
Figure 4: Number of Board Meetings at Selected Transit Agencies, April 30, 2010, through May 1, 2011	12

Abbreviations

APTA	American Public Transportation Association
BART	Bay Area Rapid Transit
CTA	Chicago Transit Authority
FTA	Federal Transit Administration
GM/CEO	general manager/chief executive officer
GSA	General Services Administration
JCC	Jurisdictional Coordinating Committee
MARTA	Metropolitan Atlanta Rapid Transit Authority
MBTA	Massachusetts Bay Transportation Authority
MTA	Metropolitan Transportation Authority
NTSB	National Transportation Safety Board
NVTC	Northern Virginia Transportation Commission
OIG	Office of Inspector General
RAC	Riders' Advisory Council
SEPTA	Southeastern Pennsylvania Transportation Authority
WMATA	Washington Metropolitan Area Transit Authority
WSTC	Washington Suburban Transit Commission

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G A O

Accountability * Integrity * Reliability

United States Government Accountability Office
Washington, DC 20548

June 30, 2011

The Honorable Patty Murray
Chair
Subcommittee on Transportation, Housing and Urban
Development, and Related Agencies
Committee on Appropriations
United States Senate

The Honorable Barbara A. Mikulski
United States Senate

The Washington Metropolitan Area Transit Authority's (WMATA) public rail transit and bus systems are vital to meeting the transportation needs of the national capital region, accounting for nearly 1.2 million passenger trips per weekday. However, WMATA's public rail transit system is 35 years old and has experienced problems related to the safety and reliability of its services, including fatal accidents, equipment breakdowns, delays in scheduled service, crowding on trains, and tunnel fires.¹ In addition, the agency faces challenges in maintaining the aging system while expanding the system to Dulles International Airport, adding 23 miles and additional riders to the rail transit system.² In 2008, WMATA estimated that it had about \$11 billion worth of capital needs over 10 years, or \$1.1 billion per year; its capital budget for fiscal year 2011 is \$712.3 million. The agency annually weighs decisions to bridge gaps in its operating budget by raising fares, cutting service, or requesting additional contributions from its member jurisdictions.

WMATA is an interstate compact agency,³ governed by a 16-member board of directors appointed by its four funding jurisdictions—the federal

¹The most recent fatal accident occurred on June 22, 2009, when two WMATA trains collided resulting in nine deaths and 52 injuries.

²The Metropolitan Washington Airports Authority is constructing the project. WMATA will operate trains on the extension when it is complete.

³Interstate compacts are legal agreements between two or more states that are designed to resolve problems or concerns that transcend state lines. Such compacts enable states to act jointly and collectively to devise solutions for matters that are beyond the authority of an individual state but which are not within the immediate purview of the federal government or easily resolved through a purely federal response.

government, Maryland, Virginia, and the District of Columbia.⁴ The board sets policies and oversees all of WMATA's activities, including capital and operating budgeting, system development and expansion, safety, and procurement. In 2010, two reports concluded that weaknesses in WMATA's governance contributed to the safety and operational reliability challenges facing the transit system and recommended changes to WMATA's governance structure.⁵ Our objective was to assess WMATA's governance in terms of the board's roles and responsibilities, oversight, strategic planning, and governance structure, and identify changes, if any, that should be made. Specifically, we addressed the following question: How do roles and responsibilities, oversight, and strategic planning elements of WMATA's practices align with leading governance practices? In addition, we provide information on the appointment of federal members to WMATA's board by the General Services Administration (GSA).

In conducting our work, we focused on WMATA's governance in terms of the board's structure, communication, policies, practices, and documentation relating to its oversight of management and implementation of its organizational mission. We analyzed management's role in certain areas, such as strategic planning; however, we did not fully assess the adequacy of management's role in effectively operating the agency.

To determine relevant governance practices, we compiled practices from several sources, including those practices used in previous GAO work on public and private sector governance and non-GAO studies, reports, and recommendations concerning the governance of transit agencies, other similar organizations, and corporations. Additionally, we incorporated strategic planning practices from the Transit Cooperative Research Program, previous GAO work, and other sources as appropriate. (For a

⁴As of May 2011, 14 members (8 voting members and 6 alternates) had been appointed to the board. Two alternate positions—one from the federal government and one from the District of Columbia—are unfilled.

⁵Greater Washington Board of Trade and Metropolitan Washington Council of Governments, *Moving Metro Forward: Report of the Joint WMATA Governance Review Task Force* (Washington, D.C.: Nov. 17, 2010) and Riders' Advisory Council, *Report on Governance of the Washington Metropolitan Area Transit Authority* (Washington, D.C.: Dec. 1, 2010). The Riders' Advisory Council is a 21-member council established by WMATA's board in 2005 to advise the board on ridership issues concerning WMATA service.

full list of sources, see app. I.) We then consolidated and categorized leading governance practices and recommendations along similar themes, such as structure, oversight, and strategic planning.

To determine how WMATA's practices align with these leading governance practices, we reviewed and compared elements of the composition and structure of the WMATA board and senior management, communication between the board and management, policies and other documentation in place to guide WMATA's practices, and WMATA's internal and external oversight practices to the leading governance and strategic planning practices that we identified. We conducted semistructured interviews with WMATA senior management, current board members, local jurisdictions, oversight agencies, and other groups conducting governance reviews. In addition, we conducted semistructured interviews with officials from transit agencies in Atlanta, Boston, Chicago, New York, Philadelphia, and San Francisco. Respectively, we spoke with the Metropolitan Atlanta Rapid Transit Authority (MARTA), Massachusetts Bay Transportation Authority (MBTA), Chicago Transit Authority (CTA), Metropolitan Transportation Authority (MTA), Southeastern Pennsylvania Transportation Authority (SEPTA), and Bay Area Rapid Transit (BART). We chose these transit agencies based on similarities to WMATA along many characteristics, including size and makeup of the board, annual ridership, services provided, budget issues, and complexity of the service area.

We conducted interviews with GSA concerning the appointment of federal members to WMATA's board. Appendix I contains a more complete description of our scope and methodology.

We conducted this performance audit from September 2010 to June 2011 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

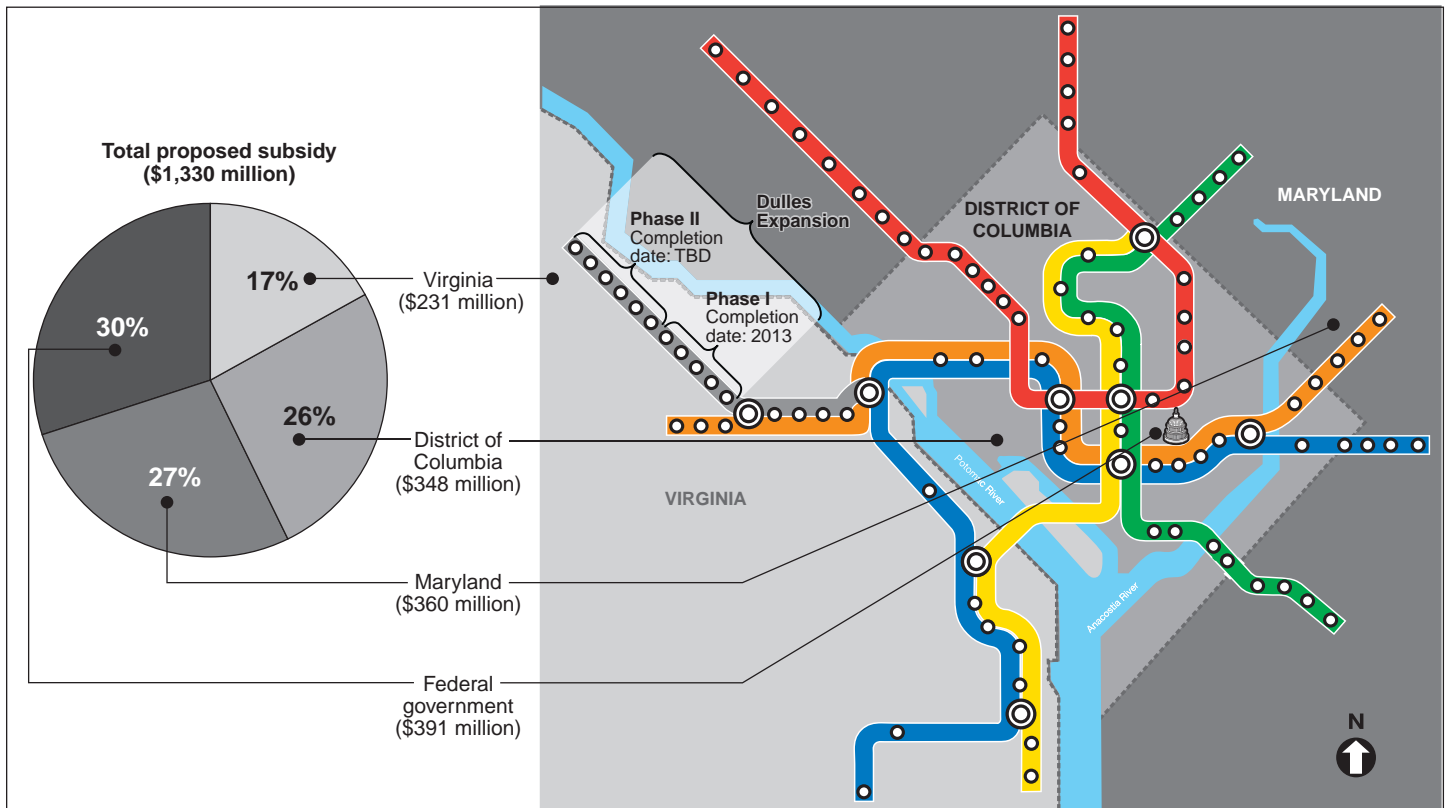
Background

WMATA began rail operations in 1976. As of 2011, it operates the nation's second largest rail transit system and sixth largest bus system. WMATA provides service in the District of Columbia, suburban Maryland, and Northern Virginia. In fiscal year 2011, WMATA based its budget on a projected ridership on its rail transit and bus systems of 346 million trips.

The rail transit system consists of 106.3 route miles and 86 passenger stations and a fleet of over 1,100 rail cars. A planned expansion of the rail transit system will add 11 stations and extend the system 23 miles in Northern Virginia, providing service to Dulles International Airport and Loudoun County, Virginia. (Figure 1 shows WMATA's rail transit route system and proposed fiscal year 2011 jurisdictional subsidies.) WMATA's Metrobus service operates 320 routes on 135 lines throughout the Metro region, utilizing 12,000 bus stops and 2,398 shelters. In addition, WMATA offers a shared-ride, door-to-door paratransit service for people whose disability prevents them from using bus or rail transit. The paratransit system operates a fleet of over 600 vehicles and is expected to provide 2.7 million passenger trips in fiscal year 2011. WMATA is also the single largest escalator/elevator operator in North America operating 589 escalators and 271 elevators.

WMATA's funding comes from rider fares and parking and a variety of federal, state, and local sources including grants from the federal government and annual contributions by each of the local jurisdictions that WMATA serves. (See fig. 1.) WMATA's fiscal year 2011 budget totals about \$2.2 billion. Of the total amount, about 33 percent, or \$712.3 million, is for capital improvements and about 63 percent, or \$1.45 billion, is for operating expenses.

Figure 1: Map of WMATA's Metrorail System Including Planned Expansion and Total Capital and Operating Subsidy from Local Jurisdictions, Fiscal Year 2011



Sources: WMATA and GAO.

Note: Federal government funding including federal formula grants and dedicated funding is all provided for capital expenditures. Subsidies for Maryland, Virginia, and the District of Columbia include state and local contributions.

WMATA's Governance Structure

WMATA was created in 1967 by an interstate compact—matching legislation passed by Virginia, Maryland, the District of Columbia, and the U.S. Congress⁶—that describes its high-level purpose, powers, general structure, funding, and authorities. The compact, as amended, creates a 16-member board of directors (8 voting and 8 alternate members) to govern WMATA and designates an appointing authority for each signatory to appoint 2 voting members and 2 alternate members to the board. (See table 1.) As of June 2011, GSA—which is responsible for selecting the board members representing the federal government—had appointed 2 voting members and 1 alternate, but had not appointed a second alternate.⁷ The District of Columbia also has a single vacancy for an alternate member, leaving board membership at 14. Nine of the 14 active members, including 7 voting members were appointed between January 2010 and May 2011. Also, according to the compact, the board must elect a chair at the beginning of every year. The chair has historically rotated between the three local jurisdictions each year; however, beginning in January 2011, board procedures allow for anyone to be elected chair, including the previous year's chair or a federal board member.

⁶See Washington Metropolitan Area Transit Authority Compact, Pub. L. No. 89-774, 80 Stat. 1324 (1966). The compact, originally created for the planning, financing, building, and operation of a rail transit system in the Washington area, was most recently amended so that WMATA could become eligible to receive federal grants authorized by the Passenger Rail Investment and Improvement Act of 2008. Pub. L. No. 110-432, title VI, 122 Stat. 4848, 4968-70 (2008). Among the major changes to the compact were the addition of federal representatives to the board and the codification of the Office of the Inspector General. See Washington Metropolitan Area Transportation Regulation Compact Amendments, Pub. L. No. 111-62, 123 Stat. 1998 (2009).

⁷GSA appointed one board member and one alternate board member in January 2010. The alternate board member was later changed to be a board member. In April 2011, an alternate board member representing the District of Columbia became an alternate board member representing the federal government.

Table 1: Information on the Processes Used to Appoint WMATA Board Members

Appointing authority	Selection process
<i>Virginia:</i> Northern Virginia Transportation Commission (NVTC)	<ul style="list-style-type: none"> NVTC appoints WMATA board members from among its board members, who are elected officials. NVTC appoints the two voting WMATA board members—traditionally one from Fairfax County and one from Arlington County. One alternate is appointed from Fairfax County and the other from the City of Alexandria.^a Board members are elected annually and can be reappointed.
<i>Maryland:</i> Washington Suburban Transit Commission (WSTC)	<ul style="list-style-type: none"> Board members are selected from WSTC members, which are chosen by the Governor of Maryland, Prince George’s County, and Montgomery County. Traditionally, WSTC members appointed by the Governor are appointed as the voting board members, and WSTC members appointed by Prince George’s County and Montgomery County are appointed as alternates. Board members serve 3-year terms; however, this is not a legal term limit.
<i>District of Columbia:</i> Council of the District of Columbia (DC Council)	<ul style="list-style-type: none"> The DC Council traditionally appoints one elected official from among its membership and one appointed official from the Mayor’s administration to serve as its voting WMATA board members. The same arrangement is used for its alternate members.
<i>Federal Government:</i> GSA	<ul style="list-style-type: none"> GSA asks local stakeholders, including local transportation boards, federal agencies, and Members of Congress representing local jurisdictions, for suggestions on potential candidates. The compact requires that one of the voting members must be a regular passenger and customer of WMATA’s bus or rail service. Board members are appointed to 4-year terms.

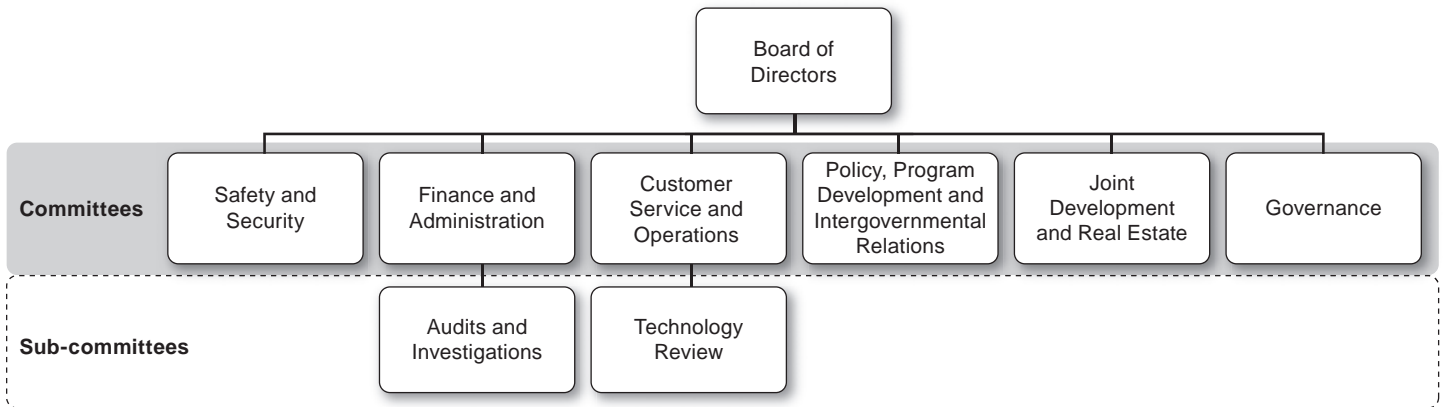
Source: GAO analysis of information provided by appointing authorities and the Governance Task Force Report.

