



**NVTC WMATA COMMITTEE MEETING  
THURSDAY, OCTOBER 21, 2021  
MAIN FLOOR CONFERENCE ROOM  
2300 Wilson Blvd., Arlington, VA 22201  
Public Streaming Via YouTube  
6:00 p.m.**

***NVTC has returned to in-person meetings. NVTC will continue with its current safety protocols until further notice. We ask that all attendees wear a face mask that must cover both the nose and mouth. Commissioners are asked to wear a mask when not speaking or actively eating. NVTC encourages non-participating staff and the public to continue to watch the meeting via the [NVTC YouTube Link](#).***

**AGENDA**

1. Review of the September 16, 2021 NVTC WMATA Committee Meeting Summary
2. Briefing from WMATA on the Blue/Orange/Silver Capacity & Reliability Study
3. Update on the 2021 Annual Report on the Performance and Condition of WMATA
4. Discussion on WMATA Fare Policy and Structure

**WMATA Committee Members**

Canek Aguirre, Chair  
Walter Alcorn  
Matt de Ferranti  
Matt Letourneau  
David Meyer  
Paul Smedberg  
David Snyder

**MEETING SUMMARY  
NVTC WMATA COMMITTEE  
NVTC Conference Room, Suite #230 – Arlington, Virginia  
Public Streaming via YouTube  
September 16, 2021**

**NVTC WMATA Committee Members Present**

Canek Aguirre, Chair  
Walter Alcorn  
Matt de Ferranti  
David Meyer  
Paul Smedberg  
David Snyder

**NVTC Commissioners Present via Electronic Participation:**

Matt Letourneau

**Staff and Others Present**

Kate Mattice, Executive Director  
Matthew Friedman  
Sophie Spiliotopoulos  
Ronnetta Zack-Williams  
Tenley O'Hara

**Staff and Others Present via Electronic Participation:**

Andrew D'huyvetter  
Greg Potts

Chair Aguirre called the WMATA Committee meeting to order at 6:06 p.m. He explained that the committee is back to in-person meetings with a few modifications due to the rise of the Delta variant. Chair Aguirre reviewed the procedures and instructions for electronic meetings based on the updated NVTC Electronic Participation Policy. He noted that Mr. Letourneau was participating electronically due to a medical reason. Chair Aguirre asked for any changes to the May 20, 2021 WMATA Committee meeting summary. Committee members accepted the summary of the May 20, 2021 meeting with no changes.

**Update on the 2021 Annual Report on the Performance and Condition of WMATA**

Chair Aguirre reminded the committee of the 2018 dedicated funding legislation and the legislative requirement to produce an annual report on the state of WMATA. Mr. D'huyvetter provided a brief overview on the status and structure of the annual report. He reviewed the strategies chapter of the report, which provides NVTC recommendations to WMATA on

strategies to reduce the growth in operating costs and improve operational efficiency. These strategies are included into four main categories:

- Rebuild Metrorail & Metrobus Ridership
- Improve the Operational Efficiency of Metrorail & Metrobus
- Increase Non-Fare Revenues
- Control Cost Escalation and Enhance the Efficiency of the Workforce and Contracted Services

Mr. D’huyvetter explained that these strategies have been carried over and consolidated from last year’s report. Mr. D’huyvetter noted that at the last meeting there was a large discussion around the *Rebuild Metrorail & Metrobus Ridership* strategy, and themes from that discussion have been added to the report. Furthermore, he noted that this report has been streamlined from previous years to be more digestible for the audience and the recommendations for each strategy is accompanied by major recent accomplishments at WMATA.

Mr. Smedberg asked about the placement of *Explore and evaluate opportunities to improve bus efficiency through zero or low emission technologies* recommendation being listed as part of the *Improve the Operational Efficiency of Metrorail and Metrobus* strategy. Mr. D’huyvetter noted although there are capital costs associated with zero and low-emission technologies, this intention was to stay current as this topic has received great attention. Mr. Smedberg agrees on the importance of the topic, but questions if this may be premature. Mr. Letourneau stated that the capital costs for zero and low-emission buses are enormous and while there are benefits to zero/low-emission buses, reducing costs and improving efficiency may not be one of them at this time. Mr. Snyder noted that this topic should be listed in the report, and Mr. D’huyvetter proposed it can be appropriately consolidated into the *Pursue Capital Investments that increase the reliability and efficiency of the system* recommendation. Mr. Alcorn agreed and encouraged the addition of text regarding energy and maintenance costs.

Mr. D’huyvetter informed the committee that a draft of the strategies chapter will be available for review at the next committee meeting on October 21 and the final report is due to the Governor and General Assembly on December 15.

#### WMATA Fare Discussion Policy

Mr. D’huyvetter began the discussion with the WMATA Board’s desire to update fare policy and structure based on the current conditions due to the pandemic. Mr. D’huyvetter gave a review of the current fare policy and potential fare structure concepts offered by WMATA staff.

Mr. Letourneau noted that the WMATA Finance and Capital Committee will have an upcoming discussion on fare policy, and that as fare concepts are explored it is important to remember the revenue situation at WMATA will eventually be at a point when the federal aid will run out. Given current patterns of a dramatically reduced peak hour ridership, Mr. Smedberg revisited the relevance of fare policy around the old AM/PM rush. Chair Aguirre asked if any companies are tracking all the business and new potential return to the office schedules and Mr. Smedberg

noted that he and WMATA staff are in constant contact with major regional employers and related groups. Mr. Smedberg also noted that previous return to the office plans have been consistently pushed back.

Mr. Meyer, Mr. Letourneau and Mr. Smedberg discussed the relationship and tradeoffs between fares, ridership, service and revenue. Mr. Letourneau noted that service is a bigger driver of ridership than fares, and Mr. Smedberg noted the concern of riders over safety during the pandemic. Mr. Alcorn noted that the return of ridership and fare revenue will be a gradual multi-year process and that the financial sustainability of the system is of the utmost importance. Mr. Smedberg highlighted that old financial model of a reliance on peak hour fares is obsolete. Mr. Alcorn agreed with this observation and encouraged the committee to think about what new financial and revenue models could look like. He advocated for fare policies that targeted subsidized passes or discounts at specific groups through jurisdictionally funded fare subsidy agreements and asked for WMATA staff to provide the Board with further information on where fare reductions might lead to both ridership and revenue gains overall.

