



# **MEETING MATERIALS**

**For NVTC WMATA Committee Meeting  
April 17, 2019**



**NVTC WMATA COMMITTEE MEETING  
WEDNESDAY, APRIL 17, 2019  
NVTC Conference Room – Suite #230  
2300 Wilson Blvd. – Arlington, VA 22201**

**8:30 A.M.**

**AGENDA**

1. Approval of the January 16, 2019 NVTC WMATA Committee Meeting Summary
2. Update on Certification to the Comptroller of Virginia of receipt of certain documents from WMATA as required under Virginia Code §33.2-3402
3. 2019 Update to the Annual Report on the Performance and Condition of WMATA
  - a. Staff approach to the 2019 report update
  - b. Work Session on the Strategies to Reduce the Growth in Costs and Improve Operational Efficiencies
4. WMATA Committee and Board of Directors Items
5. Other Items of Jurisdictional Importance

**Members**

Cathy Hudgins (Chairman)  
Matt Letourneau  
Paul Smedberg  
David Meyer  
David Snyder  
Christian Dorsey  
Canek Aguirre



**NVTC WMATA COMMITTEE  
MEETING SUMMARY  
NVTC Conference Room, Suite #620 – Arlington, Virginia  
January 16, 2019**

**NVTC WMATA Committee Members Present:**

Cathy Hudgins, Chairman  
Canek Aguirre  
Christian Dorsey  
Matt Letourneau  
David Meyer  
Paul Smedberg  
Dave Snyder

**Others Present:**

Kate Mattice	Tim Roseboom
Andrew D’huyvetter	Todd Horsley
Allan Fye	Chris Ziemann
Matt Cheng	

Chairman Hudgins started the meeting at 8:38 A.M.

The committee accepted the minutes of the previous meeting. Mr. Letourneau abstained.

Mr. Aguirre arrived at 8:41 A.M.

Mr. D’huyvetter provided a briefing on the past activities of the NVTC Interim WMATA Committee as well as the bylaws of the committee structure and proposed meeting schedule. The committee aims to share institutional knowledge and serve as a forum for discussion of jurisdictional WMATA issues. The WMATA Committee will also serve to provide guidance and recommendations to the Virginia WMATA Board members and provide regular updates at NVTC Commission meetings.

The revised committee schedule is proposed to run in parallel with NVTC and WMATA meetings and processes. There will be five meetings of the WMATA Committee held in 2019: January, April, June, September and October. Each meeting will encompass various NVTC tasks around WMATA including receipt of reporting documents, updating the annual NVTC Report on the Performance and Condition of WMATA, and proactive and reactive discussions of WMATA budget items.

Committee members discussed the timing and frequency of the WMATA Committee meetings and agreed with the staff proposal and the strategic role of the committee. Committee members also commented on the necessary staff and jurisdictional lead time required to prepare materials and work sessions for the WMATA Committee and reiterated that Commission meetings continue to provide discussion and updates on WMATA.

Mr. Dorsey left at 9:04 A.M.

The committee discussed the timing and coordination of WMATA Committee meetings around the review and adoption of the WMATA Operating and Capital Budget. Committee members also commented on the proposed increased late-night service and implications for jurisdictional operating subsidies. Mr. Smedberg inquired about budgetary offsets that would help circumvent Commonwealth of Virginia withholding provisions. Mr. Letourneau proposed sending a letter on behalf of the NVTC WMATA Committee expressing the prioritization of safety and preventative maintenance over return to the late-night Metrorail service hours. The committee agreed to send a letter to WMATA expressing this position, with delegation to staff on the timing of the letter. Staff was directed to draft and circulate the letter, first with jurisdictional staff and then with the committee.

Committee members briefly discussed the impacts of the federal government shutdown relating to ridership but also funding reauthorization and Metro Safety Commission (MSC) certification. Ms. Mattice responded that the MSC certification package could be in jeopardy due to Federal Transit Administration (FTA) closures.

The committee adjourned at 9:23 A.M.