^aOn July 1, 2011, a law will take effect that allows the Governor of Virginia to appoint one of the Virginia board members. See VA H.B. 1500, May 2, 2011, Act of Assembly, Chapter No. 890.

The compact also provides the board with broad policy-making authority, specifically in the areas of planning, budgeting, and financing. To help carry out these functions, the board has established committees, such as safety and security, customer service and operations, and finance and administration. (See fig. 2.) WMATA board procedures allow that alternate board members can vote in committee meetings, but can only vote in full board meetings in the absence of “their” voting member.⁸

⁸Either alternate from the District of Columbia can vote if either of the voting District of Columbia board members is absent.

Figure 2: WMATA Board of Directors Committee Structure (May 2011)

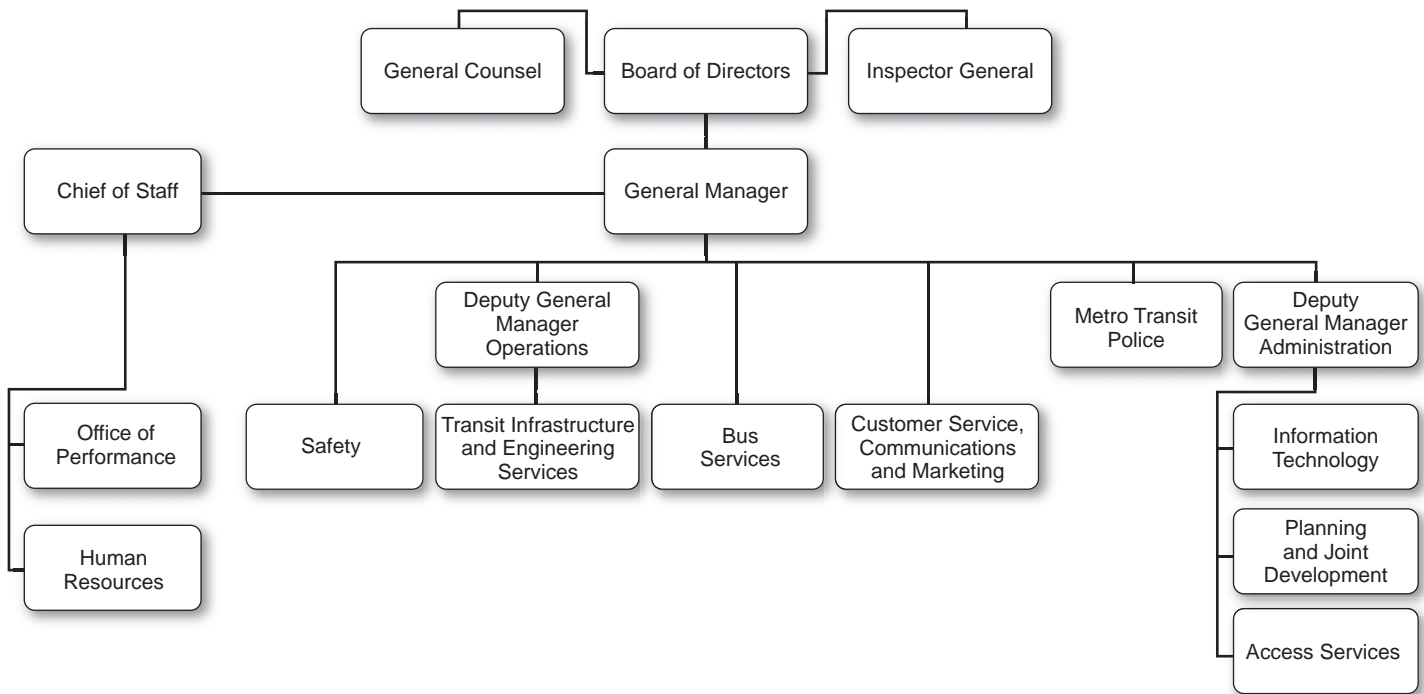


Source: GAO.

Note: Draft bylaws propose changing the committee structure to include six board committees: safety and security; finance and administration; audits and investigations; customer service and operations; planning, program development and real estate; and governance.

In addition, the board is responsible for appointing a general manager/chief executive officer (GM/CEO) and executive leadership team to manage day-to-day operations and to develop policies and procedures, draft a budget, and conduct all other tasks related to operating and maintaining the transit system. Figure 3 shows the organization of WMATA's executive leadership.

Figure 3: WMATA's Organization Chart as of May 2011



Source: WMATA.

Note: This organizational chart shows the board of directors and positions considered to be executive management.

Studies Have Recommended Changes to WMATA's Governance

Three reports issued in 2010 identified weaknesses in WMATA's management and board oversight and called for change in WMATA's governance structure and procedures.⁹ The Riders' Advisory Council (RAC) and the Greater Washington Board of Trade and Metropolitan Washington Council of Governments sponsored Task Force (Governance Task Force) both issued reports critiquing WMATA's board and management.¹⁰ Examples of recommendations from both reports include:

⁹Greater Washington Board of Trade and Metropolitan Washington Council of Governments (2010); Riders' Advisory Council (2010); and NTSB, *Collision of Two Washington Metropolitan Area Transit Authority Metrorail Trains Near Fort Totten Station* (Washington, D.C.: July 27, 2010).

¹⁰According to the board, it has created a work plan that allows the public to track changes being made in response to these recommendations.

(1) board roles and responsibilities should be more clearly defined and (2) the board should redefine the general manager position as WMATA's chief executive officer and that person should oversee WMATA's daily management. (See app. II for additional information on the recommendations made by these reports.) In addition, a National Transportation Safety Board (NTSB) report on a fatal June 2009 accident discussed how shortcomings in WMATA's internal communications, recognition of hazards, assessment of risk from those hazards, and implementation of corrective actions are evidence of the absence of a safety culture within the organization. The report partially attributes this situation to WMATA's governance due to inadequate or deficient oversight by the board.

Stakeholders Believe Inadequate Delineation, Documentation, Communication, and Self-Assessment of the Board's Responsibilities Have Led to Occasional Lack of Strategic Focus

WMATA board members, officials, and other stakeholders have reported that the board sometimes focuses on management's day-to-day responsibilities rather than higher level board responsibilities such as policy, oversight, and strategic planning. This lack of strategic focus may have resulted from inadequate delineation and documentation of the board's responsibilities, as well as inadequate communication among board members.

Governance practices based on previous GAO work and other relevant studies state that an effective transit board:

- focuses on policy making, principally specific elements such as guidance and strategic issues as well as oversight and monitoring of management and performance;
- clearly defines and formally documents its roles and responsibilities and has a clear view of its role in relationship to that of management. All activities, such as meetings and agenda items, should focus members on policy making and away from day-to-day management issues;
- delegates day-to-day management of the agency to the GM/CEO and other senior management;
- informs and educates its members and provides orientation to new board members; and
- acts as a cohesive group, eliminating personal agendas.

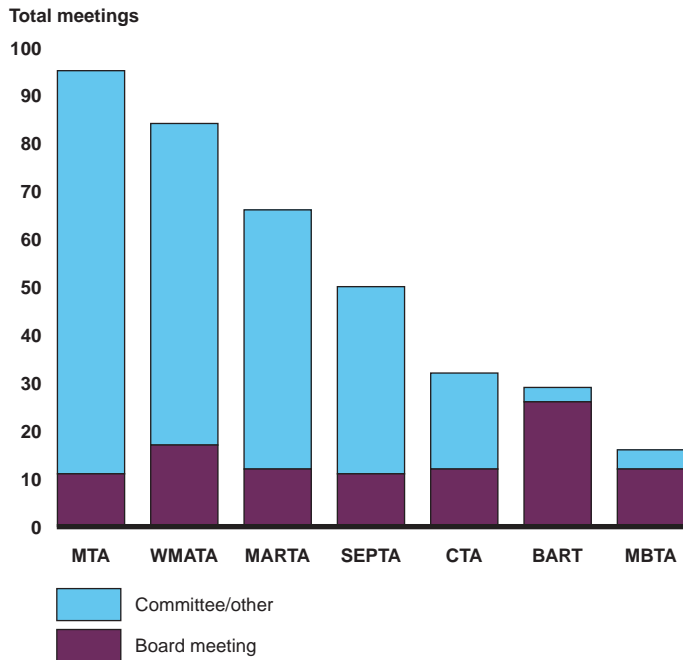
Current and former board members and senior officials with whom we spoke believed that the WMATA board and individual board members have sometimes focused on the day-to-day operations of the transit agency and become involved in areas that should be the responsibilities of management. Specific cited examples of board involvement in management's responsibilities include hiring and firing employees beyond senior management; approval of a minor personnel policy; and involvement and debate of specific detailed decisions such as station tiles, bicycle facilities, and transit car seat colors.

Consistent with leading governance practices, WMATA board procedures state, "No Member individually shall direct or supervise the GM/CEO or any WMATA employee or contractor managers."¹¹ However, WMATA officials told us that rather than acting as a cohesive group, individual board members had directed staff to make changes to presentations prior to board meetings. These officials also reported that some individual board members had what they believed to be excessive contact with midlevel managers requesting specific information rather than working through established channels such as the board chairman, GM/CEO, or other senior management.

Several board members and WMATA officials also commented that the frequency of board meetings can be inefficient and symptomatic of a lack of a strategic focus by the board. Several board members believed that the board meets too often, which can be an indication that it is too involved in running the agency. Officials and board members also stated that preparing for board activities—while important—can reduce the time staff have available to conduct day-to-day operations and analysis, or monitor and improve the performance of the transit system. Between April 30, 2010, and May 1, 2011, the WMATA board met 84 times—17 board meetings and 67 committee meetings or executive sessions. By comparison, the WMATA board met more frequently than five of the six transit agencies we visited. Only New York's MTA—which carries approximately 8 times the number of daily riders—met more frequently. (See fig. 4.) (Additional information comparing the six transit agencies with WMATA is found in app. III.)

¹¹Interim Procedures for WMATA Board of Directors, 2011.

Figure 4: Number of Board Meetings at Selected Transit Agencies, April 30, 2010, through May 1, 2011



Source: GAO analysis of information from MTA, WMATA, MARTA, SEPTA, CTA, BART, and MBTA.

Note: The number of meetings for MARTA is an estimate based on its 2011 meeting schedule.

Board members and stakeholders, such as RAC and the Governance Task Force, told us that the lack of strategic focus by the board may be in part attributed to inadequate delineation and documentation of board roles, inadequate communication among board members, and other factors. Roles and responsibilities for the board are delineated in two primary documents: the compact and board procedures. As mentioned earlier, the compact provides the board with specific tasks and authorities such as developing a mass transit plan, capital and current expense budgets, and a financing plan; selecting a GM/CEO, an independent auditor, and an audit committee; and adhering to legal requirements such as the Davis-Bacon Act.¹² The compact also states that “subject to policy direction by the

¹²The Davis-Bacon Act generally requires employers to pay locally prevailing wages and fringe benefits to laborers and mechanics employed on federally-funded construction projects in excess of \$2,000. See 40 U.S.C. § 3141 et seq. In addition, the compact grants the board other responsibilities include bonding, execution of leases or property, and setting fare and procurement policy.

board,” the GM/CEO “shall be responsible for all activities” of WMATA.¹³ In addition, board procedures further delineate that the board “determines agency policy and provides oversight for the funding, operation and expansion of safe, reliable, and effective transit service within the Transit Zone.”¹⁴

Although the compact and board procedures provide some guidance, there is a perception among WMATA officials, some board members, and other stakeholders that the described roles and responsibilities are too broad and not clearly defined. The Governance Task Force found that “the lack of delineation of responsibilities has created an environment where there is no clear understanding of who is accountable for issues such as day-to-day management, communication, operations, and safety.”¹⁵ In addition, some board members we spoke with told us that while the existing documentation generally provides clarity, it should be improved. For example, throughout the history of WMATA, the board has made specific delegations of authority to the GM/CEO covering such issues as procurements and personnel policies. However, according to board members and WMATA’s general counsel, these delegations—and other board resolutions—are not organized or readily accessible to the board.

Inadequate board communication including failure to orient, inform, and educate new and existing board members has also contributed to the lack of a strategic focus of the board, according to board members. For example, in the past, orientation for new board members has been informal, driven primarily through the initiative of the new board members themselves. In comparison, officials at four of the six transit agencies we visited told us that they provide a formal orientation for new board members. For example, as a result of MARTA’s orientation process, a MARTA official stated that roles and responsibilities for the board are clear and well-defined. Their orientation includes (1) presentations by the senior executive team on subjects such as the MARTA Act and its specific criteria and allowances as well as the bylaws, (2) discussion of the roles and responsibilities of board members, (3) an explanation of meeting structure, and (4) a tour of key facilities. In contrast, at WMATA, we

¹³Washington Metropolitan Area Transit Authority Compact, Title III, Article III, § 9(b).

¹⁴Interim Procedures for WMATA Board of Directors, 2011.

¹⁵Greater Washington Board of Trade and Metropolitan Washington Council of Governments (2010).

observed that current efforts to inform and educate board members, such as discussion during meetings, have not consistently proven to be effective in informing board members of their role relative to management's role in day-to-day operations.

Other factors might have also contributed to the lack of a strategic focus for the board. For example, in the past, WMATA's board procedures were subject to change by the annually rotated chairperson. One senior WMATA manager told us that each time the procedures change it takes time for the board members to adjust. In addition, the Congressional Research Service noted that the model of the WMATA board—which is closer to a public utility model than a private sector model—requires action in decisions such as fare setting, route selection, and frequency of service determinations that are normally viewed as day-to-day decisions in the private sector.¹⁶ The WMATA compact delineates that the board should develop and adopt a mass transit plan that includes specific elements such as routes, schedules, and fares. In contrast, officials at SEPTA told us that, although the SEPTA board also plays a role in approving budgets, service plans, and some procurements, SEPTA's enabling legislation articulates that the board's focus is to be on long-term planning and policy rather than the day-to-day administration of the agency's business.¹⁷

Additionally, WMATA's board does not conduct a self-assessment. According to leading governance practices, effective transit boards monitor their progress on an annual basis and conduct a thorough self-assessment every 3 to 5 years. Such an assessment would not only evaluate progress in terms of the transit system's performance, but also evaluate the effectiveness of the board's organization, structure, and

¹⁶Congressional Research Service, 7-5700, *Washington Metropolitan Area Transit Authority (WMATA): Issues and Options for Congress* (Washington, D.C.: April 2010).

¹⁷See 74 Pa. Cons. Stat. § 1712(b), which provides: "Limit on exercise of powers. The board shall not involve itself in the day-to-day administration of the authority's business. It shall limit its exercise of powers to such areas of discretion or policy as the functions and programs of the authority, the authority's operating and capital budgets, the authority's standard of services, utilization of technology, the organizational structure and, subject to the provisions of this chapter, the selection of and the establishment of salaries for personnel."

functioning, and its impact on performance.¹⁸ The WMATA board does not do this type of an assessment; two board members with whom we spoke pointed out that the only form of board assessment is the replacement of board members by their appointing authorities. As a result, the board is lacking a key mechanism for regular, ongoing measurement of its performance. By comparison, New York's MTA board is required by law to complete an annual board self-assessment whereby the board as a whole and each of the committees, individually, assesses its effectiveness. In addition, MTA's Office of Inspector General (OIG) has statutory authority that makes it permissible for it to audit and investigate the board of directors, or its members if the need arises; past oversight efforts have included reviewing the board's oversight of MTA capital mega-projects. MTA's Inspector General told us that the ability to use such a broad, general authority in this manner is an important oversight mechanism for MTA. By comparison, the WMATA board has not adopted procedures to allow the WMATA OIG to investigate claims against the board, including alleged wrongdoing by board members or alleged instances of the board not following procedures or protocols.