Mr. Meyer noted that the delay in returning to the office has resulted in a high loss in SmartBenefits revenue for Metro. Mr. Snyder asked how long WMATA can utilize federal aid to offset declines in fare revenue. Mr. Letourneau replied that federal aid would be exhausted sometime in Calendar Year 2023 or Fiscal Year 2024 and that additional information from WMATA would be forthcoming.

Mr. de Ferranti asked if the infrastructure proposal has any capital relief, to which Ms. Mattice responded that it contains a great deal of capital funding for the region but that it does not contain any operating funding for a large system like WMATA. She explained the role of federal transit benefits and the federal workforce in providing operating fare revenue.

Chair Aguirre brought the discussion back to recommendations for fare policy changes. Mr. Smedberg and Mr. Letourneau suggested engaging the committee again after the WMATA Board receives more information on fare concepts and adopts fare policy principles.

#### WMATA's Blue/Orange/Silver Reliability & Capacity Study

Chair Aguirre introduced the Blue/Orange/Silver Reliability & Capacity (BOS) study. Mr. Letourneau noted that several scenarios have been presented in this study, which started as a need to address capacity constraints at the Rosslyn tunnel. He expressed concerns about the scenarios proposed in the study given current conditions and the potential price tag of these projects. Mr. Smedberg noted that this study is still in the beginning stages and a final decision has not been made. Mr. Alcorn stated that he would like to see this study take into consideration population and employment growth in the region, as the price tags for these scenarios are large. Ms. Mattice noted that WMATA staff were invited to attend the next meeting to brief the committee and discuss the BOS study in further detail.

### Other NVTC Program Updates

Ms. Mattice provided updates on other NVTC programs including a regional marketing campaign for transit, zero emission bus activities, legislative agenda development and the three percent cap working group efforts from the summer.

The meeting adjourned at 7:35 p.m.

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# Blue/Orange/Silver Corridor Capacity & Reliability Study

Progress Update

Northern Virginia Transportation  
Commission

October 21, 2021



# Agenda

- Blue/Orange/Silver Corridor Capacity and Reliability Study (BOS Study) update
- Study purpose
- BOS corridor transit challenges
- Identifying range of alternatives
- Descriptions of current alternatives
- Next steps



BOS Study Area



# Study purpose

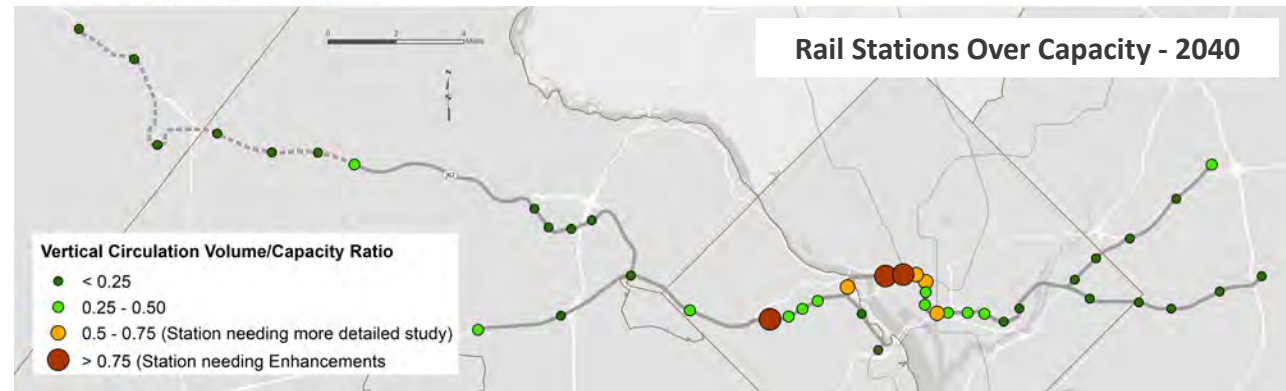
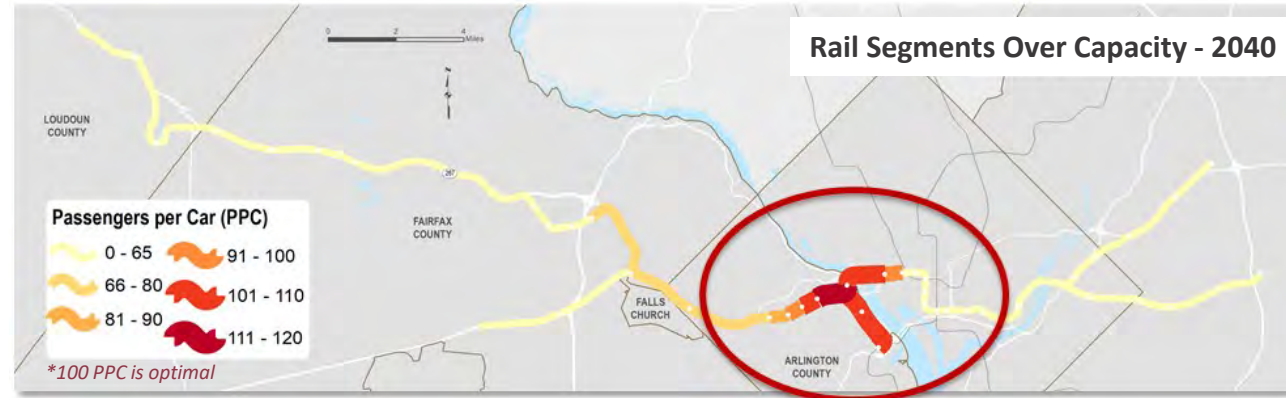
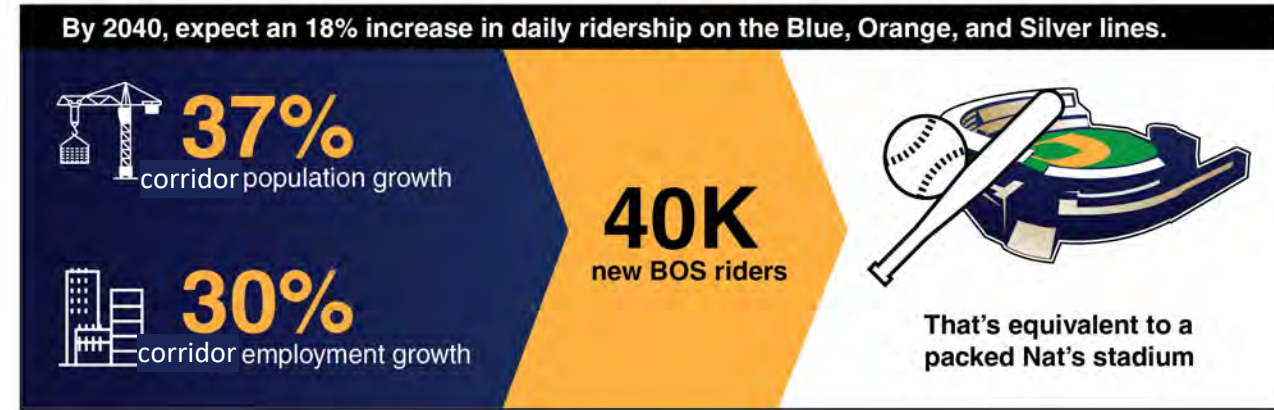
- Launched early 2019 to identify best and most cost-effective solutions to address:
  - Ridership
  - Capacity
  - Service
  - Reliability needs
- Identifies range of options to address corridor-wide concerns
- Study now ready for additional public engagement and input