### **Background:**

Virginia's transit omnibus funding bill, [HB1539/SB856 \(2018\)](#), requires that NVTC request certain documents and reports from WMATA related to the transit agency's system budget, financial performance, and operating characteristics. NVTC must certify to the Virginia comptroller receipt of the following:

- WMATA's annual capital budget
- [WMATA's annual independent financial audit](#)
- [WMATA's National Transit Data annual profile](#)
- WMATA's [Single audit reports issued in accordance with the Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards \(2 C.F.R. Part 200\)](#)

WMATA's annual National Transit Database profile for FY2017 was posted on FTA's website in October 2018. WMATA also posted its most recent Comprehensive Annual Financial Report (CAFR). The most recent Independent Auditor's report starts on page three of the report. WMATA also posted its most recent Single Audit Report for the fiscal year ended June 30, 2018. This report was issued in accordance with the Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (2 C.F.R. Part 200). The received documents have been posted to [NVTC's webpage](#).

WMATA's [annual capital budget for FY20 was approved the WMATA Board](#) on March 28, 2019. WMATA staff are creating the approved FY20 full budget book. Upon completion and receipt of the budget book in May or June 2019, all required documents will be received and NVTC will certify receipt in accordance with state code.

### **Requested Action at the May Commission meeting:**

At the May Commission meeting, staff will ask the Commission to authorize the Executive Director to send a letter to the Comptroller of Virginia certifying the receipt of certain documents under Virginia Code. The last required document, an annual capital budget, was approved by the WMATA Board on March 28, 2019. WMATA staff are working to update the approved budget document. Upon receipt of this budget document in May or June, the Executive Director will transmit the certification letter to the Comptroller.

### **Annual Certification**

NVTC will continue the certification process annually on a schedule to match WMATA's fiscal year. Funding from the Commonwealth Mass Transit Fund to support WMATA is contingent upon NVTC providing an annual certification to the Comptroller that such documents and reports have been received.



May/June XX, 2019

**Chairman**  
Hon. Matthew F. Letourneau

**Vice Chairman**  
Hon. Katie Cristol

**Secretary/Treasurer**  
Hon. Sharon Bulova

**City of Alexandria**  
Hon. Canek Aguirre  
Hon. Elizabeth B. Bennett-Parker

**Arlington County**  
Hon. Katie Cristol  
Hon. Christian Dorsey  
Hon. Libby Garvey

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

**City of Fairfax**  
Hon. David Meyer

**City of Falls Church**  
Hon. David F. Snyder

**Loudoun County**  
Hon. Matthew F. Letourneau  
Hon. Ron A. Meyer

**Commonwealth of Virginia**  
Hon. Paul C. Smedberg

**Virginia General Assembly**

**Senate**  
Sen. Adam Ebbin

**House of Delegates**  
Del. David LaRock  
Hon. James M. LeMunyon  
Mr. M. David Skiles  
Mr. Raul "Danny" Vargas

**Executive Director**  
Katherine A. Mattice

Mr. David A. Von Moll  
Comptroller of Virginia  
Office of the Comptroller  
Department of Accounts  
PO Box 1971  
Richmond, Virginia 23218-1971

Re: Request for Documents under Virginia Code § 33.2-3402

Dear Mr. Von Moll,

The Northern Virginia Transportation Commission (NVTC) certifies receipt of certain documents and reports from the Washington Metropolitan Area Transit Authority (WMATA) as detailed in section 33.2-3402 of the Code of Virginia, pursuant to Chapter 854 of the 2018 Virginia Acts of Assembly.

These documents include the following:

- WMATA's annual capital budget;
- WMATA's annual independent financial audit;
- WMATA's National Transit Database annual profile; and
- Single audit reports issued in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 C.F.R. Part 200).

We have provided links to the documents on our website:  
<<http://www.novatransit.org/wmata/wmata-oversight/>>.

The Commonwealth provides transit capital and operating funding from the Commonwealth Mass Transit Fund to support WMATA. Access to this funding is contingent on upon NVTC providing this annual certification indicating receipt of these documents.