Some WMATA board members agreed that the board should focus on policy making and should have a role in setting goals, strategic planning, budgeting, oversight, and monitoring performance. Specifically, these board members commented that the board should be more focused on setting and evaluating performance metrics based on a strong strategic planning process, an area that has been lacking in the past.¹⁹ Starting in December 2010, the board and management began taking steps to further identify and delineate roles and responsibilities including the establishment of the Governance Committee.²⁰ Additionally, in April 2011,

¹⁸A comprehensive self-assessment includes evaluating the board's composition, membership, orientation, meetings, committee structure, and information flow, as well as transit system performance criteria. This assessment also includes periodically evaluating key management processes, including, at a minimum, processes for risk assessment and mitigation, internal control, and financial reporting. See, Transit Cooperative Research Program, *TCRP Report 85: Public Transit Board Governance Guidebook* (Washington, D.C.: 2002) and GAO, *Legal Services Corporation: Governance and Accountability Practices Need to be Modernized and Strengthened*, [GAO-07-993](#) (Washington, D.C.: Aug. 15, 2007).

¹⁹We discuss the board's roles in strategic planning and oversight in more detail later in this report.

²⁰In January 2011 the Governance Committee developed a work plan that includes tasks such as updating board procedures, developing bylaws, and improving focus on board policy development.

the board released draft bylaws intended to be permanent and amendable only by a majority vote of the board. If adopted and then effectively implemented, the draft bylaws would address some of the issues described above. For example, the draft bylaws

- assign roles and responsibilities for the board, board members, and the chair and mandate an orientation program, a self-evaluation of the board, and standardization of communication procedures and conduits.
- require the board to act as a cohesive group, focusing on policy making, strategic planning, and oversight, as well as its specific roles in creating and adopting a budget, determining a fare structure and service levels, and developing a business plan.
- clarify that the GM/CEO has been delegated the authority and is primarily responsible for the overall administration and operation of WMATA subject to policy direction and oversight from the board.

In addition, the board has requested that WMATA's general counsel organize and catalog board resolutions that delegate authority to the GM/CEO. The board has also organized a new, more formal, orientation program for new board members and plans to draft amended board procedures and a revised code of ethics.

WMATA's Board Is Structured to Receive Information That Could Facilitate More Effective Oversight of the System

To help carry out its role as an oversight body, WMATA's board is structured to have access to information that could help facilitate effective oversight of management and the agency's operations. According to leading governance practices, a board needs to have an effective oversight process, supported by timely and accurate information and clear communication channels. The types of oversight information available to the board are important because they can provide the board with understanding about areas in need of attention and improvement regarding the operations and finances of the agency. However, past board practices such as infrequent meetings of the Audit and Investigations Subcommittee and the lack of routine briefings on the status of recommendations from outside parties may have impaired the ability of the board to use this information to effectively carry out its oversight role.

The board receives or has access to several key sources of information related to finance, operations, and safety that could facilitate effective

oversight. For example, in 2006, WMATA established the OIG to conduct and supervise audits, program evaluations, and investigations.²¹ The inspector general is appointed by the board and reports directly to it. The board also receives information that could facilitate effective board monitoring and oversight from two important external entities. At the federal level, the Federal Transit Administration (FTA) conducts a triennial review, a procurement systems review, and a financial management review.²² In the most recent series of these reviews, in 2007 and 2008, FTA recommended improvements in several areas, including preventative maintenance; internal controls related to real property, facilities, and equipment; procurement policies and procedures; and WMATA's cost allocation plan and grant budget accounting.²³ FTA officials stated that these types of findings and recommendations were typical of those found at other transit agencies.

Additionally, the Tri-state Oversight Committee was created in 1997 by state-level agencies in Virginia and Maryland and the District of Columbia to jointly oversee rail safety and security at WMATA.²⁴ In 2007, the committee made several findings and observations, many of which dealt with updating agency documentation or policies, such as the system safety program plan.²⁵ More recently, in 2010, the committee reported that WMATA has worked to resolve outstanding safety issues and findings from

²¹WMATA Board of Directors Resolution 2006-18. The OIG has since been codified in the compact.

²²The triennial review examines how WMATA meets the statutory and administrative requirements of the Urbanized Area Formula Grants Program; the Procurement Systems Review assesses WMATA's compliance with federal procurement requirements set out in FTA Circular 4220.1F; and the Financial Management Oversight Review examines the effectiveness of WMATA's internal control environment.

²³See, FTA, *Final Report: FY2008 Triennial Review of the Washington Metropolitan Area Transit Authority Washington, DC* (Washington, D.C.: September 2008); FTA *Final Report: Procurement System Review for the Washington Metropolitan Area Transit Authority (WMATA)* (Washington, D.C.: Aug. 29, 2007); and FTA, *Financial Management Oversight Review of the Washington Metropolitan Area Transit Authority* (Washington, D.C.: Oct. 21, 2008).

²⁴The Tri-State Oversight Committee is required by regulation to approve WMATA's safety and security plans; investigate accidents and hazardous conditions that meet certain criteria, as prescribed in 49 C.F.R. Part 659; require and approve WMATA's corrective action plans to address safety deficiencies; and conduct independent reviews of the implementation of the safety and security plans on at least a triennial basis.

²⁵Tri-State Oversight Committee, *Washington Metropolitan Area Transit Authority Triennial On-Site Safety Review* (Washington, D.C.: June 2007).

previous internal and external safety reviews and investigations.²⁶ Additionally, there are other mechanisms for the board to obtain relevant information from stakeholders, including RAC, the Jurisdictional Coordinating Committee (JCC), and a regular public comment period during board meetings.

Internally, the board's six committees provide procedures and communication channels to facilitate the flow of guidance and oversight information to the board in areas such as finance, safety, security, and customer service. For example, one of the board's key governance areas is its responsibility to annually adopt a capital budget for the agency. The Finance and Administration Committee—with its overall responsibility for monitoring the financial integrity and viability of WMATA—recommends capital and operating budget approval to the board, monitors capital and operating budget implementation and management, develops budget preparation guidance, and recommends proposed budgetary changes to the board. Additionally, the committee recommends policies for fare setting and oversees the operation and development of fare collection mechanisms, among other things.

The Audits and Investigations Subcommittee, which is part of the Finance and Administration Committee, serves as the main avenue for information that can be used to facilitate the board's oversight of financial reporting and audit processes—including the financial reporting and related audits and OIG reports—which are reported or otherwise available to the board. According to the subcommittee chair, the subcommittee provides input, along with management, into an internal audit plan developed by the OIG each year prior to the adoption of the annual budget and uses the OIG's quarterly reports to monitor the status of corrective actions taken by WMATA on outstanding OIG recommendations. The subcommittee chair also noted that the subcommittee uses an independent auditor's report on WMATA's financial statements and single audit report to facilitate its oversight of the quality and integrity of WMATA's internal controls, compliance systems and accounting, auditing, and financial reporting processes. Furthermore, the subcommittee chair explained that the board also uses this information to monitor the status of corrective actions taken on past recommendations made by the external auditor.

²⁶Tri-State Oversight Committee, *2010 Triennial Safety and Security Review of the Washington Metropolitan Area Transit Authority (WMATA)* (Washington, D.C.: Oct. 8, 2010).

The board's Audits and Investigations Subcommittee is the board's main channel for audit information and provides the opportunity for financial oversight information to reach the board. However, the subcommittee has met relatively infrequently. The subcommittee met once in 2008 and twice in both 2009 and 2010—including meeting with the OIG to discuss safety and investigative matters and to discuss and accept the external auditor's annually required report on the audit of WMATA's financial statements.²⁷ Additionally, the current placement of the subcommittee within a full committee differs from other transit agency practices. By comparison, some transit agencies we visited had an audit committee that met more often and had the audit and financial reporting function elevated to a committee. For example, the audit committees at SEPTA and New York's MTA met four and seven times, respectively, over the last year; while Boston's MBTA met less often. However, given the variety in other transit agencies' practices and the lack of clear criteria on how often audit committees should meet, there is no clear standard against which to measure WMATA's practices.

According to the board procedures, the Safety and Security Committee is responsible for providing safety and security policy direction; oversight to assure that all facilities, equipment, and operations of the transit system are safe and secure; and safety and security goals for the GM/CEO and the agency. To carry out its duties, the committee reviews WMATA's system safety program plan for consistency with safety goals and receives periodic reports from the Tri-State Oversight Committee. It also works with FTA and NTSB, as appropriate, to review the status of WMATA safety with the goal of assuring that all safety recommendations from any internal or external safety review or investigation are handled expeditiously and effectively. The committee has met regularly since October 2010, according to the agency.

A 2010 report by NTSB highlighted problems with the flow of safety oversight information.²⁸ That report states that the WMATA board chairman told NTSB that prior to the June 2009 accident the board did not receive routine briefings on safety recommendations or corrective action plans; rather the board counted on the GM/CEO to identify relevant issues

²⁷A previous version of an audit committee was dissolved in January 2007, as a result of a board decision to reduce the total number of committees, and reinstated in February 2008 as a subcommittee.

²⁸NTSB (2010).

that required the board's attention. In response, NTSB recommended that the board evaluate actions taken in response to recommendations and corrective action plans from NTSB, FTA, and the Tri-State Oversight Committee. WMATA has several offices, including the OIG, tasked with internal and external recommendation tracking. The Safety and Security Committee receives regular reports from the agency's Chief Safety Officer and Chief of Police on the status of the responsiveness of the agency to internal and external safety findings, including the status of corrective action plans, as well as any significant accidents or incidents. WMATA officials told us that they are developing an updated safety recommendation tracking system, and NTSB has closed this recommendation as implemented. Additionally, NTSB concluded that, before the June 2009 accident, the board did not exercise oversight responsibility for the safety of the WMATA system, leading it to recommend that the board elevate its safety oversight role by developing a policy statement to explicitly and publicly assume the responsibility for continual oversight of system safety. WMATA has implemented this recommendation.

The board's other committees have additional oversight responsibilities. For example, the Customer Service and Operations Committee is responsible for overseeing transit system performance and service standards; the quality of operations programs and procedures; and customer service, communication, and outreach activities, including public and media relations. The objective of the committee is to help ensure that WMATA operational activities and programs are designed to provide reliable, effective and clean transit service, responsive to customer needs. The Policy, Program Development and Intergovernmental Relations Committee is responsible for coordination of regional planning issues and planning for transit service, access, and system expansion, among other things.

As mentioned earlier, in April 2011, the recently created Governance Committee released draft bylaws which, if adopted, would elevate the Audits and Investigations Subcommittee to a full committee, streamline board communications by standardizing communication procedures and channels, and formalize the board's relationship with advisory committees such as JCC and RAC.

While there is no single approach to best support all transit agency oversight, officials at MTA noted that they also used additional ways to support their oversight functions that they believed had benefits.²⁹ For example, officials told us that, pursuant to state statute, the agency uses an independent engineer to evaluate key technical or capital-intensive projects, assess risk, and act as a control on those projects. One WMATA board member indicated a desire to have access to independent expertise for consultation, noting that such resources could improve the board's effectiveness.

Additionally, the Governance Task Force and RAC have recommended that WMATA change elements of its board structure—such as increasing the size of the board and changing the role of alternates—to improve its governance. Our analysis, however, indicates that most of the recommended changes have trade-offs—there are both benefits and drawbacks to them. We compared the various recommendations to leading governance practices, approaches taken by other transit agencies, and the views of board members and stakeholders. Board members and stakeholders indicated that proposed changes to the board's structure and processes—such as eliminating alternate board members, changing the size of the board, or eliminating the jurisdictional veto—have trade-offs, and we did not find consistent support among leading governance practices or other transit agencies that these changes would improve governance. Some other proposed changes such as uniform compensation and coordinated board member appointments will require action by the three jurisdictions. To accomplish that task, the Governance Task Force recommended that the signatories and the appointing authorities form a WMATA Governance Commission³⁰ to make improvements to the authority's governance structure and hold the board accountable for its performance. Such an additional oversight body could help facilitate coordination among the jurisdictions. However, we did not identify governance leading practices, or find other transit agencies with a comparable oversight board over a board of directors. Furthermore, such a commission was viewed by some stakeholders we spoke with as redundant because it would be comprised of most of the same

²⁹We did not assess the costs of these additional oversight mechanisms.

³⁰The Governance Task Force recommended that the commission consist of the Governors of Maryland and Virginia, the District of Columbia Mayor and Council Chair, the Chairs of the Maryland and Virginia appointing authorities, and the GSA Administrator.

membership that is responsible for appointing the board of directors. Appendix II discusses selected recommendations in more detail.

WMATA Has Made Progress, but Does Not Fully Address All Elements of Sound Strategic Planning

WMATA Has Established Some Strategic Planning Elements

WMATA has developed elements of strategic planning over the past 4 years, but the agency's board and management could improve their strategic focus and long-term planning processes. Leading organizations that we have analyzed use strategic planning to articulate a comprehensive mission as well as to identify and achieve long-range goals and objectives for all levels of the organization. While strategic planning practices may vary among organizations according to agency-specific needs and missions, according to leading strategic planning practices we identified, effective strategic planning generally includes a mission statement, long-term goals and objectives, and strategies to achieve the goals; covers the major functions and operations of an agency; and establishes a multiyear time frame and performance metrics for gauging progress. According to the literature, the process for strategic planning should also include assessing the organization's external and internal environments, conducting a stakeholder analysis and involving the board and key stakeholders in the strategic planning process, identifying key strategic issues facing the organization, developing a process for implementing and managing these issues, and reassessing the strategic planning process.³¹

WMATA has not succeeded in past attempts at strategic planning. WMATA officials acknowledged several failed efforts at strategic planning, which

³¹J.M. Bryson, *Strategic Planning For Public and Nonprofit Organizations: A Guide to Strengthening and Sustaining Organizational Achievement* (San Francisco: Jossey-Bass, 2004); GAO, *Executive Guide: Effectively Implementing the Government Performance and Results Act*, [GAO/GGD-96-118](#) (Washington, D.C.: June 1996); GAO, *Agencies' Strategic Plans Under GPRA: Key Questions to Facilitate Congressional Review*, [GAO/GGD-10.1.16](#) (Washington, D.C.: May 1997); Transit Cooperative Research Program, *TCRP Report 85: Public Transit Board Governance Guidebook* (Washington, D.C.: 2002).

they said occurred because of a lack of management support and employee buy-in, a lack of specific actions to execute the plans, and a focus on tactical versus strategic decision making.

According to a senior WMATA official, however, the agency is in the process of developing a strategic planning and performance management system, which consists of a strategic framework, a GM/CEO's annual execution plan, and internal departmental execution plans.³² The strategic framework is a one-page document, available on WMATA's Web site, which outlines the agency's mission statement, along with 5 goals and 12 objectives. The agency's departmental execution plans are internal documents—not available on the Web site—that identify actions, measures, targets, and responsibility for meeting WMATA's strategic goals and objectives. The final component of WMATA's strategic planning system is the GM/CEO's execution plan, which a senior WMATA official told us identifies annual safety, operational, and financial performance measures and targets. According to a senior WMATA official, as of May 2011, this document was being reviewed by the board. It was not made available to us.

WMATA has developed several elements of effective strategic planning through its strategic framework and execution plans, such as a mission statement, goals, objectives, strategies, and metrics. The agency's strategic framework includes a mission statement for the agency, which was approved by the board, along with goals and objectives for the programs and operations of the agency. WMATA also has developed some processes for implementing and managing its strategic issues through departmental execution plans. These plans contain strategies for key actions that are linked to the strategic goals and objectives. WMATA has also linked the prioritization of its capital needs to its strategic goals and objectives, as part of aligning its activities to support the agency's goals. Furthermore, the departmental execution plans also include performance metrics and targets for tracking progress on the agency's key actions for achieving its goals and objectives, some of which are publicly available and regularly reported to the board.

³²WMATA's strategic planning and performance management system is in various stages of development. Goals and objectives are developed and publicly available; however, some of the departmental execution plans are still being revised.

WMATA's Strategic Planning Process Lacks Board and Stakeholder Awareness and Involvement

WMATA's strategic planning and performance management system does not include some strategic planning elements of leading organizations that we have studied, such as stakeholder awareness and involvement, environmental assessments, a long-term time frame and regular updating, program evaluations, and up-to-date performance metrics. Specifically:

Board and stakeholder awareness and involvement are lacking.