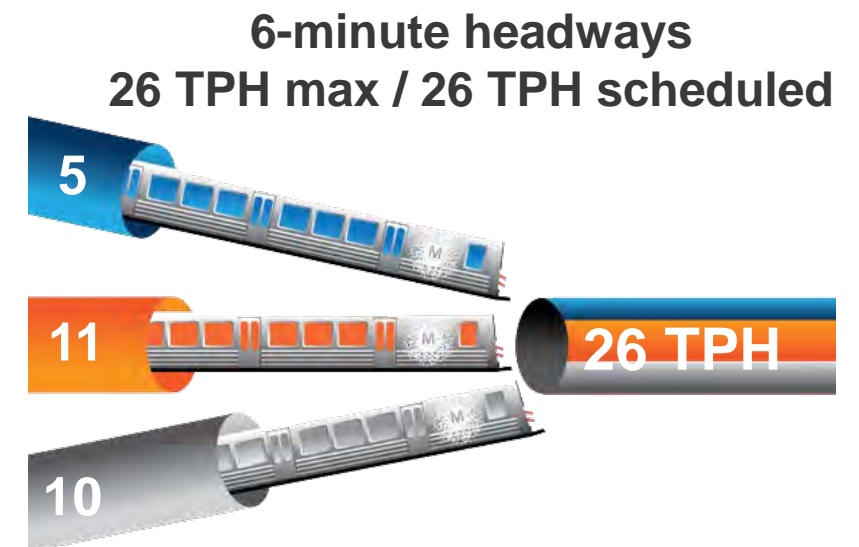
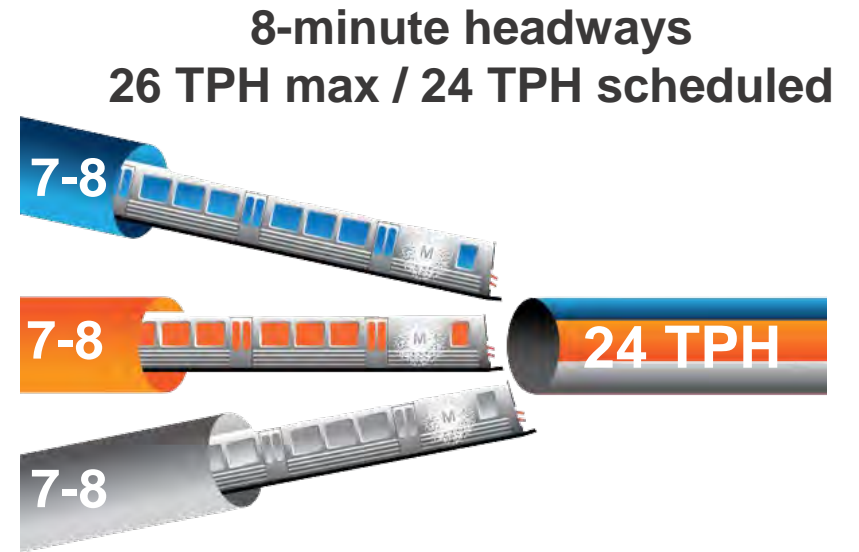
### Growth in jobs and households likely to increase crowding in trains and stations

- BOS lines experienced unsafe peak crowding for years before COVID
- Jurisdictions project substantial growth in the BOS corridor by 2040
- Models indicate that growth will increase the severity, duration, and locations of crowding