Best regards,

Katherine A. Mattice  
Executive Director

cc: Greg Potts, WMATA  
Jennifer Mitchell, DRPT

## **Proposed Outline for Chapter 4**

### **4.0 Introduction**

- 4.0.1 NVTC's role and coordination with DRPT
- 4.0.2 Summary of Virginia Legislative Requirements
- 4.0.3 WMATA FY20 Budget development and overview

### **4.1 Priority Strategies for WMATA to implement in 1-2 years**

- 4.1.1 Strategy 1
- 4.1.2 Strategy 2
- 4.1.3 Strategy 3

**Focus of April NVTC WMATA  
Committee work session**

### **4.2 Priority Strategies for WMATA to implement in 3-5 years**

- 4.2.1 Strategy 1
- 4.2.2 Strategy 2

### **4.3 Updates since the 2018 Report**

- 4.3.1 Rebuild ridership and improve operational efficiency of Metrorail and Metrobus
- 4.3.2 Increase non-fare revenues
- 4.3.3 Control cost escalation and enhance efficiency of the workforce and contracted services
- 4.3.4 Other strategies

### **4.4 Status of ongoing efforts identified in the 2018 Report**

- 4.4.1 Rebuild ridership and improve operational efficiency of Metrorail and Metrobus
- 4.4.2 Increase non-fare revenues
- 4.4.3 Control cost escalation and enhance efficiency of the workforce and contracted services
- 4.4.4 Other strategies

## Chapter 4: Strategies to Reduce the Growth in Costs and Improve Operational Efficiencies

Discussion Draft 4-11-19

### Priority Strategies for Committee discussion and feedback

Timeline	Strategy	Why implement?	Potential Outcomes
1 – 2 Years	<i>Lower parking rates at Metrorail stations with underutilized parking facilities</i>	Adjusting WMATA's parking fees through the budget process could optimize parking utilization and ridership while providing a net increase to overall revenues.	WMATA lowered the parking rate at West Falls Church to \$3 per day during a pilot program, which led to an increase in parking utilization and transit ridership. While there was a loss in parking revenues, this resulted in a minor net increase in revenues when additional fare revenues were included.
	<i>Run all 8 car trains during peak service</i>	While overall rail ridership is slightly down, peak rail ridership has stabilized or increased. Metrorail continues to experience crowded or near crowded conditions during peak periods. Further improvements to peak hour service would encourage continued peak period ridership.	Running all 8-car trains during the peak period allows the system to carry around more riders per hour through the system's core, especially where the Orange, Blue, and Silver Lines merge at Rosslyn, and improve customer satisfaction by reducing crowding.
	<i>Develop and implement a discounted subscription-based parking pass</i>	Pass products can provide more revenue stability during events that impact transit use like weather-related issues or future government shutdowns. A discount can incentivize, longer and more expensive suburban rail trips.	Transit riders are more likely to be attracted by the consistency and predictability of a pass as well as the perk of potential cost savings. Separate price points for transit riders and non-riders could generate additional revenue. Such a product could be a net revenue gain for WMATA when ridership and revenue impacts are considered.
	<i>Improve weekend rail service and the weekend customer experience while continuing capital project execution and maintenance programs.</i>	Ridership declines are more pronounced on the weekend, with losses two to three times larger than weekday declines. There is significant potential to grow ridership and revenue through improved service on weekends.	Providing higher quality service during weekend trackwork could bring back a portion of the riders that Metro loses each week to weekend trackwork.
3 – 5 Years		Identify, fund, and deliver strategic capital investments, such as interlockings and pocket tracks, that will provide additional operational flexibility and resiliency to the rail system.	Additional operational flexibility and resiliency will reduce the impact of single tracking and other planned or unplanned rail service disruptions. Stabilizing weekend rail ridership will improve WMATA's cost recovery and improve revenues.
	<i>Perform a comprehensive study of fare pass products and time implementation of these products with a new mobile app and fare payment infrastructure.</i>	Most WMATA customers pay-as-they-go using stored value on their Smart Trip cards. However, more fare pass options could tap into unmet market demand and increase ridership and revenue. Since WMATA's current fare payment infrastructure is near the end of its useful life, a new fare pass program would be introduced with an updated fare payment system.	Nearly three-fourths of customers ride and spend more on trips after they buy a pass. Coupled with a new mobile app and fare payment infrastructure, there is significant potential to use pass products to simplify WMATA's complex fare structure and grow ridership from targeted groups like tourists.

