

NVTC WMATA Committee Meeting

APRIL 30, 2020

Meeting materials available at www.novatransit.org

Virtual Meeting Guidelines

- Roll Call to Confirm Quorum (NVTC Staff)
- Process for Each Agenda Item
 - Introduction by Committee Chair
 - Report/Presentation from Committee Chair, VA WMATA Board members, and/or NVTC Staff
 - Request that Committee members hold all questions until report/presentation is complete
 - Chair will open discussion and go round-robin so each Commissioner may comment and/or ask questions
 - Direct questions to a particular person (staff, Commissioner, Chair, etc.)
- General Rules
 - Please mute your phone when not speaking to help reduce background noise
 - Please mute and unmute yourself through the WebEx application on your computer
 - To reduce feedback, NVTC staff will be periodically muting participants who are not presenting
 - Allow participants time to unmute

Meeting Agenda

1. Review of February Meeting Summary
2. Work Session on the 2020 Update to the Annual Report on the Performance and Condition of WMATA
3. Three Percent Cap Working Group
4. COVID-19/CARES Act Update
5. Other Items of Jurisdictional Importance

Agenda Item #1: February Meeting Summary

- Summary included in Meeting Materials
- Do any members of the Committee have any changes to the summary?

Agenda Item #2

2020 Update to NVTC's Annual Report on the Performance and Condition of WMATA

Background

- 2018 Transit Omnibus legislation created dedicated capital funding for WMATA
- This legislation mandated that NVTC produce an annual report to the Governor and General Assembly on the Performance and Condition of WMATA.
- In order to take on these new duties, NVTC updated its bylaws and formed the WMATA Committee to provide guidance to staff on the annual update of the report.

Structure of the Report

| Chapter | Title | Source(s) |
|---------|---|---|
| 1 | Strategies to Reduce the Growth in Costs and Improve Operational Efficiency | Policy Decision by the Commission |
| 2 | Use of Dedicated Capital Funds | WMATA |
| 3 | Safety & Reliability | National Transit Database (NTD) and Metro Quarterly Performance Reports |
| 4 | Metrorail Financial Performance | |
| 5 | Metrobus Financial Performance | |
| 6 | Metrorail & Metrobus Ridership | |

For the 2020 Report, staff recommend adding a preface for evolving COVID-19 Impacts

Chapter 2: Uses of WMATA Capital Fund

- In the 2018 legislative sessions, Virginia, Maryland, and D.C. established \$500 million in annual dedicated capital funding for WMATA.
- The WMATA Capital Fund is Virginia's \$154 million share of the \$500 million.
- The Annual Report included expenditure reporting at the CIP Program level.

Chapter 2: Uses of the Fund

WMATA FY2019 Expenditures of the WMATA Capital Fund (Virginia's Dedicated Funding)

| CIP Category | CIP Program |
|--|--------------------------------------|
| Railcar Investments | Railcar Acquisition |
| | Railcar Maintenance/Overhaul |
| | Railcar Maintenance facilities |
| Rail Systems Investments | Propulsion |
| | Signals & Communication |
| Track and Structures Rehabilitation Improvements | Fixed Rail |
| | Structures |
| Stations and Passenger Facilities Investments | Platforms & Structures |
| | Vertical Transportation |
| | Station Systems |
| Bus and Paratransit Investments | Bus and Paratransit Acquisition |
| | Bus Maintenance/Overhaul |
| | Bus Maintenance Facilities |
| | Bus Passenger Facilities/Investments |
| Business Support Investments | Information Technology |
| | Metro Transit Police Department |
| | Support Equipment/Services |

Note: Data is provided by WMATA

Chapters 3 – 6: Data Reporting Chapters

Chapter 3: Safety and Reliability

- Safety, Reliability, and On-Time Performance
- Mean Distance Between Delays/Failures

Chapter 4,5: Metrorail and Metrobus Financial Performance

- Metrorail Farebox Recovery
- Metrorail Service per Rider
- Cost per Metrorail Service Hour

Chapter 6: Metrorail and Metrobus Ridership

- Unlinked Passenger Trips
- Passenger Miles Traveled

Chapter 1: Strategies to Reduce Growth in Costs

Summary of the 2019 Report

- Five new strategies were added
 - (Maximize use of eight-car trains, Improve Weekend Rail Service, Develop Parking Pass Products, Optimize Parking Facilities, Expand and Enhance Fare Pass Products)
- Strategies span 1-5 year implementation horizon
- Previous strategies were consolidated and tracked

2019 Committee Guidance for the next Update

- Integrate Bus Transformation Project Recommendations in future report
- Focus on bus strategies

Chapter 1: Strategies to Reduce Growth in Costs

NVTC Staff Recommendations for the 2020 Update

- Add a preface for (evolving) COVID-19 impacts
- Update report for any new NVTC resolutions or policy towards WMATA
- Continue tracking WMATA's progress on prior recommendations
- Integrate Bus Transformation Project (BTP) recommendations when finalized, where supported by NVTC and where within WMATA's scope.