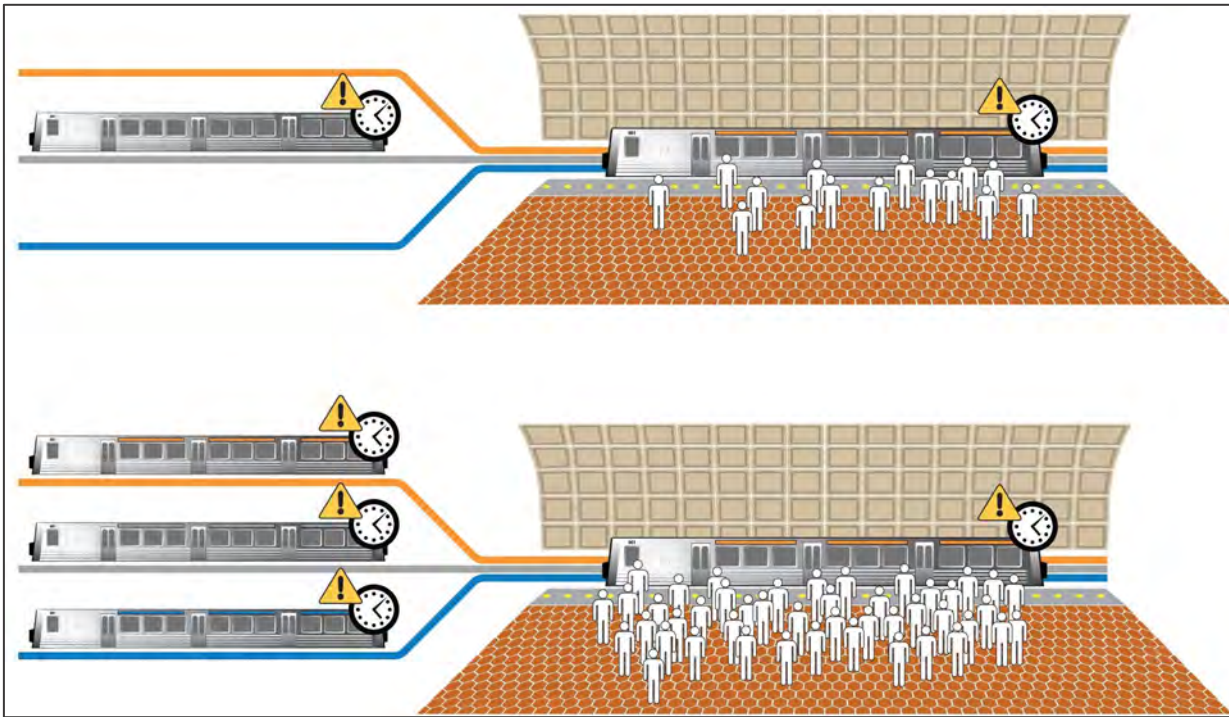


## But the existing system can't meet that demand

- Metro can run 26 trains per hour (TPH) per track
- Increasing frequencies from 8 to 6 minutes on two lines would require reducing service on the other
  - Example: Under the previous 6-minute schedule, the BL Line ran every 12 minutes (5 TPH)
- Metro cannot improve headways *and* meet ridership demand on all three lines
- 8-car trains will help but not solve the problem



Interlining\* creates (and compounds) the effects of delays and crowding



*\*Interlining: Operating more than one rail line along the same set of tracks.*

And Metro needs infrastructure to reduce the geographic extent and impacts of construction/disruption

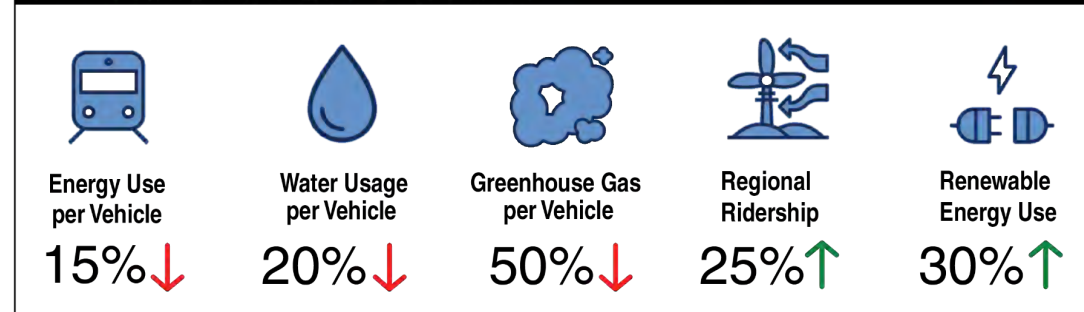




Metro also needs to explore strategies for long-term environmental and economic sustainability, such as:

- Attaining Metro's sustainability goals
- Increasing farebox recovery ratio
- Encouraging shift from cars to transit
- Supporting transit-oriented development
- Expanding access to high-capacity transit and economic opportunities, particularly in equity areas