\*The Bus Transformation Project recommendations are expected this summer. Staff will provide an update on these recommendations at the June Committee meeting.

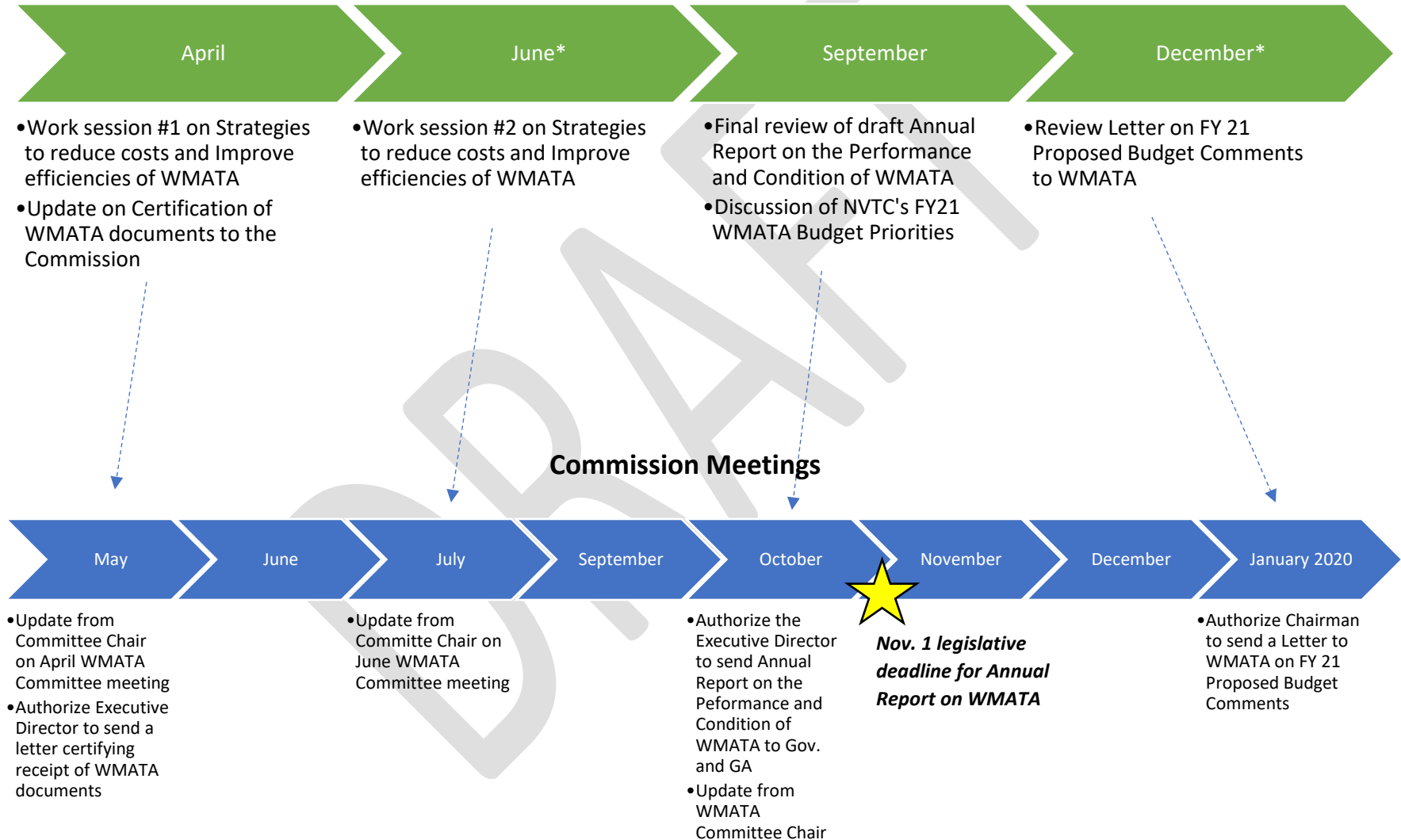




# **HANDOUTS**

**For NVTC WMATA Committee Meeting  
April 17, 2019**

### NVTC WMATA Committee Meetings



\*DRPT Director invited to work sessions in June and December