According to strategic planning practices we identified, a strategic planning process at a transit agency should be driven by the board, as part of its role in setting the direction and priorities of the organization. Board involvement in the strategic planning process allows the board to help the system identify and maintain focus on strategic priorities. Board leadership can also help implementation of strategic actions proceed more effectively by providing support from an agency's highest level. Furthermore, boards can help an agency identify and assess external opportunities and challenges as part of their responsibility for relating an organization to its external environment. Several other major transit agencies we studied use board-driven strategic planning processes to establish the direction of the agency. For example, the strategic goals and plan for San Francisco's BART are formally adopted by the agency's board and serve as the guiding document for the agency's budget process.

WMATA's strategic framework was not developed with board input and did not include a process to identify priorities and direction from the board. For example, several WMATA board members told us that the board has not been involved in strategic planning. Some board members also were not aware of the agency's strategic planning efforts, as several members told us they were not clear on the nature of WMATA's strategic planning process or if the agency had a strategic plan at all. As discussed earlier, the board's documented roles and responsibilities also do not delineate a role for the board in strategic planning. Board members expressed an interest in being more involved in strategic planning and setting the direction of the agency. WMATA's Governance Committee has also cited strategic planning as an upcoming task for the board. A senior WMATA official also told us the board is in the process of reviewing and approving the GM/CEO's 2011 execution plan. However, without prior board involvement, WMATA's strategic planning process may not appropriately reflect the views of parties potentially affected by or interested in the agency's activities.

WMATA has also not fully communicated its strategic planning process to some of its internal stakeholders. Strategic planning processes can be important tools for communicating an organization's intentions internally

and ensuring the entire organization is moving in the same direction, according to strategic planning practices we identified. Further, a strategic planning process that affects an entire organization should involve an organization's key decision makers. WMATA's strategic plans have not been communicated to all key decision makers. For example, a senior WMATA official noted that the agency's strategic planning efforts did not account for workforce attrition and he was unaware of the internal execution plan for WMATA's Human Resources department, which includes actions to identify retirement forecasts for employees. Without good communication, WMATA cannot ensure its strategic planning process fully articulates the agency's mission, goals, and objectives to its internal stakeholders.

A lack of transparency also exists among some external stakeholders, such as the jurisdictions and the general public, in terms of understanding the agency's strategic actions, priorities, and vision. According to strategic planning practices we identified, stakeholder analysis and involvement are important aspects of an effective strategic planning process.³³ A stakeholder analysis can help an organization identify and incorporate the various criteria their external stakeholders use to judge the organization and how the organization is performing against those criteria. A senior WMATA official told us that JCC, which consists of representatives from the three local jurisdictions, was consulted on the agency's strategic goals, performance measures, and reporting, but some officials from the jurisdictions told us they were not aware of the agency's strategic planning efforts and did not believe the agency engaged in any strategic planning. Such awareness may be hindered because, of the three components of WMATA's strategic planning process, only the one-page strategic framework is publicly available. More publicly available information on WMATA's strategic planning process could improve awareness of the agency's efforts and challenges among external stakeholders. In commenting on a draft of this report, WMATA noted that in June 2011 it launched a new strategic planning initiative that will include input from external stakeholders.

Senior officials at several transit agencies told us or have stated publicly that stakeholder involvement and awareness of their strategic planning efforts have created greater external understanding and support for the agency and helped regional stakeholders understand their decisions and

³³Bryson (2004); GAO, [GAO/GGD-96-118](#); and GAO, [GAO/GGD-10.1.16](#).

needs. For example, officials with New York's MTA told us that regional stakeholder awareness of the agency's strategic planning efforts and future needs have increased stakeholder buy-in for the agency's planning. Research on transit agency strategic planning has also shown that stakeholder awareness of strategic planning can help define the agency's core role and responsibilities to the community. Additionally, if an organization does not understand and effectively meet its stakeholders' performance criteria, then the agency may not satisfy its stakeholders and could receive less support from them.³⁴

Internal and external environmental factors that could affect goals are not clearly assessed. WMATA's strategic planning and performance management system does not clearly state key internal and external risk factors that could significantly affect the achievement of its goals and objectives. We have previously reported that for strategic planning to be done well, organizations must assess their internal and external environments.³⁵ An agency should study its internal environment to identify strengths and weaknesses of the organization. Organizations should also identify external opportunities and challenges, as many external forces that fall beyond an organization's influence can affect its chances for success. Some of the external factors that may be identified in these assessments could be economic, demographic, social, or environmental and may be stable, predictable, or variable. Other transit agencies we studied take into account factors that may affect the achievement of their goals. For example, the strategic plan for SEPTA in Philadelphia includes an analysis of the internal and external factors, such as a potential loss of dedicated funding and unfunded mandates for the agency, that could impact the agency's strategic objectives. SEPTA's plan states that this assessment helps the agency identify the strengths, weaknesses, opportunities, and threats to the agency from its environment.

While WMATA has taken into account threats to its capital program by assessing the potential risks for the delivery of its capital projects, it has not conducted an external environment assessment for the rest of its strategic planning and performance management system, though a WMATA official told us the agency has plans to do so in the future.

³⁴Bryson (2004).

³⁵GAO, [GAO/GGD-10.1.16](#).

Without such assessments, WMATA may not be able to respond effectively to changes in its environment.

Time frame and updating of strategic plan are unclear. WMATA's strategic planning efforts do not clearly establish a long-term, multiyear outlook and do not include a schedule for updating or revising the agency's strategic goals, objectives, and strategies. While strategic planning practices we identified vary on prescribing a specific time frame necessary for strategic plans, the ones that did identify a time frame state that strategic planning efforts should look at least 4-6 years into the future. Several other transit agencies, such as BART and MTA, have multiyear plans and regularly update their strategic plans. For example, MTA officials told us they plan 4 and 5 years into the future and annually review the agency's priorities. MTA officials said this process helps the agency's board focus on long-term issues and avoid short-sighted decisions. In commenting on a draft of this report, WMATA noted that its new strategic planning process will develop a multiyear vision and multiyear business and operational plans.

WMATA uses a 10-year plan for its capital program linked to the agency's strategic goals and objectives. But it is not clear from our review of the strategic framework or departmental execution plans if WMATA planned several years into the future for all of its major operations and departments. For example, WMATA does not include any multiyear goals or actions in its departmental execution plans that extend beyond fiscal year 2012. In addition, WMATA officials told us that, as a result of insufficient long-term planning, priorities such as new technology, staff, and capital needs are approved—and sometimes underfunded—during the annual budget process rather than planned for strategically. In terms of regular updating, senior WMATA officials told us that the GM/CEO's execution plan will include performance metrics and targets the board will annually review. The agency's strategic framework and departmental execution plans do not include procedures for regular review and update. Ensuring a multiyear time frame and regular updating of the agency's strategic planning system can encourage the board and staff to have a more long-range view in decision making and priority setting.

Long-term planning and regular updating could help WMATA address some problems with the transit system. According to senior WMATA officials, board members, and other stakeholders, WMATA has historically concentrated on system expansion and has not sufficiently focused on the long-term maintenance of the system. The agency has well-documented maintenance issues, such as problems with the system's escalators

breaking down frequently. Additionally, WMATA's GM/CEO has stated publicly that the agency lacks a long-term, systematic plan for its track rebuilding program and is unable to plan major track maintenance for more than 6 months in advance. One WMATA official told us that certain maintenance projects and technological upgrades undergo an inefficient and lengthy process from conception to implementation.

Program evaluations are not systematic. While WMATA does perform some evaluations that assess the effectiveness of its programs, these evaluations are not conducted on a regular basis or uniformly across the agency and the agency's strategic planning documents do not describe or identify any program evaluations used for establishing or revising the agency's goals and objectives. We have previously reported that program evaluations can be a potentially critical source of information in assessing the appropriateness and reasonableness of goals, the effectiveness of strategies, and the implementation of programs.³⁶ A systematic evaluation of how a program was implemented can also provide important information about the success or failure of a program and suggest ways to improve it. A senior WMATA official told us that the agency conducts performance spotlights on areas with negative performance indicators, as a way of evaluating and identifying the causes and possible solutions to an indicator's performance. However, the agency's strategic planning documents and comments from a senior official do not describe or identify any program evaluations used for establishing or revising the agency's goals and objectives or for evaluating the progress towards achieving those goals.

Some performance metrics are outdated and were not developed with board involvement. WMATA has made significant progress in performance management, but some weaknesses remain. Strategic planning practices we identified state that strategic planning processes should be linked to performance measurement and include metrics for gauging progress toward the attainment of each of the plan's long-term goals. This is necessary for monitoring whether goals are being achieved and if changes are necessary. To its credit, WMATA created an Office of Performance in 2010 to develop a performance management framework for the agency's operations through enhanced performance measurement and reporting. The office has created a "vital signs" report, which is a scorecard of 12 key

³⁶GAO, *Managing For Results: Critical Issues for Improving Federal Agencies' Strategic Plans*, GAO/GGD-97-180 (Washington, D.C.: Sept. 16, 1997).

performance indicators for WMATA. The board also receives regular reports from the office on the agency's performance. Additionally, the office has worked to establish consistency throughout the agency by standardizing the tracking of information for performance measurement. Further, WMATA's performance metrics and targets are linked to the agency's strategic goals and objectives.

Although WMATA board members and officials indicated that the office is a good start to improving the performance management of the agency, some of WMATA's performance metrics and targets are out of date and the board has not been fully involved in assessing the metrics and their criteria. As part of its strategic planning efforts, WMATA has established performance metrics and targets in its departmental execution plans for measuring each key action for achieving the agency's goals and objectives. Performance metrics and targets need to be updated to anticipate changes in the agency's resources and operating environment. Senior WMATA officials have acknowledged that some of the agency's performance metrics and targets are based on data and information that is out of date.

To address this issue, in May 2011, a senior WMATA official told us management has proposed revised performance targets to the board's Customer Service and Operations Committee. According to leading strategic planning practices, as part of a board's role in overseeing the agency and monitoring progress towards the achievement of strategic goals, a board should review an agency's performance measures on a regular basis. For example, BART's board works with management to revisit goals and performance metrics on an annual basis. By comparison, the WMATA board has not conducted a comprehensive assessment of the criteria used for setting the agency's performance measures. A senior WMATA official has told us that the agency's performance targets will be reevaluated by the board on an annual basis or if operating conditions change. Without such review and input from the board, WMATA's performance metrics and targets may not reflect the agency's current challenges or accurately measure WMATA's progress towards achieving its goals and objectives.

GSA Lacks a Formal Process to Appoint Federal Board Members

As a result of compact changes, WMATA's board expanded in August 2009 to include two members and two alternates representing the federal government; as of June 2011, the agency responsible for making the appointments—GSA—had appointed two federal board members and one alternate. GSA officials noted the lack of compensation for board members deters some possible candidates, particularly for alternates. GSA officials told us they based appointments on the following qualifications: the appointees must (1) be WMATA riders, (2) be able to serve part-time and without additional compensation for their service, and (3) possess transportation experience. Such qualifications do not follow leading governance practices that call for linking the composition and skill set of a board to the entity's particular challenges and strategic vision. Furthermore, GSA has not developed a documented process for fulfilling its obligation under the compact to appoint federal board members. Without documenting the steps and criteria for identifying and screening candidates and selecting board members, GSA cannot be assured that it is appointing qualified board members who have knowledge of the federal interest in WMATA and federal employees who ride the system.

Once federal board members are appointed, GSA officials told us that GSA does not have a role in providing staff support and providing guidance on the federal views. By comparison, other WMATA board members are provided staff support from their appointing jurisdictions. One federal board member told us that he sometimes coordinates with the U.S. Department of Transportation on issues; however, the relationship is not formal.

Conclusions

WMATA faces challenges in many areas, including projected shortfalls in meeting long-term capital costs, increases in ridership levels, and plans for system expansion. In addition, following the fatal June 2009 rail accident, WMATA board members and management have been tasked by NTSB and other stakeholders with making WMATA a safer system. However, the absence of a clear delineation of the board's roles and responsibilities for providing oversight of management as well as the absence of a board-driven strategic vision raise concerns about WMATA's ability to systematically and effectively confront its many challenges.

WMATA currently has some elements of effective governance in place. However, board members and WMATA senior officials described a culture in which there is a lack of clarity about the roles of the board and individual board members, which has resulted in their overreach into management responsibilities. Such a culture limits the ability of the board

to provide leadership, direction, and a strategic vision to management. Without a long-term strategic vision, board members approve priorities such as new technology and capital needs during the annual budget process rather than proactively prioritize needs over the long term.

Recent changes in the board, as well as the development of the Governance Committee and draft bylaws, present an opportunity to better formalize and document the roles and responsibilities of the board and management and to collaboratively create and implement a long-term, strategic vision for WMATA. In addition, regular evaluations by the board of its own effectiveness relative to WMATA's performance could help facilitate understanding by board members of how well the board is functioning and how to improve board activities and interactions. Successfully addressing these issues could better position WMATA to meet the agency's future challenges.

In addition, GSA, which became responsible for appointing federal members to WMATA's board in 2009 as a result of changes to WMATA's compact, has subsequently appointed two members and one of two alternates. Qualifications for appointment include riding WMATA and possessing transportation experience. Such qualifications, although important, do not follow leading governance practices that call for a board to have the skill set to deal with the agency's particular challenges. In addition, GSA has not documented a process or specific criteria for making the appointments and it, therefore, lacks assurance that it appoints qualified board members.

Recommendations for Executive Action

In order to improve the strategic focus of WMATA's board and improve the agency's performance, the board of directors working with the GM/CEO should take the following three actions:

1. As WMATA takes steps to clarify the roles and responsibilities of the board and management in its draft bylaws, it needs to ensure that a clear delineation of the roles and responsibilities of each are adopted and effectively implemented.
2. Improve the agency's strategic planning process by (1) defining and documenting roles for the board, management, and stakeholders in strategic planning; (2) ensuring that the strategic plan is sufficiently long term; (3) ensuring that board-approved strategic goals and objectives are linked to updated performance measures; (4) including internal and external assessments and program evaluations; and (5)

reviewing the strategic plan on a regular basis and updating it as needed.

3. Conduct a regular assessment of the board's performance, including elements such as an evaluation of the effectiveness of the board's organization, structure, and functioning, and its impact on performance.

In addition, we recommend that the Administrator of the General Services Administration document specific criteria for identifying and selecting candidates to represent the federal government on WMATA's board.

Agency Comments

We provided a draft of this report to WMATA, GSA, the Department of Transportation, and NTSB for their review and comment. WMATA and GSA provided written comments, which are reproduced in appendix IV and appendix V, respectively. WMATA and the Department of Transportation also provided technical comments, which we incorporated into the report as appropriate. NTSB had no comments. WMATA recognized the balance that we have striven for in the report between areas of concern in WMATA's recent past and the progress the agency has recently made on those issues. However, WMATA felt the report could be strengthened by additional information on WMATA's recent actions. We revised the report to include additional WMATA actions, such as launching a new strategic planning process that will take a multi-year perspective. GSA agreed, in part, with our recommendation and findings. GSA disagreed with our statement that it cannot assure that it is appointing qualified board members. We acknowledge the effort GSA has taken to identify and appoint board members; however, past efforts do not assure that future replacements for existing board members will be qualified and appointed in a timely manner.

We are sending copies of this report to interested congressional committees, the Secretary of the Department of Transportation, the Administrator of the General Services Administration, the Chairman of the National Transportation Safety Board, and the Chairman and GM/CEO of WMATA. In addition, this report will be available at no charge on GAO's Web site at <http://www.gao.gov>.

If you or your staff have any questions or would like to discuss this work, please contact me at (202) 512-2834 or wised@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Individuals making key contributions to this report are listed in appendix VI.

A handwritten signature in cursive script that reads "David J. Wise".

David J. Wise
Director, Physical Infrastructure Issues

Appendix I: Objectives, Scope, and Methodology

Our objective was to assess the Washington Metropolitan Area Transit Authority's (WMATA) governance in terms of the board's roles and responsibilities, oversight, strategic planning, and governance structure, and identify changes, if any, that should be made. Specifically, we addressed the following question: How do roles and responsibilities, oversight, and strategic planning elements of WMATA's practices align with leading governance practices? In addition, we provide information on the appointment of federal members to WMATA's board.