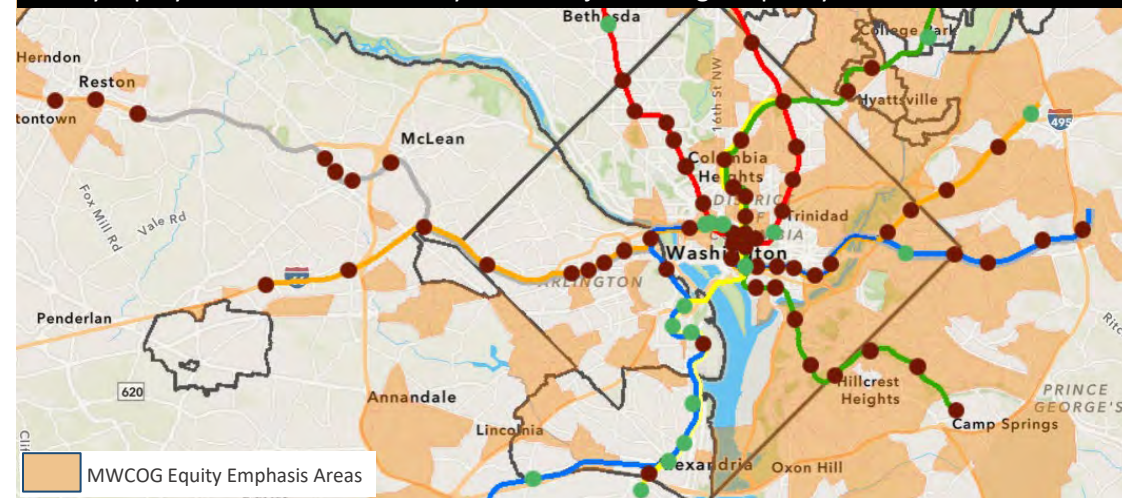
### WMATA 2025 SUSTAINABILITY TARGETS



### It costs Metro more per person to operate emptier trains



### Many equity areas do not have easy access to jobs or high-capacity transit





# Solution needs to further four goals



**Goal 1:**  
**Provide Sufficient Capacity to Serve Ridership Demand**



**Goal 2:**  
**Improve Reliability & On-Time Performance**



**Goal 3:**  
**Improve Operational Flexibility & Cost-Efficiency**

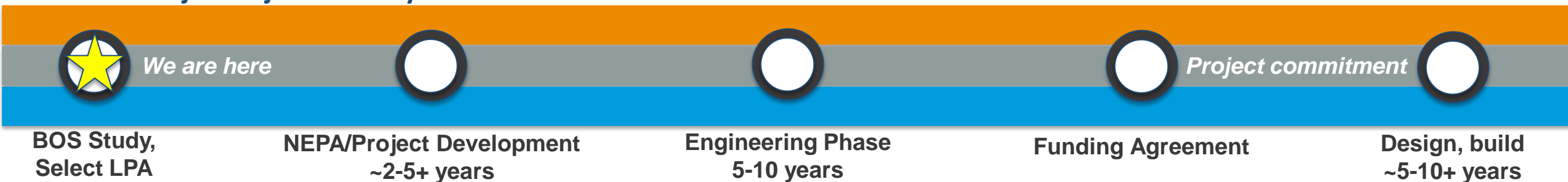


**Goal 4:**  
**Support Sustainable Development & Expand Access to Opportunity**

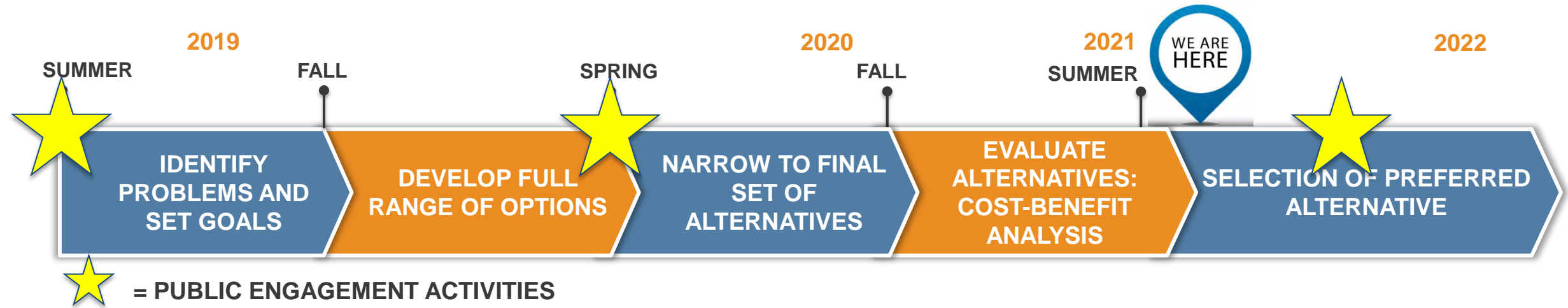
# Study aligns with federal project planning requirements

- Major capital projects can take 20+ years to deliver (e.g., Silver Line expansion)
- Following federal requirements to be eligible for Federal funding
- No commitment to build until funding agreement

## Illustrative Major Project Delivery Timeline



# Study process

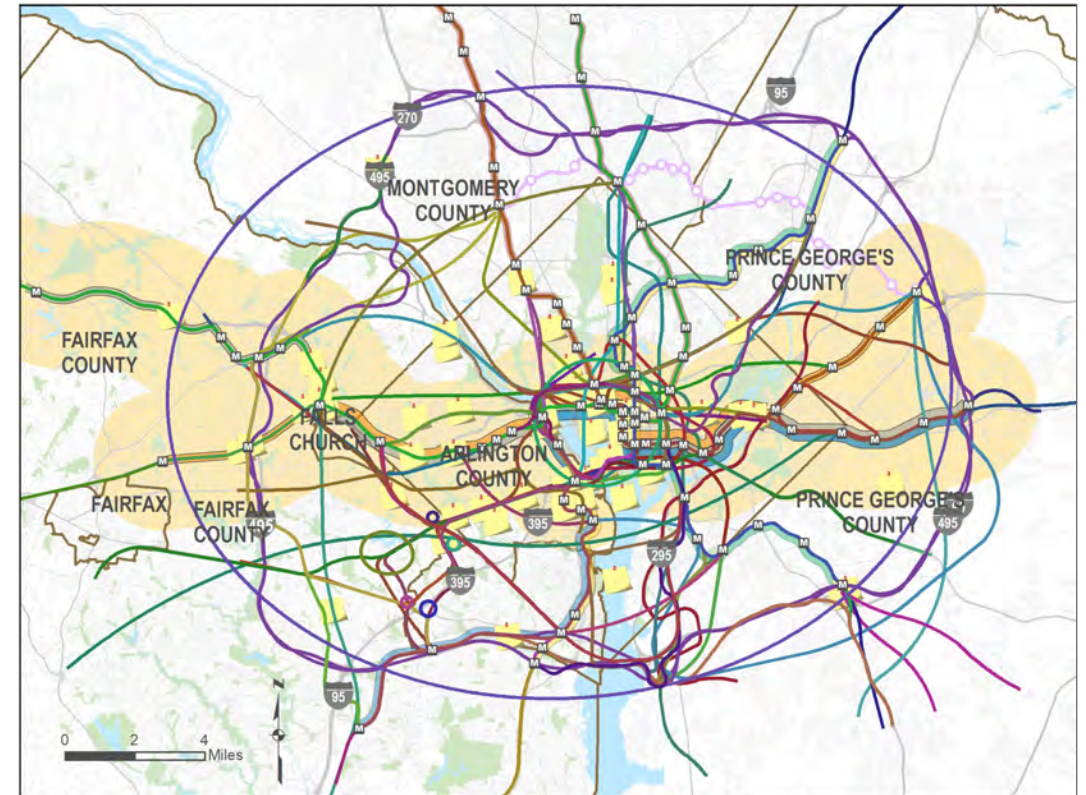


- Process based on Federal guidelines for NEPA alternatives analysis
- Continued engagement with customers, public, stakeholders, and elected officials

# Public & stakeholder input to date

- Six meetings each:
  - Metro leadership and technical advisory committees
  - Jurisdictional leadership and technical advisory committees
- Two meetings of corridor elected officials
- Workshop for community-based organizations
- 13 pop-up events at Metro stations
- 4 public open houses
- 2,000+ online surveys
- 275 project “concepts” submitted
- Project website and email