Next Steps

- June Committee Meeting: Work Session #2 on the Update to the Annual Report
- Fall Committee Meeting: Review Strategies Chapter draft
- November/December Commission meeting: Approve the report for distribution
- December 15: (new) legislative deadline for the Annual Report

Questions and Comments from the Committee?

Agenda Item #3

NVTC's Working Group on Virginia's 3% Operating Cap on WMATA

History of the 3% Operating Cap on WMATA

- In 2017, the WMATA GM/CEO proposed a 3% cap on **total jurisdictional operating subsidy (i.e. regional)** increases.
- The 2018 Virginia General Assembly imposed a 3% cap on **Virginia's operating subsidy** increases. CTB established guidelines to withhold state funds if WMATA exceeds cap.
- The 2018 Maryland General Assembly passed similar legislation imposing a 3% cap on **Maryland's operating subsidy** increases.

Legislative Exclusions

- Current legislative exclusions to Virginia's 3% operating cap on WMATA include increases related to:
 - major capital projects;
 - service, equipment, or facility required by law; and
 - legal disputes or proceedings.
- The 2020 Virginia General Assembly added an additional exception to allow for any service increases approved by the WMATA Board to be excluded from Virginia's 3% operating cap on WMATA.

Budget Amendment Establishing Working Group

- The General Assembly included a provision in the FY2021-FY2022 budget directing the chair of NVTC to convene a working group on Virginia's 3% operating cap on WMATA.
- NVTC will submit a report by November 10 to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on (1) the usefulness of the cap and (2) whether additional items should be excluded from the cap.

Roles and Responsibilities

Working Group

- Provide Guidance to the NVTC WMATA Committee on Virginia's 3% operating cap on WMATA

NVTC WMATA Committee

- Review working group recommendations
- Refer report to the Commission for approval

Commission

- Approve report and transmit to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees

Working Group Members

- The budget amendment directs NVTC to include the Director of DRPT, local government representatives, and private sector stakeholders in the working group.
- NVTC staff propose inviting the following to participate:
 - Senior Transportation Officials representing NVTC jurisdictions;
 - The Director of DRPT; and,
 - Senior Executive(s) of an organization representing private sector stakeholders.

Additional Stakeholders

- The Working Group will seek input on the usefulness of the cap and any additional legislative exclusions from:
 - the Director of the District Department of Transportation;
 - the Secretary of the Maryland Department of Transportation; and,
 - The GM/CEO of WMATA.

Work Plan

April WMATA Committee

- Overview of 3% Cap Working Group
- Refer recommendations on guidelines and working group members to the Commission

June 3% Cap Working Group

- Presentation on 3% operating cap on WMATA
- Discuss usefulness of the cap with input from Maryland, DC, and WMATA

June WMATA Committee

- Receive an update on working group and provide feedback

July 3% Cap Working Group

- Discuss additional exceptions to the cap
- Provide guidance to staff to write the report
- Refer recommendations to the WMATA Committee

August/September NVTC

- Write report and circulate among working group members
- Present final draft to NVTC WMATA Committee

Key Dates (as of April 30, 2020)

| Date | Meeting | Action |
|------------------------|---------------------------|---|
| April 30, 2020 | NVTC WMATA Committee | Refer recommendations on guidelines and working group members to the Commission |
| May 7, 2020 | NVTC Commission | NVTC Chair to convene working group |
| May 2020 | NVTC Jurisdictional Staff | Preliminary discussions with staff on the 3% operating cap |
| June 2020 | 3% Cap Working Group | Feedback on usefulness of the 3% operating cap |
| June 2020 | NVTC WMATA Committee | Receive update on the 3% Cap Working Group |
| July 2020 | 3% Cap Working Group | Refer recommendations to NVTC WMATA Committee |
| Sept./Oct. 2020 | NVTC WMATA Committee | Review recommendations and refer report to the Commission |
| Nov. 5, 2020 | NVTC Commission | Approve report |

Discussion

- Is this the right approach regarding working group members, timeline and process?

Questions and Comments from the Committee?

Agenda Item #4: COVID-19/CARES Act Update

- Opportunity for updates from the Virginia members of the WMATA Board

Agenda Item #5: Other Items of Jurisdictional Importance

- Are any items any of the Committee wishes to bring for discussion?

Next Steps

- May 7 Commission Meeting
 - Updates from VA WMATA Board Members on recent Board actions on the CARES Act.
 - NVTC Chair Cristol will brief the Commission on the scope and next steps to form a working group on Virginia's 3% cap on WMATA.
 - NVTC WMATA Committee Chair will brief the Commission on the Annual Report on the Performance and Condition of WMATA.
- June Committee Meeting: Staff are working to schedule