For the purpose of this work, we focused on WMATA's governance in terms of the board's structure, communication, policies, practices, and documentation relating to its oversight of management and carrying out of its organizational mission. In addition, we analyzed management's role in certain areas, such as strategic planning; however, we did not fully assess the adequacy of management's role in effectively operating the agency.

We selected leading governance practices relevant to transit agencies from several sources, including those practices used in previous GAO work on public and private sector governance challenges at several organizations¹ and non-GAO studies, reports, and recommendations concerning the governance of transit agencies, other similar organizations, and corporations.² Additionally, we selected strategic planning practices from

¹GAO, *Pension Benefit Guaranty Corporation: Governance Structure Needs Improvements to Ensure Policy Direction and Oversight*, [GAO-07-808](#) (Washington, D.C.: July 6, 2007); GAO, *Legal Services Corporation: Governance and Accountability Practices Need to Be Modernized and Strengthened*, [GAO-07-993](#) (Washington, D.C.: Aug. 15, 2007); GAO, *Smithsonian Institution: Board of Regents Has Implemented Many Governance Reforms, but Ensuring Accountability and Oversight Will Require Ongoing Action*, [GAO-08-632](#) (Washington, D.C.: May 15, 2008); and GAO, *Federally Created Entities: An Overview of Key Attributes*, [GAO-10-97](#) (Washington, D.C.: Oct. 29, 2009). The Pension Benefit Guaranty Corporation report, for example, compiled its governance practices from several sources, including Carolyn K. Brancato and Christian A. Plath, *Corporate Governance Handbook 2005: Developments in Best Practices, Compliance, and Legal Standards*, Special Report SR-05-02, The Conference Board (New York, N.Y.: 2005); Richard Steinberg, PriceWaterhouseCoopers, *Corporate Governance and the Board: What Works Best*, The Institute of Internal Auditors Research Foundation (May 1, 2000); and Scott Green, *Sarbanes-Oxley and the Board of Directors: Techniques and Best Practices for Corporate Governance*, John Wiley and Sons, Inc. (Hoboken, New Jersey: 2005). The Legal Services Corporation report included practices from: Matteo Tomello and Carolyn K. Brancato, *Corporate Governance Handbook, 2007: Legal Standards and Board Practices* (New York, N.Y.: 2007); GAO, *Results-Oriented Government: Practices That Can Help Enhance and Sustain Collaboration among Federal Agencies*, [GAO-06-15](#) (Washington, D.C.: Oct. 21, 2005).

²Transit Cooperative Research Program, *TCRP Report 85: Public Transit Board Governance Guidebook* (Washington, D.C.: 2002).

the Transit Cooperative Research Program,³ previous GAO work,⁴ and other sources as appropriate.⁵ We then consolidated and categorized governance practices and recommendations along similar themes, such as structure, oversight, and strategic planning (see table 2).

Table 2: Categories of Leading Practices

Board structure and responsibilities
• Board composition, structure, and organization
• Board cohesion
• Board compensation
• Board duties and responsibilities
• Board leadership
• Board procedures
• Board access to information or records
• Communication
• General manager/CEO
Strategic planning
• Funding or revenue considerations
• Strategic and performance planning
• Performance evaluation
Oversight and monitoring
• Conduct and ethical considerations

³Transit Cooperative Research Program, *Strategic Planning and Management in Transit Agencies: A Synthesis of Transit Practice* (Washington, D.C.: 2005).

⁴GAO, *Depot Maintenance: Improved Strategic Planning Needed to Ensure That Navy Depots Can Meet Future Maintenance Requirements*, [GAO-10-585](#) (Washington, D.C.: June 11, 2010); GAO, *Performance Measurement and Evaluation: Definitions and Relationships*, [GAO-05-739SP](#) (Washington, D.C.: May 2005); GAO, *Agencies' Strategic Plans Under GPR: Key Questions to Facilitate Congressional Review*, [GAO/GGD-10.1.16](#) (Washington, D.C.: May 1997); GAO, *Managing For Results: Critical Issues for Improving Federal Agencies' Strategic Plans*, [GAO/GGD-97-180](#) (Washington, D.C.: Sept. 16, 1997); GAO, *Executive Guide: Effectively Implementing the Government Performance and Results Act*, [GAO/GGD-96-118](#) (Washington, D.C.: June 1996).

⁵Office of Management and Budget, *OMB Circular No. A-11, Part 6, Preparation and Submission of Strategic Plans, Annual Performance Plans, and Annual Program Performance Reports*, (Washington, D.C.: June 2005); Government Performance and Results Act of 1993; GPR: Modernization Act of 2010; Committee on Governmental Affairs, United States Senate, Report 103-58: Report to Accompany S.20 (Washington, D.C.: June 16, 1993); John M. Bryson, *Strategic Planning For Public and Nonprofit Organizations: A Guide to Strengthening and Sustaining Organizational Achievement*, 3rd ed. (San Francisco: Jossey-Bass, 2004).

Appendix I: Objectives, Scope, and Methodology

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- Financial and internal controls
 - Independent audit or investigator general
 - Stakeholder involvement and access to information or records
 - Board performance
-
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Source: GAO analysis of [GAO-06-15](#); [GAO-07-808](#); [GAO-07-993](#); [GAO-08-632](#); [GAO-10-97](#); [GAO-10-585](#); [GAO-05-739SP](#); [GAO/GGD-10.1.16](#); [GAO/GGD-97-180](#); [GAO/GGD-96-118](#); Transit Cooperative Research Program(2002 and 2005); OMB Circular No. A-11, Part 6; Government Performance and Results Act of 1993; GPRA Modernization Act of 2010; United States Senate Report 103-58; and Bryson (2004).

To determine how WMATA’s practices align with these leading governance practices, we reviewed and compared the composition and structure of the WMATA board and senior management, communication between the board and management, policies and other documentation in place to guide agency practices, and internal and external oversight practices to the governance and strategic planning practices. We conducted semistructured interviews with WMATA senior management listed in table 3. We also conducted semistructured interviews with local jurisdictions, current board members, oversight agencies, and other groups conducting governance reviews.⁶ In addition, we conducted semistructured interviews with officials from transit agencies and other stakeholder groups—such as metropolitan planning organizations—in Atlanta, Boston, Chicago, New York, Philadelphia, and San Francisco. We chose these agencies based on similarities to WMATA along characteristics, such as size and makeup of the board, annual ridership, services provided, budget issues, and complexity of the service area.

⁶We spoke with those board members who were active from January 13, 2011, to March 14, 2011.

Table 3: Entities and Offices Interviewed

Location	Transit agency officials and offices	External stakeholders (appointing authorities, oversight organizations, metropolitan planning organizations, and riders' groups)
Washington	<p>Washington Metropolitan Area Transit Authority (WMATA):</p> <ul style="list-style-type: none"> • Board members • General Manager/Chief Executive Officer • Inspector General • General Counsel • Chief Financial Officer • Chief of Staff • Transit Infrastructure and Engineering Services Department • Office of Management and Budget Services • Office of Safety • Office of Performance • Chief of Police 	<ul style="list-style-type: none"> • Washington Suburban Transit Commission • General Services Administration • Northern Virginia Transportation Commission • Federal Transit Administration (FTA) • National Transportation Safety Board • Tri-State Oversight Committee • Board of Trade and Washington Metropolitan Council of Governments • Riders' Advisory Council • American Public Transportation Association
Atlanta	<p>Metropolitan Atlanta Rapid Transit Authority (MARTA):</p> <ul style="list-style-type: none"> • Board Chairman • General Manager • Audit Director 	
Boston	<p>Massachusetts Bay Transportation Authority (MBTA):</p> <ul style="list-style-type: none"> • Board Chairman and members • General Manager • General Counsel • Chief Financial Officer 	<ul style="list-style-type: none"> • Secretary of Transportation, Massachusetts Department of Transportation • Executive Director, MBTA Advisory Board • Riders Oversight Committee
Chicago	<p>Chicago Transit Authority (CTA):</p> <ul style="list-style-type: none"> • Board members • President • Inspector General • General Counsel • Chief Financial Officer • Chief of Staff • Deputy Chief of Staff • Acting Chief Operating Officer • Chief Infrastructure Officer • Chief Technology Officer • Chief Safety and Security Officer • General Manager – Safety and Risk Compliance • Chief Administrative Officer 	<ul style="list-style-type: none"> • City of Chicago Mayor's Office of Intergovernmental Affairs • Regional Transportation Authority • Chicago Metropolitan Agency for Planning

Appendix I: Objectives, Scope, and Methodology

Location	Transit agency officials and offices	External stakeholders (appointing authorities, oversight organizations, metropolitan planning organizations, and riders' groups)
Philadelphia	<p>Southeastern Pennsylvania Transportation Authority (SEPTA):</p> <ul style="list-style-type: none"> • General Manager • Assistant General Manager – Audit and Investigative Services • General Counsel • Chief Financial Officer/Treasurer <p>Delaware River Port Authority:</p> <ul style="list-style-type: none"> • Chief Executive Officer <p>Port Authority Transit Corporation :</p> <ul style="list-style-type: none"> • President • General Manager • Assistant General Manager 	<ul style="list-style-type: none"> • FTA • Delaware Valley Regional Planning Commission • Delaware Valley Association of Rail Passengers
New York	<p>Metropolitan Transportation Authority (MTA):</p> <ul style="list-style-type: none"> • General Counsel • Chief Financial Officer • Chief of Staff • Inspector General <p>Port Authority of New York and New Jersey:</p> <ul style="list-style-type: none"> • Inspector General • Board Chairman <p>Port Authority Trans-Hudson:</p> <ul style="list-style-type: none"> • General Manager 	<ul style="list-style-type: none"> • New York Metropolitan Transportation Council • Permanent Citizens Action Committee
San Francisco	<p>Bay Area Rapid Transit (BART):</p> <p>Board Chairman</p> <p>General Manager</p> <p>Deputy General Manager</p> <p>Internal Auditor</p> <p>General Counsel</p> <p>Chief Financial Officer</p> <p>Chief of Staff</p> <p>Chief Safety Officer</p> <p>Assistant General Manager, Operations</p> <p>Manager Transit System Compliance</p> <p>Manager, Grant Compliance Division</p> <p>Office of Planning and Budget</p> <p>Procurement Department</p> <p>Office of Civil Rights</p> <p>Capital Development</p>	<ul style="list-style-type: none"> • Metropolitan Transportation Commission

Source: GAO.

We conducted this performance audit from September 2010 to June 2011 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: Discussion of Recommendations Concerning WMATA Board Structural Changes

This appendix provides additional discussion of selected recommendations from the Metropolitan Washington Council of Governments and Greater Washington Board of Trade sponsored Task Force (Governance Task Force) and includes the Riders' Advisory Council (RAC) response or related recommendation, when applicable.¹

Size and Makeup of the WMATA Board

Current Arrangement

The WMATA compact provides that the authority shall be governed by a board with 8 board members, 2 appointed by each signatory, and 2 from the federal government. In addition, each signatory and the federal government should appoint 2 alternate board members. The total membership of the board is 16, including board members and alternate board members. The WMATA board procedures allow that alternate board members can vote in committee meetings and attend and participate in full board meetings, but can only vote in absence of "their" voting member.

Governance Task Force Recommendation

The role of alternate members of WMATA's board is greater than that envisaged by the compact, and it is unusual to have alternate members on a transit board. Therefore, WMATA should "eliminate the role of alternates and increase the number of primary members from two to three for each Appointing Authority, resulting in a 12-member Board, with one member appointed by the Chief Executive of each Signatory."

Leading Governance Practice and Other Transit Agencies

According to some corporate governance guidelines, boards should have no fewer than 5 members and no more than 15.² Other transit agencies we visited ranged in size from 5 to 17 voting members (see table 4).

¹Greater Washington Board of Trade and Metropolitan Washington Council of Governments, *Moving Metro Forward: Report of the Joint WMATA Governance Review Task Force* (Washington, D.C.: Nov. 17, 2010) and Riders' Advisory Council, *Report on Governance of the Washington Metropolitan Area Transit Authority* (Washington, D.C.: Dec. 1, 2010).

²GAO, [GAO-07-808](#).

**Appendix II: Discussion of Recommendations
Concerning WMATA Board Structural
Changes**

Table 4: Size and Composition of the Selected Transit Agencies

Transit agency	Washington, D.C. WMATA	New York MTA	Boston MBTA	San Francisco BART	Philadelphia SEPTA	Atlanta MARTA	Chicago CTA
Number of voting board members	8	17	5	9	15	11	7
Number of alternate or nonvoting members	8 alternates	2 nonvoting members 4 alternate nonvoting members	None	None	None	1 nonvoting member	None

Source: GAO analysis of transit agency governance documents.

WMATA’s use of alternate board members is unique among the transit agencies we visited. We did not find leading governance practices on the use of alternates or nonvoting board members.

Discussion

WMATA’s 8 voting member board compares with private sector corporate governance guidelines; however, including alternates, WMATA’s board is among the largest boards that we reviewed, and larger than the size recommended by corporate governance guidelines. A 12-member board with no alternates, as recommended, would align with corporate governance guidelines. In addition, eliminating alternates would create a board comparable with four of the six transit agencies we visited. While the Governance Task Force report recommended a change in the role of alternates and number of primary board members, the report did not find the current size of the board a problem. RAC also commented that the current size of the board functions well and alternates provide for representation for more riders. Eliminating the role of alternates and increasing the number of primary members as recommended are changes that would require a compact amendment.

Board members and stakeholders told us that there are trade-offs to changing the size of the board. One board member offered that the current size of the board is structurally weak and can make consensus-building more difficult. However, another board member noted that the extension of the rail system to Loudoun County will add another jurisdiction to the rail service area. Therefore, reducing the size of the board would make it difficult to envelop the additional jurisdiction.

Board members varied in their views on the role of alternates. Several board members commented that if the board has alternates—as currently required by the compact—then those board members should be active and

informed on board business, and the current role of the alternates provides that opportunity and can be a good way to learn about the authority. Other board members commented that alternates bring knowledge and value to the board and that alternates allow committee work to be distributed among more members. However, two board members believed that the time and commitment needed to be an alternate is too high given that alternates cannot vote in board meetings. Two others suggested that the compact be changed to allow alternates to become voting members. Staff from each appointing authority told us that board positions can be hard to fill. Staff from the General Services Administration (GSA) further stated that filling alternate positions, in particular, can be difficult.

Coordinated Appointing Process

Current Arrangement

The WMATA compact provides that board members shall be appointed by the Northern Virginia Transportation Commission, for Virginia; by the Council of the District of Columbia, for the District of Columbia; and by the Washington Suburban Transit Commission, for Maryland. Federal board members are appointed by GSA.³ The WMATA compact does not have any specific requirements for board members, except that one of the federal board members must be a regular rider of the transit system. There is no requirement that jurisdictions coordinate on board appointments.

Governance Task Force Recommendation

There are no criteria or procedures in the current appointment process to ensure the WMATA board collectively has the balance of attributes it needs to perform effectively. Therefore, jurisdictions should have a “coordinated process for appointing a board with the right balance of attributes to serve WMATA and the region.”

³Public Law 111-62.

Leading Governance Practice and Other Transit Agencies

Leading governance practices state that an effective transit board is balanced along several dimensions and that it is important to have board members who are political, as well as those with business, financial, legal, and marketing backgrounds.⁴

Requirements for balance of experience on boards at transit agencies we visited or spoke with vary, but some have legislative or procedural requirements for expertise on their boards. For example:

- In Boston, MBTA's enabling legislation requires that among its board of directors, two shall be experts in public or private transportation finance; two shall have practical experience in transportation planning and policy; and one shall be a registered civil engineer with at least 10 years experience.
- In New York, beginning in June 2009, newly appointed MTA board members were required to have experience in one or more of the following areas: transportation, public administration, business management, finance, accounting, law, engineering, land use, urban and regional planning, management of large capital projects, labor relations, or have experience in some other area of activity central to the mission of the authority. Additionally, geographic representation requirements apply.
- In Chicago, CTA board members cannot hold government (local, state, federal) office; rather, they must come from the local private sector and community.
- In San Francisco, BART board members are directly elected based on geographic regions.