## Over 275 Ideas Submitted

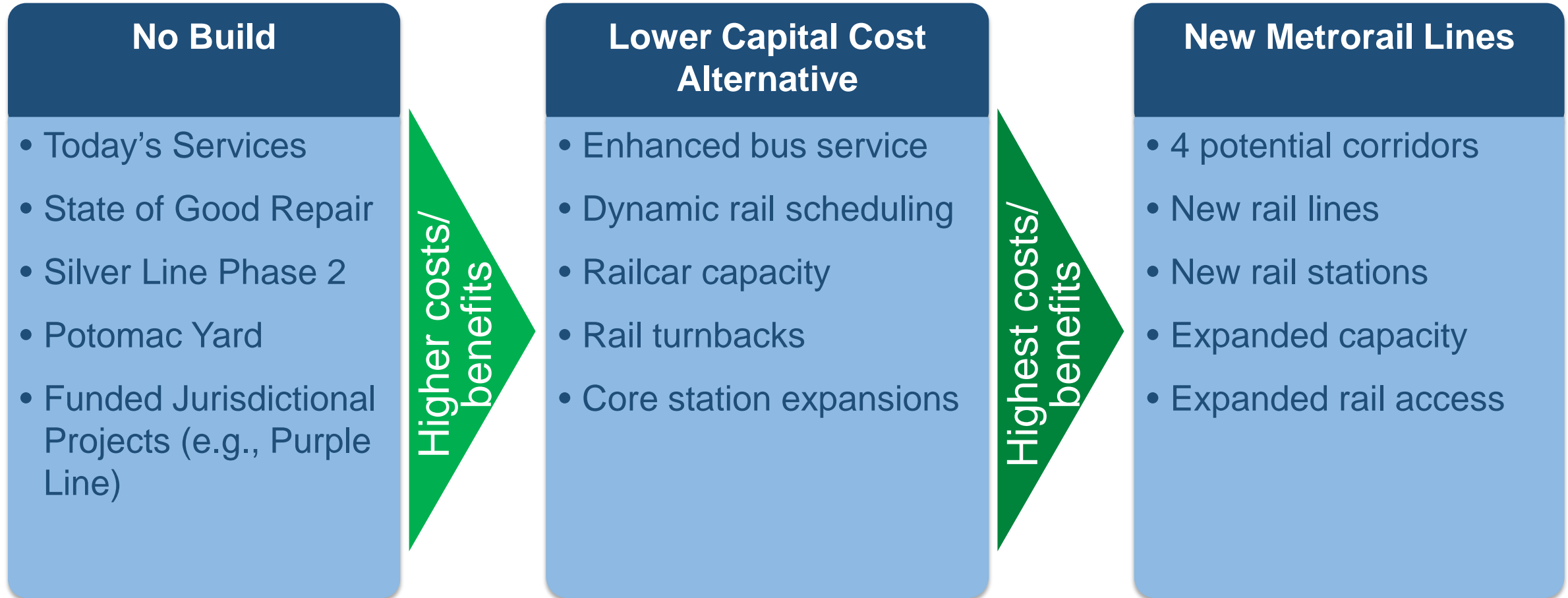




# Identifying the Locally-Preferred Alternative

- **Six preliminary alternatives developed:**
  - Solution may be one of the six alternatives shown, or a combination of components from different alternatives
  - Recommendation to be made following public participation process and engagement with stakeholders and elected officials
  - **Presentation is not an LPA recommendation**