Discussion

Despite the lack of requirements, WMATA's board includes members with diverse backgrounds or experience in transit, local and federal government, business, and nonprofit organizations. In addition, the jurisdictional nature of the appointing process ensures geographically diverse representation.

Several current WMATA board members agreed that having a mix of expertise on the board is beneficial; however, the board members disagreed about whether expertise requirements were beneficial, or even

⁴Transit Cooperative Research Program (2002).

possible. One board member told us that the current board has as much transit expertise as it has ever had, while another pointed out that board members with transit expertise tend to get too involved in operations.

Jurisdictional Veto

Current Arrangement

Under the WMATA compact, if both voting members from the same jurisdiction vote against an action, this would constitute a jurisdictional veto.⁵

Governance Task Force Recommendation

The Governance Task Force found that the threat of using the veto has sometimes acted as an impediment to making the best regional decisions. Therefore, the board should “limit use of the [jurisdictional] veto to matters relating to the budget or system expansion.” Additionally, “the signatories should determine the appropriate role of the veto in WMATA’s decision-making process and give serious consideration to eliminating it entirely.”

Leading Governance Practice and Other Transit Agencies

We were unable to find clear leading governance practices related to a jurisdictional veto and none of the other transit agencies we visited use a similar veto.

Discussion

WMATA board members we spoke with had varied views of the current and future role of the jurisdictional veto. These views include that the jurisdictional veto is:

⁵According to a WMATA official, the term “jurisdictional veto” is a practical description of what can occur per the voting rules set forth in the compact if two board members from a signatory vote against an action. Specifically, the compact provides that: “Four (board members) or alternates consisting of at least one (board member) or alternate appointed from each signatory, shall constitute a quorum and no action by the board shall be effective unless a majority of the board present and voting, which majority shall include at least one (board member) or alternate from each signatory, concur therein; provided, however, that a plan of financing may be adopted or a mass transit plan adopted, altered, revised or amended by the unanimous vote of the (board members) representing any two signatories.” Washington Metropolitan Area Transit Authority Compact, Title III, Article III, § 8(a).

- helpful, because the threat of a veto can force consensus;
- rarely used;
- necessary to protect jurisdictions;
- redundant, because a jurisdiction could also withhold funding as a “de facto” veto;
- should be limited to route planning and budget issues; and
- should be eliminated.

WMATA’s General Counsel pointed out that the compact provides for limited exceptions to the use of the veto. One such exception is for the mass transit plan, which serves as the plan for system expansion. However, in this case, a jurisdiction could later decline to approve operational funding for the system expansion, so the region has always moved by consensus on system expansion, even though the jurisdictional veto does not apply to approving a plan for system expansion or a plan of finance for the system expansion.

RAC, in its report, differed from the Governance Task Force’s recommendations, commenting that while “the veto may rankle and appear to create the opportunity for ‘gridlock,’ WMATA is above all else a cooperative endeavor between three signatories with their own interests. It must ensure that no one is put at a disadvantage to ensure ongoing support from leaders and residents of all three. Messy as it is, the veto is necessary and should stay.” The elimination of the jurisdictional veto would require a compact change.

Role of the Chairperson

Current Arrangement

According to the compact, the board must elect a chair at the beginning of every year. The board recently changed its procedures to end a policy that required the chair to rotate between jurisdictions every year.

Governance Task Force Recommendation

A term length of 1 year is too short for the chair to assume true leadership. Therefore, “the board should increase the term length of the chair from

one to two years.” In addition, responsibilities should be clearly defined to ensure “the chair has sufficient authority to assume a true leadership role.”

Leading Governance Practice and Other Transit Agencies

Leading governance practices state that a strong chairperson is essential for an effective transit board and note that it is the chair’s role to lead and motivate the board in achievement of the transit system’s mission, strategic goals, and performance.⁶ Practices at other transit agencies vary—for example, MARTA has similar rotations among jurisdictions, although they are not required by legislation or procedures. Other transit agencies have structures allowing for stronger chairs. For example, officials at SEPTA told us that the SEPTA board has a strong chair, who helps organize board activities, creates a clear chain of command within the board, and helps ensure communication with management and dissemination of information to board members.

Discussion

Board members had differing views on chair rotation and the role of the chair including comments that (1) the change to a longer term chairmanship will have little impact, (2) the current role of the chair is not a strong position, and (3) that it is most important that the chair think regionally. However, two board members, respectively, commented that a stronger, or longer-term, chair will lead to improvements. Three other board members, respectively, told us that the annual rotation did not make sense, resulted in a lost sense of responsibilities, and the practice needs to be changed.

The board recently updated procedures to eliminate the need to rotate the chairmanship. However, the compact requires that a chair be elected each year. The compact does not require that the chair be a different board member each year; however, a compact change would be required to lengthen the term of the chair. Board procedures or other board-approved documentation could be adjusted to strengthen the role of the chair.

RAC made a similar recommendation, writing that “the Board chair should no longer automatically rotate. Instead, Board members should elect the best chair each year. Reelection of capable chairs is encouraged for continuity.”

⁶Transit Cooperative Research Program (2002).

Compensation Policy

Current Arrangement

The WMATA compact states that “members of the board and alternates shall serve without compensation but may be reimbursed for necessary expenses incurred as an incident to the performance of their duties.” However, some board members receive some remuneration by their appointing jurisdiction.

Governance Task Force Recommendation

The lack of consistency among the appointing authorities as regards compensation arrangements is illogical and runs contrary to the spirit of regional cooperation. Therefore, “a uniform compensation policy” should be developed “for all members of the WMATA board.”

Leading Governance Practice and Other Transit Agencies

Leading governance practices state that boards should have uniform compensation policies.⁷ The majority of transit boards are voluntary and members either are not compensated or receive a modest per diem.

Discussion

Board members we spoke with had varying perspectives on the issue of compensation. Several board members commented either that financial support for service on the board should be uniform, or that board members should receive no support, or both. However, some board members that receive support told us that the stipend they receive helps offset the expenses of participating on the board.

Governance Commission

Current Situation

The WMATA board currently has no fixed oversight body, other than the jurisdictional appointing authorities that can change board members.

⁷Transit Cooperative Research Program (2002).

**Governance Task Force
Recommendation**

WMATA’s signatories and appointing authorities do not meet, and they have never agreed to uniform expectations or role descriptions for their board members. This has resulted in a lack of clear delineation of responsibilities among WMATA’s governing entities. Therefore, “the Signatories and the Appointing Authorities should come together to form a WMATA Governance Commission,⁸ to make improvements to the authority’s governance structure and hold the board accountable for its performance. The Commission would be responsible for undertaking several of the Governance Task Force recommendations.”

**Leading Governance
Practice and Other Transit
Agencies**

We did not identify governance leading practices or find other transit agencies with a comparable oversight board over a board of directors. Among the transit agencies we visited, Boston MBTA is part of the state government. Other transit agencies we visited, such as San Francisco BART and Chicago CTA, are independent agencies with varying degrees of accountability to other local agencies.

Discussion

Many of the board members we spoke with were unclear about the purpose of the governance commission, concerned about its purpose, or generally disapproved of the concept.

Staff from the Governance Task Force told us that the proposed governance commission was not designed to be an additional level of bureaucracy, rather a forum for key stakeholders to gather and discuss issues. A governance commission could fill an existing gap in accountability and oversight over board members. However, such a commission could be viewed as redundant because it would be comprised of most of the same membership that is responsible for appointing the board of directors.

⁸It was recommended that the commission consist of the Governors of Maryland and Virginia, the Mayor of the District of Columbia, the Chairs of the Maryland and Virginia appointing authorities, the District of Columbia Council Chair, and the GSA Administrator.

Appendix III: Comparison of Selected Transit Agencies to WMATA

Tables 5 through 11 include data on the transit agencies we visited or spoke with and show how those agencies compare to WMATA across several data points, including ridership and budget.

Table 5: Jurisdictions Represented On Transit Agency Boards

Transit agency	Jurisdiction represented
WMATA	<ul style="list-style-type: none"> Multiple states and districts represented. District of Columbia, Maryland, Virginia, federal government. Jurisdictions represented equally with 2 voting members and 2 alternate members each.
Metropolitan Transportation Authority (MTA) (New York)	<ul style="list-style-type: none"> One city and multiple counties represented, though not equally. Members are nominated by the Governor of New York with four seats recommended by the Mayor of New York City and one each by the county executives of Nassau, Suffolk, and Westchester counties. The executives of Dutchess, Orange, Rockland, and Putnam counties also nominate members and these members cast a collective single vote on the board. Connecticut, which is served by MTA, is not represented on the board.
Chicago Transit Authority (CTA) (Chicago)	<ul style="list-style-type: none"> Multijurisdictional board with city and state members. City of Chicago and State of Illinois appoint board members.
Massachusetts Bay Transportation Authority (MBTA) (Boston)	<ul style="list-style-type: none"> Multiple cities served but only state of Massachusetts appoints board members. Advisory board with one member from each community approves mass transit plan and budget.
Bay Area Rapid Transit (BART) (San Francisco)	<ul style="list-style-type: none"> Multiple counties represented. Alameda, Contra Costa, and San Francisco Counties. Board members are directly elected.
Southeastern Pennsylvania Transportation Authority (SEPTA) (Philadelphia)	<ul style="list-style-type: none"> Multiple city/counties served with both suburban and urban areas represented. Two members each from the five cities/counties in SEPTA's service area—the City of Philadelphia, Bucks County, Chester County, Delaware County, and Montgomery County. The Governor of Pennsylvania, Pennsylvania Senate Majority Leader, Senate Minority Leader, House Majority Leader, and House Minority Leader all appoint one member each to the board.
Metropolitan Atlanta Rapid Transit Authority (MARTA) (Atlanta)	<ul style="list-style-type: none"> Multijurisdictional with one city and two counties represented. City of Atlanta, DeKalb County, Fulton County as well as representatives from the Georgia Regional Transportation Authority and Georgia Department of Transportation.

Source: GAO analysis of transit agency documents.

Appendix III: Comparison of Selected Transit Agencies to WMATA

Table 6: Transit Services Provided

Transit agency	Heavy rail	Bus	Paratransit	Other service
WMATA	Yes	Yes	Yes	
MTA (New York)	Yes	Yes	Yes	Yes (MTA also has commuter rail service and its affiliate, Triborough Bridge and Tunnel Authority, operates bridges and tunnels.)
CTA (Chicago)	Yes	Yes	No	No
MBTA (Boston)	Yes	Yes	Yes	Yes (streetcar, trackless trolleys including Bus Rapid Transit lines)
BART (San Francisco)	Yes	No	Yes	No
SEPTA (Philadelphia)	Yes	Yes	Yes	Yes (trolley, trackless trolley, and commuter rail)
MARTA (Atlanta)	Yes	Yes	Yes	Yes (will operate a streetcar, which will open in 2013)

Source: GAO analysis of transit agency documents.

Table 7: Size of Rail Operations

Transit agency	Number of miles of track	Number of stations
MTA (New York)	2,047 miles	735
CTA (Chicago)	224.1 miles	143
WMATA	106 miles	86
BART (San Francisco)	104 miles	44
MARTA (Atlanta)	47.6 miles	38
MBTA (Boston)	38 miles (885 miles of total track, including other forms such as trolley and light rail)	53 (also, 78 stations served by streetcars and light rail)
SEPTA (Philadelphia)	25 subway/elevated (176 total miles including commuter rail)	52 subway 280 total

Source: GAO analysis of transit agency documents.

Appendix III: Comparison of Selected Transit Agencies to WMATA

Table 8: Heavy Rail Ridership as of 4th Quarter 2010

Transit agency	Average weekday passenger trips
MTA (New York)	8,047,700
WMATA	928,100
CTA (Chicago)	663,900
MBTA (Boston)	495,200
BART (San Francisco)	361,100
SEPTA (Philadelphia)	331,300
MARTA (Atlanta)	240,900

Source: GAO analysis of American Public Transportation Association (APTA) 4th Quarter Transit Ridership data (2010).

Note: Passenger trips are the number of passengers who board public transportation vehicles. Passengers are counted each time they board, no matter how many vehicles they use to travel from their origin to their destination.

Table 9: Transit Agencies Ranked by Passenger Trips in 2009

National rank	Transit agency	Passenger trips
1	MTA (New York)	3,206,871,200
2	CTA (Chicago)	521,241,800
4	WMATA	435,858,900
5	MBTA (Boston)	367,247,600
6	SEPTA (Philadelphia)	348,314,700
9	MARTA (Atlanta)	156,542,400
13	BART (San Francisco)	114,654,600

Source: GAO analysis of APTA Transit Ridership data (2009).

Note: Passenger trips are the number of passengers who board public transportation vehicles. Passengers are counted each time they board, no matter how many vehicles they use to travel from their origin to their destination.

Appendix III: Comparison of Selected Transit Agencies to WMATA

Table 10: Operating and Capital Budgets

Transit agency	Annual operating budget	Annual capital budget
MTA (New York)	\$13.4 billion	\$5.3 billion ^a
WMATA	\$1.5 billion	\$712 million
CTA (Chicago)	\$1.4 billion	\$638 million
MBTA (Boston)	\$1.4 billion	\$525 million
SEPTA (Philadelphia)	\$1.2 billion	\$303.6 million
BART (San Francisco)	\$588.7 million	\$777.4 million
MARTA (Atlanta)	\$404.4 million	\$320.8 million

Source: National Transit Database and agency information.

Note: Data for MBTA and MARTA are for 2009, which were the most recent figures available. Data for MTA, WMATA, CTA, BART, and SEPTA are for 2011.

^aMTA's capital budget for 2010 through 2014 is \$26.3 billion, which amounts to a \$5.26 billion average annual budget.

Table 11: Size of Workforce

Transit agency	Number of employees
MTA (New York)	69,756
WMATA	10,974
CTA (Chicago)	10,208
SEPTA (Philadelphia)	9,268
MBTA (Boston)	6,100
MARTA (Atlanta)	4,542
BART (San Francisco)	3,017

Source: GAO analysis of transit agency documents.

Appendix IV: Comments from the Washington Metropolitan Area Transit Authority



June 24, 2011

Mr. David Wise
Director, Physical Infrastructure Issues
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Re: GAO Report 11-660: "PUBLIC TRANSPORTATION-Washington Metro Could Benefit from Clarified Board Roles and Responsibilities, Improved Strategic Planning"

Dear Mr. Wise:

The Washington Metropolitan Area Transit Authority (WMATA) Board of Directors is deeply committed to addressing the various issues that were studied and discussed in [GAO Report 11-660](#). As you are aware, the Board has been seriously engaged in refining its approach to governance since November 2010. Our efforts have taken into account reports on governance issued in 2010 by various groups as well as comments from other stakeholders and our understanding of best practices related to governance. Our work is necessitated by the fact that the Board and the senior leadership of Metro must deal concurrently with several parallel demands --- improving safety, working towards a state of good repair, improving customer service and meeting growing rider demand -- in a highly constrained financial environment.

In addition, 2011 has seen the largest number of new Board members in many years. Since January, fully half of the 14 Directors and Alternates are new to the Board. Remarkably, there is consensus among these Board members that the Board's focus must be directed to policy matters and agency oversight. To that end, the Board has taken several significant actions to clarify its role with respect to that of the General Manager and Chief Executive Officer (GM/CEO) and delegate the day to day running of the Authority to the GM/CEO.

**Washington
Metropolitan Area
Transit Authority**

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Mr. David Wise
Page 2

The Board has taken several key actions and is pursuing some additional initiatives:

1. A Governance Committee has been created as a standing Committee of the Board.
2. A Safety and Security Committee has been meeting regularly since October, 2010.
3. The Board has been actively engaged in drafting permanent Board By-Laws and Rules of Procedure. (attached)
 - a. Created a work plan that allows easy tracking by the public of changes that have been proposed in response to outside report recommendations. (attached)
 - b. Actively sought out comments from a variety of stakeholder groups using a variety of media.
 - c. Proposed a Standing Committee role for the current audit and investigations subcommittee.
 - d. The proposed by-laws include the provision for the Board conducting a self-evaluation.
4. The Board is reviewing and updating its Code of Ethics.
5. The monthly Vital Signs Report has been institutionalized as a Board oversight and monitoring tool. (attached)
6. A Vision and Strategic Planning process has been launched to develop a multi-year vision, accompanied by multi-year business and operational plans; the effort will include input from WMATA's stakeholders.
7. The Board has delegated authority to the GM/CEO to approve reprogramming and procurement actions in order to streamline the current processes; all within the policies adopted by the Board and parameters provided by the budget.

Mr. David Wise
Page 3

On behalf of the WMATA Board of Directors, I want to thank you for the careful work that has been done on this report. We appreciate very much the attention you have given to WMATA staff's previous factual comments. We recognize the careful balance you have striven for in the report between areas of concern in WMATA's recent past and the progress WMATA has made to date on those issues. It is never easy to evaluate an organization in transition. We believe that the report could be strengthened by more clearly calling out WMATA's progress, where appropriate, in each of the findings or subject areas.

Sincerely,



Catherine Hudgins
Chair
WMATA Board of Directors

Attachments

Attachments

Draft By-Laws and Rules of Procedure can be viewed at:
[http://www.wmata.com/about_metro/board_of_directors/board_docs/052611_DraftBylaw
sandProceduresforDisc.pdf](http://www.wmata.com/about_metro/board_of_directors/board_docs/052611_DraftBylaw
sandProceduresforDisc.pdf)

Workplan (see attached)

Vital Signs Report can be viewed at:
http://www.wmata.com/about_metro/scorecard/documents/Vital_Signs_June_2011.pdf

**Appendix IV: Comments from the Washington
Metropolitan Area Transit Authority**

WMATA Governance Committee Work Plan Updated Through June 23, 2011

Discussion Topics	Expected Action or Product	Target Completion Date	Status
A. End Rotating Chair	Interim 2011 Procedures	Complete	On January 27, 2011, the Board adopted Interim Procedures eliminating the annually rotating Chair requirement (Resolution 2011-07). Proposed Bylaws Article III further provides that the Chair "shall be elected without regard to jurisdiction of residence or representation."
B. Increase Chair Term to 2 years	Possible but not required by Interim 2011 Procedures	Complete	See above regarding Interim Procedures. Proposed Bylaws Article III follows Compact § 7 requirement to annually elect a Chair and Vice-Chair, without further requirements or limitations, thus permitting a Chair to serve more than a single one-year term.
C1. Define the Roles and Responsibilities of Board Chair	Adopt Board Bylaws	July 2011	Proposed Bylaws Article III establishes that the Board Chair "is dedicated to facilitating the work of the Board, encouraging the creation of common ground and consensus that moves the Board's work forward in a manner that promotes and enhances WMATA's overall mission." Proposed Article III further details the Board Chair's roles and responsibilities in the categories of facilitating the work of the Board, establishing strong Board and CEO relationship and fostering Board communication with external stakeholders. Specifically, under Proposed Article III.A.6, the Chair "facilitates self-evaluation of the Board."
C2. Define the Roles and Responsibilities of Board Members	Adopt Bylaws	July 2011	Proposed Bylaws Article II states that, "The Board governs through policies and exercises oversight over policy compliance and results." Article II also states that, "The Board is primarily responsible for policy, financial direction and WMATA's relationships with its customers, jurisdictional partners and signatories." Proposed Article II further details Board Member responsibilities in the areas of ensuring a safe and reliable system; exercising fiduciary responsibilities; engaging in strategic regional leadership; overseeing planning, operations and customer service; exercising individual responsibilities as a Member of the Board; and evaluating the CEO, Board Secretary, General Counsel and Inspector General.
D. Review Board Procedures to Assure Collective Board Action in Governing	Adopt Bylaws	July 2011	Proposed Bylaws Article II states, "Active healthy debate is encouraged; once a decision is made, the Board speaks with one voice." See also Board Chair's responsibility to encourage common ground and consensus and serve as the Board's primary spokesperson in Proposed Article III.
E. Limit Jurisdictional Veto	Adopt Bylaws/Procedures	July 2011	Proposed Bylaws Article VIII, part H, encourages resolving inter-signatory disputes without the use of the jurisdictional veto, and proposed Article III, part A.7, makes it the Chair's responsibility to facilitate this process. Proposed Procedures Section IV.C supplements the Bylaws by requiring Members to provide advance notice to the Chair whenever they intend to exercise a jurisdictional veto, and requiring the Chair to then facilitate a resolution. The Proposed Bylaws also seek to avoid situations in which the jurisdictional veto might be exercised by encouraging active communication and collegiality among Board Members, setting common goals and consensus building. A few

**Appendix IV: Comments from the Washington
Metropolitan Area Transit Authority**

WMATA Governance Committee Work Plan Updated Through June 23, 2011

Discussion Topics	Expected Action or Product	Target Completion Date	Status
			examples are: Article II ("Board Members place the public interest of the Authority and the people of the region foremost"); Article II.E.4 ("Help build good working relationships among Board Members"); Article III ("The Chair is dedicated to facilitating the work of the Board, encouraging the creation of common ground and consensus that moves the Board's forward in a manner that promotes and enhances WMATA's overall mission"); and Article III.A.5 (the Chair "builds strong relationships among Board Members").
F. Examine the Role of Alternate Members and Update as Appropriate	Adopt Bylaws/Procedures	July 2011	The Governance Committee extensively discussed the roles of Alternate Members in Board and Committee meetings. Proposed Bylaws Article VIII, parts B and G, provide that in Board meetings alternates vote in the absence of a principle Board Member (per Compact § 5(a)). Proposed Bylaws Article XII, part B, provides that, "Any Board Member may attend and participate in Committee meetings."
G. Review and Update Committee Structure and Voting	Adopt Bylaws	July 2011	Proposed Bylaws Article XII eliminates standing subcommittees and establishes six revised Committees and their responsibilities: Safety and Security; Finance and Administration; Audits and Investigations; Customer Service and Operations; Planning, Program Development and Real Estate; and Governance. Proposed Article XII also provides flexibility regarding composition—from five members to committees of the whole—and permits all Board Members (Directors and alternates) to attend and participate in meetings.
H. Define the Role of the Federal Government	Adopt Bylaws	July 2011	The Proposed Bylaws do not distinguish between federal and signatory Board Members, other than following WMATA Compact § 8, which precludes federal members from exercising a jurisdictional veto or from being needed to constitute a quorum in Board meetings. Proposed Bylaws Article XII.B provides that Committee quorum must include at least one Member for each signatory and a federal Member.
I. Define GM as CEO	Resolution	Complete	On January 27, 2011, the Board directed that the General Manager serves as the Chief Executive Officer. Resolution 2010-72. The Proposed Bylaws and Procedures thus refer to the General Manager and Chief Executive Officer (CEO).

**Appendix IV: Comments from the Washington
Metropolitan Area Transit Authority**

WMATA Governance Committee Work Plan Updated Through June 23, 2011

Discussion Topics	Expected Action or Product	Target Completion Date	Status
J. Focus on Board Policy Development Functions Balanced by Effective Customer Service Procedures	Adopt Bylaws/ Strategic Planning	July 2011/Summer 2011	The Proposed Bylaws repeatedly emphasize that the Board's focus is on policy development and oversight, and aim to enhance customer service. Examples include: Article II ("The Board governs through policies and exercises oversight over policy compliance and results"); Article II.C.4 ("Adopt and review key performance and service standards to provide policy guidance regarding the quantity and quality of service"); Article IV ("The Board is primarily responsible for policy, financial direction and WMATA's relationships with its customers, jurisdictional partners and signatories"); and Article XII ("The Customer Service and Operations Committee shall ensure that WMATA operational activities and programs are designed to provide reliable, effective and clean transit service, responsive to customer needs"). Meanwhile, per Proposed Article IV, the CEO's province is "the overall administration and operations of WMATA, subject to policy direction and oversight from the Board."
K. Integrate KPI Information with Strategic Planning to Assure Safe Reliable Service from High Performing Organization	Board Strategic Planning Session	Summer 2011	Reserved for review following the Board's Strategic Planning Sessions during the Summer 2011. In addition, the Proposed Bylaws incorporate an ongoing Board responsibility to engage in strategic regional leadership, including to adopt and regularly update a business plan, Article II.C.1; develop strategic priorities and targets, and report them, Article II.C.2; and adopt and review key performance and service standards, Article II.C.4.
L. Establish Annual GM/CEO Performance Goals	Adopt Bylaws	July 2011	Proposed Bylaws Article III, part B.2, makes it the Chair's responsibility to work with the CEO to develop CEO performance measurements, which the full Board reviews and agrees upon. Proposed Article III, part A.9, makes it the Chair's responsibility to initiate the annual performance review of the CEO and other Board-appointed officers.
M. Develop Orientation and Leadership Activities for Board Members	Orientation Briefings/Adopt Bylaws	February 2011/July 2011	At the Board's direction, orientation briefings were conducted and materials are available to all new Board Members. In addition, Proposed Article XII.B requires the Governance Committee to "implement an orientation program to assist all Board Members in understanding the transit system and their individual and Board roles and responsibilities, while building cohesion among the Members." Further, by Proposed Article III.A.6, the Chair "facilitates self-evaluation of the Board," which will be an opportunity to develop leadership skills and note areas for improvement, such as attendance.
N. Set High Attendance Standards	Adopt Bylaws	July 2011	Proposed Bylaws Article II, Part E, requires all Board members to exercise individual responsibility, including in part E.2 to, "Regularly attend and participate in Board and Committee meetings and Authority activities that build knowledge, awareness and support for WMATA, including use of Metro transit systems."

**Appendix IV: Comments from the Washington
Metropolitan Area Transit Authority**

WMATA Governance Committee Work Plan Updated Through June 23, 2011

Discussion Topics	Expected Action or Product	Target Completion Date	Status
O. Ride the System	Adopt Bylaws	July 2011	See status of item N, above, regarding the requirement in Proposed Bylaws Art. II.E.2 for all Board Members to regularly use Metro transit systems.
P. Solicit Public Input	Adopt Bylaws/Procedures	July 2011	Proposed Bylaws Article VII, "Communication with the Public," highlights that, "The Board is committed to the broadest possible communication with customers, jurisdictional partners, signatories, the federal government, stakeholders, funding partners, transportation agencies, Board-established advisory bodies, other transportation service providers, and oversight agencies including the Tri-State Oversight Committee, and will provide regular opportunities to receive and respond to comments." Further, Proposed Bylaws Article VIII.E, "Public Comment," establishes an opportunity for public comment at monthly Board meetings, in addition to presentations or comments from jurisdictions, variety of advisory bodies and others at the invitation of a Chair. Proposed Procedures Section III, "Communication with the Public," details how public comment will be solicited at both Board and Committee meetings. Specifically, Section III.C.2 requires Committee agendas to "clearly identify all agenda items on which comments will be received." Finally, other provisions in the Proposed Bylaws also encourage public input including Article II.B.1 ("Provide opportunities for customer and stakeholder input"), and Article II.E.5 ("Facilitate stakeholder input and feedback").
Q. Clarify Policies about Releasing Information	Strategic Planning	Summer 2011	Although there may be further changes, the Proposed Bylaws emphasize the principles of transparency and communication, such as in Article II.A.1 ("Develop Board policies and encourage Authority practices that ensure safety, transparency, accountability . . . regular communication"); Article II.C.2 ("Develop Board strategic priorities and targets, and include them in an annual report to customers and stakeholders"); Article II.B.2 ("Assure transparency in reports on priorities and targets"); Article II.B.3 ("Maintain clear lines of communication between the Board, the [CEO], the public and all stakeholders"); and Article III.C.1 (the Chair "represents the Board as the primary spokesperson to the media, customers and external stakeholders (on behalf of the Board <u>not</u> the Authority)"). Further, the Proposed Bylaws emphasize public access to Board proceedings, such as in Article VII, "Board and Committee meetings (other than executive sessions) will be publicly broadcast to the extent technologically feasible." Currently, the audio of such meetings are streamed online, and an online archive contains the audio of all public Board and Committee meetings.
R. Establish Procedures by which Customers	Adopt Bylaws/Procedures	July 2011	Proposed Procedures Section III.A details how customers have access to individual Board members, how communications from and to customers are shared to

**Appendix IV: Comments from the Washington
Metropolitan Area Transit Authority**

WMATA Governance Committee Work Plan Updated Through June 23, 2011

Discussion Topics	Expected Action or Product	Target Completion Date	Status
Have Access to Individual Board Members and Board Members Respond to Customers			enhance the Board's understanding of public opinion and WMATA operations, and how the Board members have discretion in responding to customers: "Board Members will ensure that all communications they receive that require staff assistance are shared with the full Board and CEO. Board Members shall exercise discretion in providing personal answers to policy-oriented communications, and will provide any such answers to the rest of the Board and management. All other customer communications shall be submitted to the CEO for an appropriate response. The CEO shall assure that all agency responses are shared with the full Board."
S. Start all Meetings with Public Comment	Adopt Procedures	July 2011	Proposed Procedures Section IV includes the receipt of public comment as an agenda item, immediately following the call to order and approval of the agenda and minutes. Proposed Section III.C expands public comment to Committee meetings and provides more customer friendly, informal and flexible procedures to maximize public participation. For example, the Section III.C equally emphasizes written and oral comment and requires a convenient and accessible method for customers to electronically submit comments, provides that Committee Chairs may designate agenda items upon which comment is sought, and reduces the procedural requirements to make oral comments at both Board and Committee meetings.

Appendix V: Comments from the General Services Administration



The Administrator

June 28, 2011

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
Washington DC 20548

Dear Mr. Dodaro:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the draft report, "Public Transportation: Washington Metro Could Benefit from Clarified Board Roles and Responsibilities, Improved Strategic Planning."

GSA agrees in part to the findings and recommendations. However, we do not agree that GSA cannot assure that qualified candidates are being appointed to the Board. Although GSA lacks a published and formal process to appoint Federal board members (page 30), GSA has worked with both public (Federal, state and local) and private sector (local transportation industry) stakeholders to identify and interview qualified candidates. As stated in the report, GSA has the responsibility of identifying and selecting two members and two alternates representing the Federal Government. As of the date of this report, GSA has appointed two members and one alternate. Only one alternative position remains vacant and our agency is currently reviewing eligible candidates. All three GSA-selected representatives were deemed qualified with the requisite amount of experience. Both appointed members are WMATA riders despite the stipulation that only one of the four members selected must be a WMATA rider. Based on the selections made by the agency, we respectfully disagree with the GAO Report's assertion that GSA cannot be assured of appointing qualified board members.

If you have any additional questions or concerns, please do not hesitate to contact me. Staff inquiries may be directed to Mr. Rodney P. Emery, Associate Administrator, Office of Congressional and Intergovernmental Affairs. He can be reached at (202) 501-0563.

Sincerely,

A handwritten signature in cursive script that reads "Martha Johnson".

Martha Johnson
Administrator

U.S. General Services Administration
1275 First Street, NE
Washington, DC 20417
Telephone: (202) 501-0800
Fax: (202) 219-1243

Appendix VI: GAO Contact and Staff Acknowledgments

GAO Contact

David J. Wise, (202) 512-2834 or wised@gao.gov

Staff Acknowledgments

In addition to the contact named above, Teresa Spisak (Assistant Director), Matthew LaTour, Jessica Evans, Colin Fallon, William King, Susan Sachs, and Mindi Weisenbloom made key contributions to this report.

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U.S. Department
of Transportation
**Federal Transit
Administration**

Administrator

1200 New Jersey Ave., S.E.
Washington, DC 20590

MEMORANDUM

To: Dulles Metrorail Phase 2 Project Stakeholders

From: Peter M. Rogoff *PMR*
Administrator

Re: White Paper Regarding Secretary LaHood's Proposed Scope Reductions

Date: July 3, 2011

- Pursuant to the direction of the Secretary as articulated during our stakeholder meeting of June 30, I have prepared the attached White Paper discussing the details of his final proposal for scope reductions to the Metrorail Phase 2 project. The paper also discusses some associated financing issues as well as the process that gave rise to his proposal.
- Please note that the table of scope reductions included in the White Paper differs from the one discussed at our June 30 meeting in only one respect. I believe it was widely agreed upon at the meeting that the potential opportunity for reducing the number of railcars necessary for the Silver Line service should remain an option to be considered upon WMATA completing its railcar fleet plan. As such, I added this option at the end of the table. The FTA expects to receive WMATA's draft plan later this month.
- Please do not hesitate to contact me or the Secretary's Chief Financial Officer, Chris Bertram, if we can provide additional information.
- I hope you and your families all have a very safe and enjoyable Independence Day holiday.