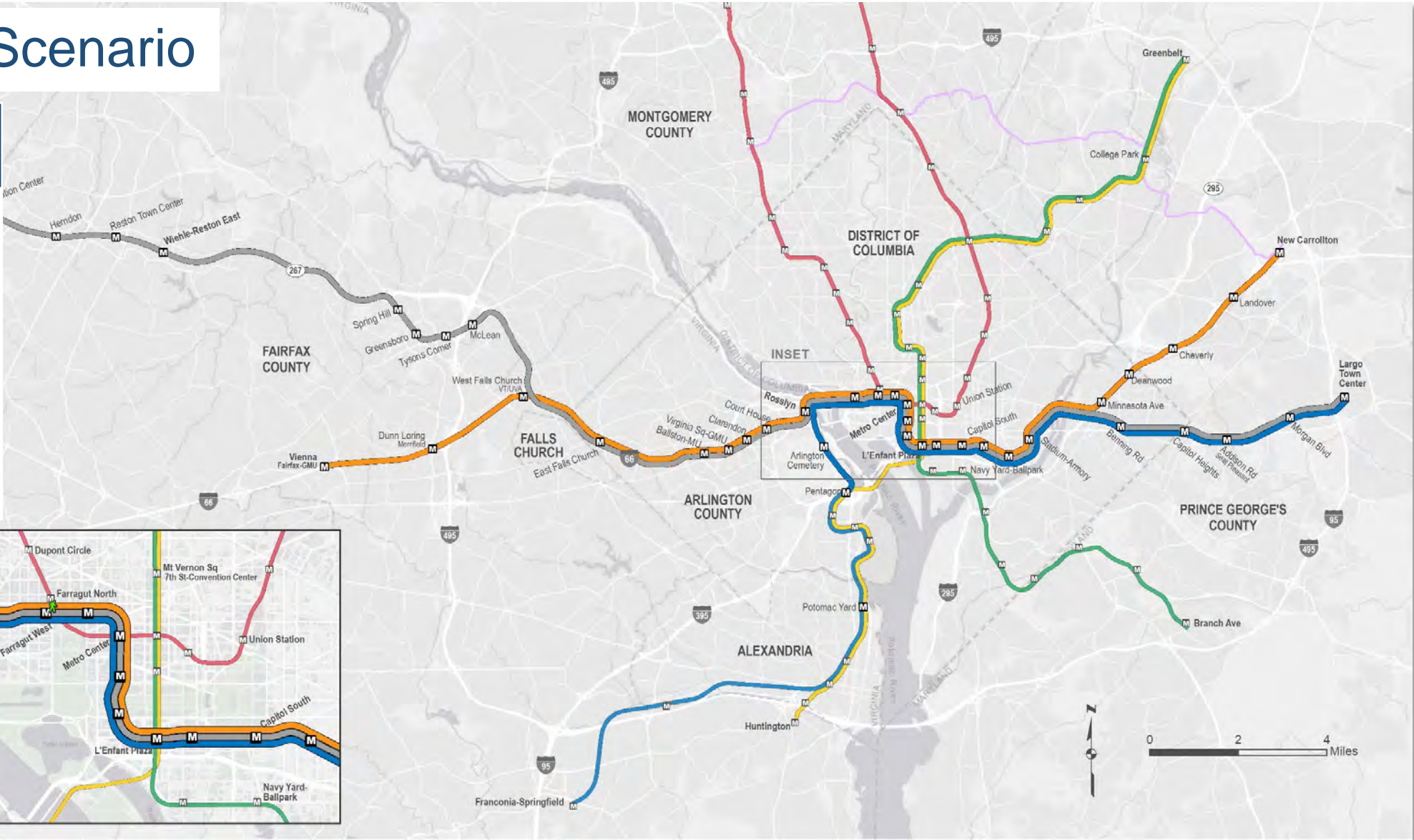
# Range of current alternatives



# No-Build Scenario

## Peak Service Plan 2040

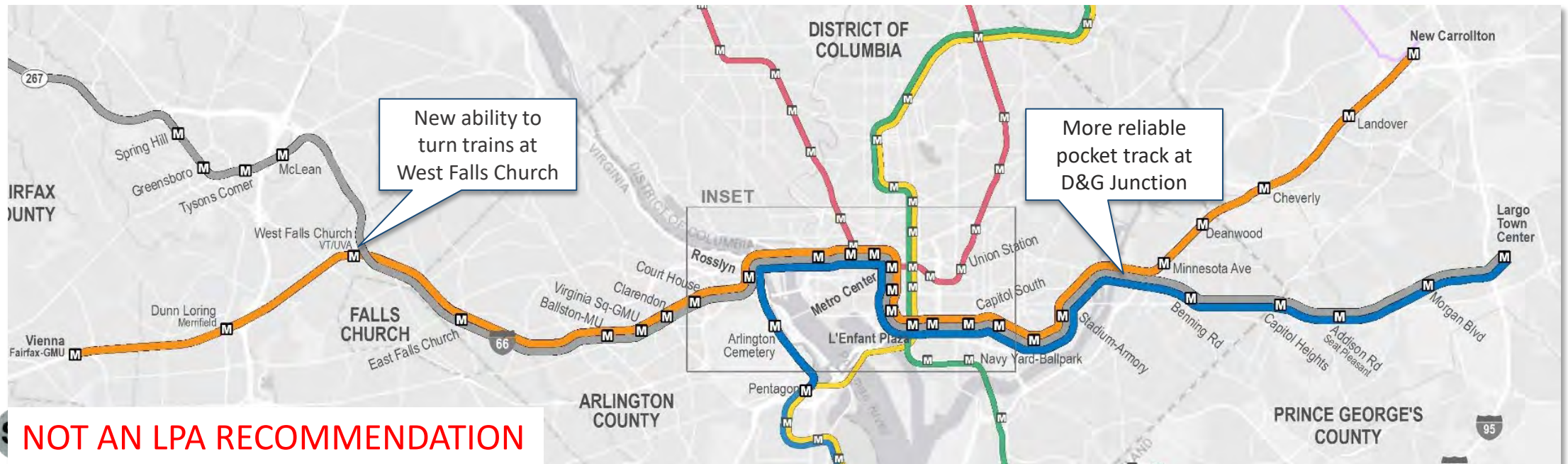
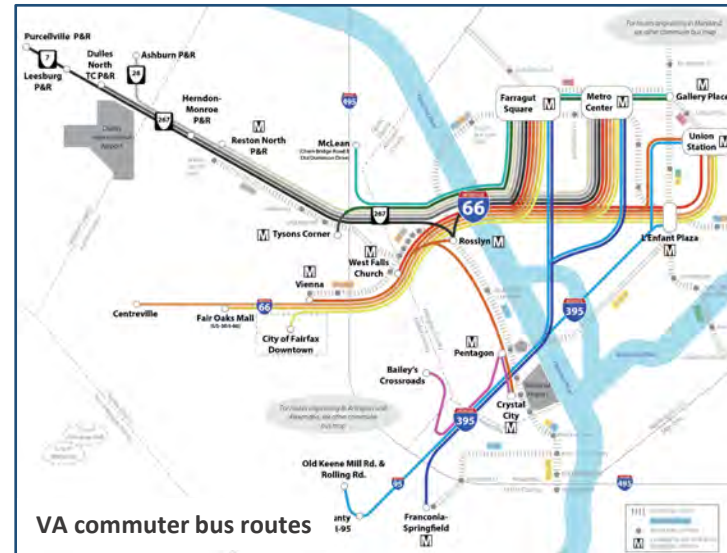
- OR 6 minutes
- BL 12 minutes
- SV 6 minutes
- GR 6 minutes
- YL 6 minutes
- RD 3 minutes





## Lower Capital Cost Alternative

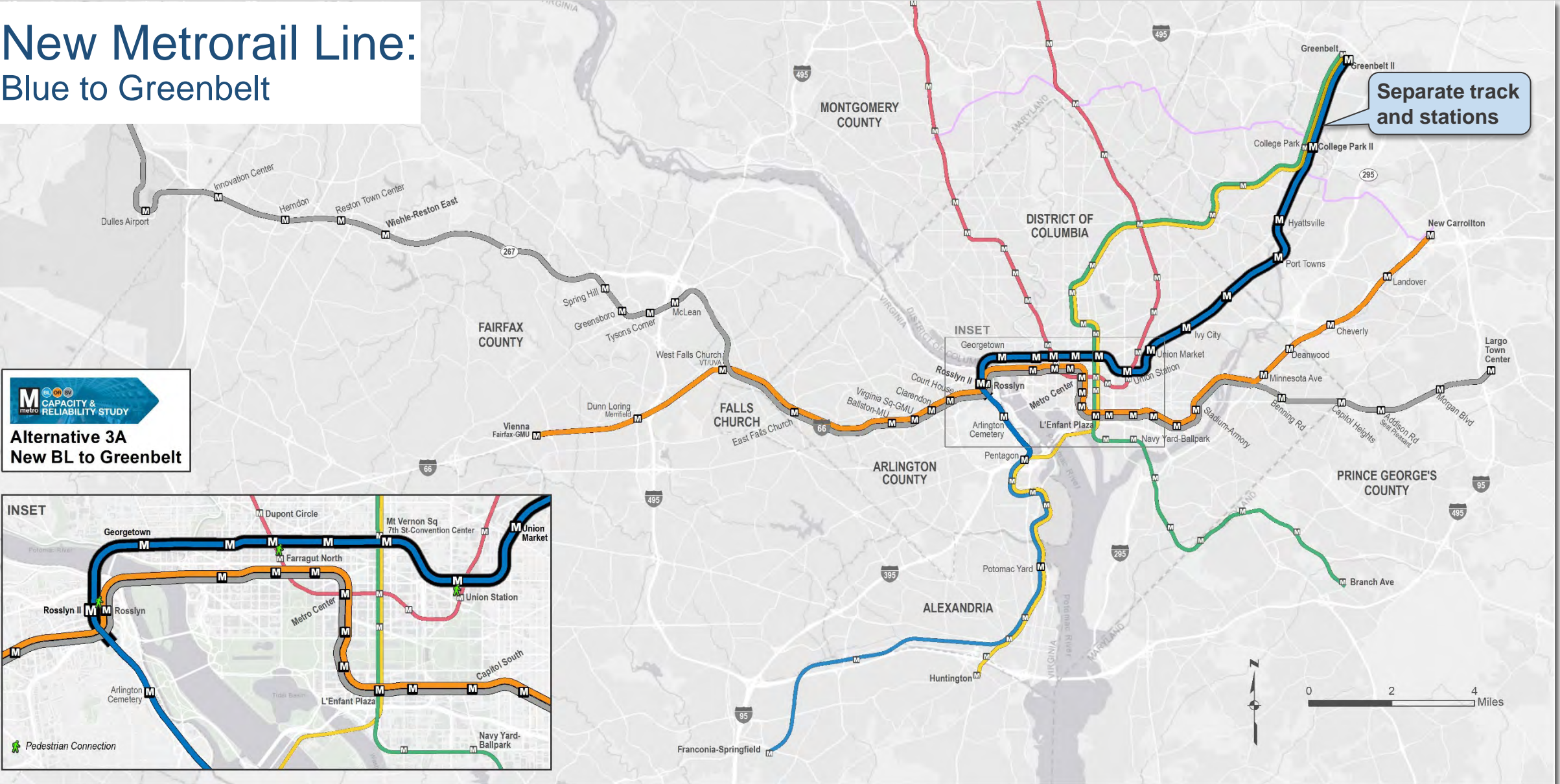
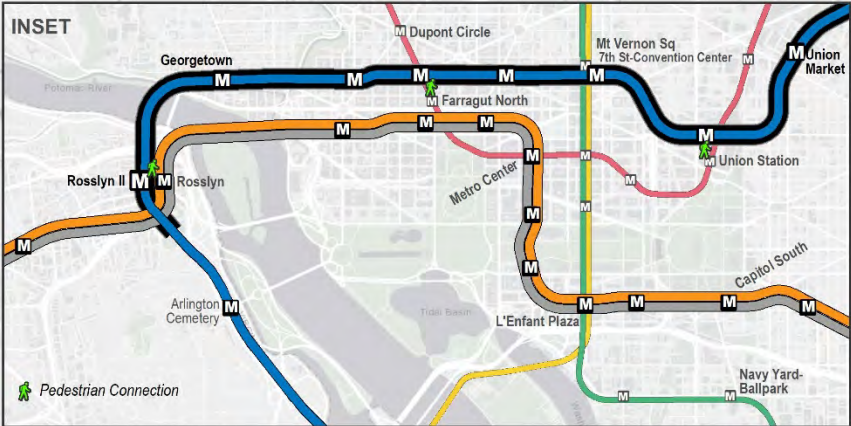
- Enhanced bus service (6 BRT + 54 commuter routes)
- Dynamic rail scheduling
- Railcar capacity
- Rail turnbacks
- Core station capacity improvements