Dulles Rail Phase 2 Cost Reduction Efforts

Convening of Stakeholders

On June 1, 2011, U.S. Transportation Secretary Ray LaHood convened the first of five meetings of the principal stakeholders and funding partners of the Dulles Metrorail Phase 2 project, including the Metropolitan Washington Airports Authority (MWAA), Fairfax County, Loudoun County, the Washington Metropolitan Transportation Authority (WMATA), and the Commonwealth of Virginia.

Secretary LaHood convened these stakeholders for the purpose of establishing a common agreed-upon design and finance plan for the Phase 2 project so that it could get back on a path to successful implementation without further delay.

At the inaugural meeting, Secretary LaHood articulated his desire to complete an agreement in principle within 30 days – one that will ensure the deployment of a viable and beneficial regional transit link but at a significantly reduced cost so as to lessen the financial burden on the funding partners, local taxpayers, and the users of the Dulles Toll Road.

Criteria for Scope Reductions

The Secretary hosted five separate meetings over the 30-day period during which all participants were invited to propose project scope reductions. The Federal Transit Administration (FTA) contracted with its own Project Management Oversight Contractor (PMOC) to independently evaluate the cost and operational impact of each cost mitigation proposal for the benefit of all participants.

Over the ensuing 30 days, stakeholders discussed and debated the merits of each proposal with the technical assistance of FTA's PMOC. The Secretary sought to focus attention on scope reductions that:

- Offered significant cost savings;
- Maintained a cost effective approach to project construction;
- Maintained project performance goals;
- Sustained expected ridership; and
- Minimized significant delays associated with wholesale redesigns or substantial new environmental review requirements.

Secretary's LaHood's Proposal

At the June 30 meeting, Secretary LaHood presented a final proposal that, in the view of the USDOT, best achieves these objectives. Importantly, given the depth of feelings on the part of many stakeholders, the Secretary's proposal also sought to ensure "shared sacrifice" on the part of the major funding partners. Concessions needed to be made by all.

Taken together, the Secretary's final proposal reduces the estimated cost of the Phase 2 by \$1.058 billion below that of the original locally preferred alternative (LPA). This new cost estimate of \$2.767 billion could be reduced by as much as another \$200 million depending on the outcome of analysis of some additional potential scope reductions during July and August. The Secretary's proposed scope reductions are outlined below. A more detailed description of each adjustment is included as an appendix.

	Cost Estimate of Original LPA	\$3.825B
	Initial Project Cost Savings	Identified Cost Savings
1	Construct an Aerial Dulles Airport station near North Garage	-\$562M
2	Provide additional station amenities (windscreens, weatherization) for aerial station	+\$10M
3	Reduce Yard and Shop facilities to Dulles Phase 2 level	-\$81M
4	Transfer Responsibility for Route 28 Station to Fairfax County	-\$136M
5	Transfer Responsibility for 5 parking facilities to Fairfax and Loudoun Counties	-\$235M
6	Reduce canopy design to Phase 1 requirements	-\$15M
7	Utilize steel structures in lieu of concrete	-\$35M
8	Modify Station Finishes	-\$4M
	Initial New Cost Estimate	\$2.767B
	Later Cost Savings Opportunities (July-August)	
9	Value Engineering by MWAA	Up to -\$75M
10	Donation of Property to Project in lieu of ROW Purchase	Up to -\$53M
11	Reduce the number of Traction Power Substations (TPSS) by two (awaits WMATA simulation)	-\$34M
12	Estimating error in SCC50 (TPSS)	-\$15M
13	Reduce number of railcars (awaits WMATA Rail Fleet Plan)	Up to -\$24M

Further Governmental Assistance

The USDOT's Transportation Infrastructure Finance and Innovation Act (TIFIA) program provides credit assistance for surface transportation projects including highway, transit, railroad, intermodal freight, and port access projects. Eligible applicants include state and local governments, transit agencies, railroad companies, special authorities, special districts, and private entities. The TIFIA program is designed to fill market gaps and leverage substantial private co-investment. The program has been highly successful in bringing private sector capital into traditionally public sector investments.

In allocating TIFIA assistance, the USDOT must work within a very limited amount of credit subsidy made available annually by Congress. While the amount of credit subsidy required for each loan depends in part on the size of the loan, an even larger determinant is the overall creditworthiness of the project. In recent years, the popularity of the TIFIA program has grown exponentially.

In March of 2010, MWAA submitted a letter of interest for a TIFIA loan totaling \$1.73 billion for the Dulles Rail project. The MWAA request was one of almost 40 such requests which together sought loan assistance in excess of \$12.5 billion. The MWAA request was by far the largest of any request received for 2010, totaling well more than five times the average request for that year. Moreover, the estimated credit subsidy requirement for MWAA's loan would have absorbed all of the credit subsidy available for that year for all potential TIFIA projects across the nation.

In determining how USDOT's very limited TIFIA resources might assist in the Phase 2 project, Secretary LaHood has focused on using TIFIA to assist Loudoun and Fairfax counties in enticing public-private investment and helping defray the costs associated with the assumption of the Phase 2 parking facilities and Route 28 station. Given the difference in creditworthiness between the counties and MWAA, the limited amount of TIFIA subsidy available can go a great deal farther in lowering Phase 2 costs if directed to these project elements. Nothing in the decision would preclude MWAA from applying for Phase 2 assistance at some future time from the TIFIA program.

In the course of the recent stakeholder meetings, both Virginia Transportation Secretary Sean Connaughton and VDRPT Director Thelma Drake have discussed the possibility of the Commonwealth providing further assistance to the Phase 2 project. Such assistance could include extending the terms of the toll road lease to MWAA and providing direct credit assistance through the Commonwealth's recently-enacted State Infrastructure Bank. Both of these mechanisms hold the potential for easing the financing requirements of the project and the burden on toll road users.

Appendix:

Detailed Description of Cost Adjustments

1. Construct an aerial Dulles Airport station near the North Garage. The North Garage Aerial option would result in an aerial alignment with a station located adjacent to the existing North parking garage. In addition to a lower cost, this option reduces the construction duration. It will require further Federal environmental and historic preservation reviews. Access from the North parking garage to the airport terminal is currently provided by an underground pedestrian passageway and a regular bus shuttle service. FTA's PMOC estimates that this option would reduce the project cost by approximately \$562 million.
2. Provide additional station amenities for aerial Airport station. Windscreens could be installed on the platform, while the stairs and escalators can be built to provide for enhanced protection from the weather. Climate controlled enclosures on the platform will be available for waiting passengers. FTA's PMOC estimates that this change would reduce the savings estimated above by approximately \$10 million.
3. Reduce Yard and Shop facilities to Dulles Phase 2 level. The vehicle yard and repair shops were designed for 250 rail cars. The Dulles Phase 2 project only requires facilities to service 184 rail cars. FTA's PMOC consulted with WMATA to determine the type and size of the facilities and equipment required for this project and determined that the scope of the yard could be reduced. FTA's PMOC estimates that reductions to the size of the maintenance yard would achieve cost savings of approximately \$81 million.
4. Transfer responsibility for the Route 28 Station to Fairfax County. While constructed along with the Phase 2 project, Fairfax County would be responsible for paying the cost of constructing the Route 28 Station. FTA's PMOC estimates the cost of the station to be approximately \$136 million.
5. Transfer responsibility for five parking facilities to Fairfax and Loudoun Counties. There are five new parking garages planned for the Phase 2 project. Under this option, Fairfax and Loudoun Counties would assume the responsibility to acquire property, design, build, construct and operate these parking facilities. This could be accomplished through a Public-Private Partnership or other type of joint development. Parking revenue would accrue to the counties or their project partner – not to WMATA. FTA's PMOC estimates the cost of each parking garage as shown:

<u>Garage Location</u>	<u># Spaces</u>	<u>Estimated Cost</u>
Herndon-Monroe Station	1949	\$51.4 M
Route 28 Station	2027	\$53.5 M
Route 606 Station	1965	\$51.9 M
Route 772 Station (North)	1434	\$37.8 M
Route 772 Station (South)	1540	\$40.6 M
Total Savings	8915	\$235.3 M

6. Reduce station canopy design to be consistent with Phase 1 requirements. The current design of the Phase 2 station platform canopies is 600 feet long to cover the entire platform. This proposed change would reduce the canopy length to a minimum of 300 feet and simplify the design to match the canopies being constructed for Phase 1. FTA's PMOC estimates the cost savings for this change to be approximately \$15 million.
7. Utilize steel structures in lieu of concrete. The current project design incorporates pre-cast segmental concrete girders similar to Phase 1 to support the aerial guideway in Phase 2. There are some locations where less expensive steel girders could be used while still maintaining the structural integrity of the guideway. FTA's PMOC estimates the cost savings of this change to be approximately \$35 million.
8. Modify station finishes. This change calls for less costly roofing, flooring ceiling, interior and exterior wall surfaces and handrails on platforms, mezzanines, pedestrian bridges, and pavilions. FTA's PMOC estimates the savings of this change to be approximately \$4 million.
9. Value Engineering by MWAA. MWAA will undertake a value engineering exercise through a third-party consultant. FTA's PMOC estimates potential cost savings opportunities through this effort could be as much as \$75 million.
10. Donation of Property to Project in lieu of right-of-way purchase. Most of the property required for the project may already be owned by MWAA, Fairfax County, or Loudoun County. In addition, the Dulles Toll Road and the Dulles Greenway median is reserved for the Phase 2 project. Thus, the cost of much of the project right-of-way could be removed from the budget if the counties and MWAA donate the property to the project. MWAA will have to complete an analysis of the ownership and value of the associated parcels in the project budget to fully estimate potential cost savings. This savings could be as high as \$53 million.
11. Reduce the number of Traction Power Substations (TPSS). WMATA's new design standard calls for the Traction Power Substations, which provide electricity to run its trains, to accommodate a 120-second service frequency. However, WMATA has agreed that the Phase 2 project may use the same 135-second frequency as being built for Phase 1. FTA's PMOC believes that this is too stringent a requirement given the 7-minute service frequency called for in WMATA's operating plan for the "Silver Line". The PMOC recommends a 180-second standard, which would allow the deletion of two substations. WMATA disagrees with this proposed option unless a simulation study shows otherwise. FTA's PMOC estimates the savings of this change to be approximately \$34 million.
12. Estimating error in TPSS cost. In its review, FTA's PMOC discovered a discrepancy between the 95% preliminary engineering cost estimate and the design drawings regarding the number of traction power substations for the Dulles Phase 2 Line and the rail yard and shops. FTA's PMOC estimates the correction of this error would reduce the project cost by approximately \$15 million.

13. **Reduce number of railcars.** The current Dulles Phase 2 project budget calls for the purchase of 64 rail cars. The required number of railcars is based on a 2004 WMATA Operating Plan for 2025 and a 2007 WMATA Rail Fleet Management Plan (RFMP). WMATA is currently updating the RFMP to reflect their current and future system-wide fleet requirements and expects to deliver the draft Plan for review by FTA in July. The 7000 Series rail cars will be manufactured in sets of 4 cars, which are estimated to cost approximately \$12 million each. If two sets of vehicles can be eliminated from the project budget, the resulting savings is estimated by FTA's PMOC to be approximately \$24 million.



October 29, 2010

Ms. E. Lynn Hampton
President and Chief Executive Officer
Metropolitan Washington Airports Authority
1 Aviation Circle
Washington, DC 20001

Dear Ms. Hampton,

I am following up on earlier discussion and actions at yesterday's meeting of the Metro Board of Directors regarding Phase II of the Dulles Corridor Metrorail Project. The context for this discussion was related to recent announcements by MWAAs regarding potential changes in alignment and station location at the airport.

As you know, Metro, upon acceptance, will be the ultimate owner and operator of this extension. As such, Metro's interests lie in areas such as customer service, access, convenience, and related operating costs. To express Metro's interest, involvement, and approval roles with regard to the proposed changes, the Metro Board of Directors adopted the enclosed resolution at its meeting on October 28, 2010.

This resolution directed me to forward this resolution to you and work with you, particularly with regard to ensuring that any changes are reviewed by Metro and ultimately approved by the Metro Board of Directors.

Look forward to working on this important matter with you and your staff. If you have any questions, please call me or Shiva Pant.

Sincerely,

Richard Sarles
General Manager

cc: WMATA Board of Directors

Enclosure

**Washington
Metropolitan Area
Transit Authority**

600 Fifth Street, NW
Washington, DC 20001
202/962-1234

www.metroopensdoors.com

A District of Columbia,
Maryland and Virginia
Transit Partnership

PRESENTED AND ADOPTED: October 28, 2010

SUBJECT: DULLES EXTENSION PHASE II ALIGNMENT

2010-52
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, The Washington Metropolitan Area Transit Authority (WMATA) is intended to be the ultimate owner and operator of the Dulles Corridor Metrorail Extension (the "Extension") project after it is accepted as part of WMATA's Adopted Regional System (ARS) and revenue service begins; and

WHEREAS, The design and construction of the Extension is being undertaken by the Metropolitan Washington Airports Authority (MWAA); and

WHEREAS, The WMATA Board of Directors have adopted several resolutions that state the various conditions that must be met in order for the Extension to be accepted by WMATA as part of the ARS; and

WHEREAS, WMATA's role during the preliminary engineering, design and acceptance phases of this project is defined in Intergovernmental Agreements with MWAA; and

WHEREAS, Phase I of the Extension from the existing Orange line to Wiehle Avenue in Fairfax County is presently under construction; and

WHEREAS, On January 28, 2010, the WMATA Board of Directors adopted Resolution #2010-04 that (i) amended the FY2010 Reimbursable Project Budget for Phase II of the Extension from Wiehle Avenue in Fairfax County to Route 772 in Loudoun County; and (ii) authorized the General Manager to negotiate and execute a reimbursable agreement with MWAA for Phase II of the Extension; and

WHEREAS, The aforementioned Agreement was executed on February 23, 2010, and

WHEREAS, MWAA is currently engaged in preliminary engineering for Phase II of the Extension; and

WHEREAS, Capital cost estimates developed for the Extension are significantly more than originally planned; and

WHEREAS, In an effort to reduce the cost of the Extension, MWAA is proposing an alternate alignment and location for the line and station at Dulles International Airport that would relocate the station further away from the terminal; and

Motioned by Mrs. Hudgins, seconded by Mr. Zimmerman

Ayes: 7 - Mr. Benjamin, Mrs. Hudgins, Mr. Albert, Mr. Downey, Mr. Solomon, Mr. Zimmerman and Mr. Graham

WHEREAS, WMATA, as the ultimate owner and operator of the Extension, approved the Locally Preferred Alternative (LPA) for this extension pursuant to WMATA Board Resolution #2002-54 adopted on November 21, 2002; and

WHEREAS, The WMATA Board of Directors must approve any changes to the aforementioned alignment including conducting required public hearings; and

WHEREAS, Alignment and station location changes at a major origin and destination point such as Dulles International Airport may affect the ridership and revenues and thereby the operating costs and subsidies for the Metrorail operation; and

WHEREAS, Changes such as the one being considered here will have long term impacts on airport customers that access the airport by Metrorail; now, therefore be it

RESOLVED, That the WMATA Board of Directors directs the General Manager to work with the MWAA Chief Executive Officer to ensure that various aspects of the change such as transit customer access and convenience, provision of enhanced passenger experience, operational and financial impacts and economic and land use development are identified and addressed; and be it further

RESOLVED, That from a customer access and convenience standpoint, the station at Dulles International Airport should be placed as close to the terminal as possible; and be it further

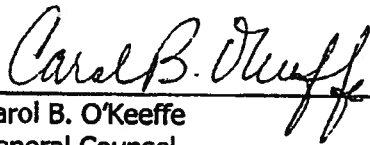
RESOLVED, That the WMATA Board of Directors urges MWAA to explore other options to reduce project cost and funding burdens including seeking federal and state funding opportunities, and be it further

RESOLVED, That any proposed alignment and station location changes must be approved by the WMATA Board of Directors prior to similar actions being taken by MWAA; and be it further

RESOLVED, That before WMATA accepts or approves any recommended change, the Board of Directors will be provided a detailed report on the analysis that supports any proposed changes and all appropriate WMATA Compact and other regulatory processes will have been followed before MWAA adopts the proposed change; and be it finally

RESOLVED, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Carol B. O'Keefe
General Counsel