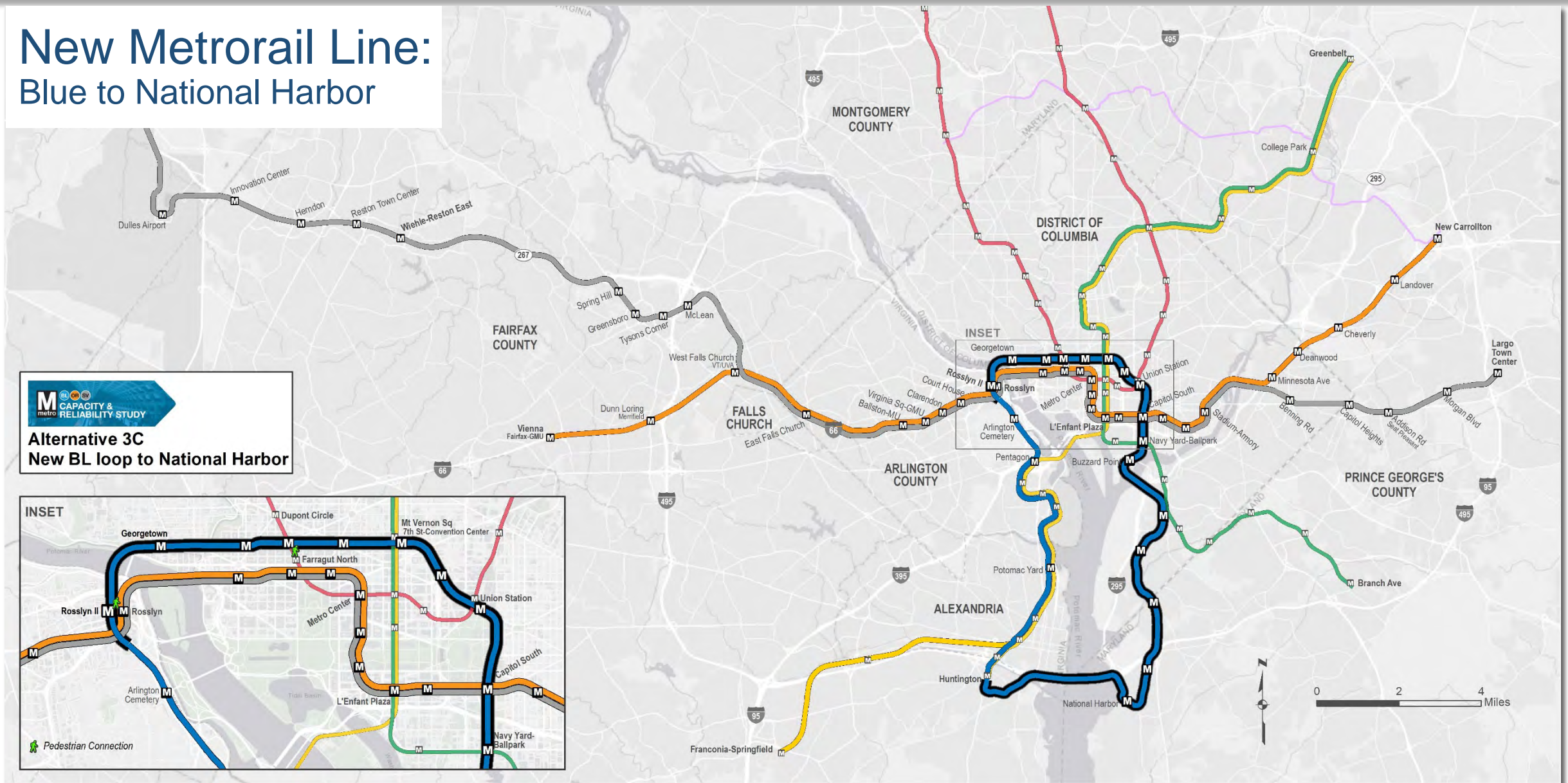
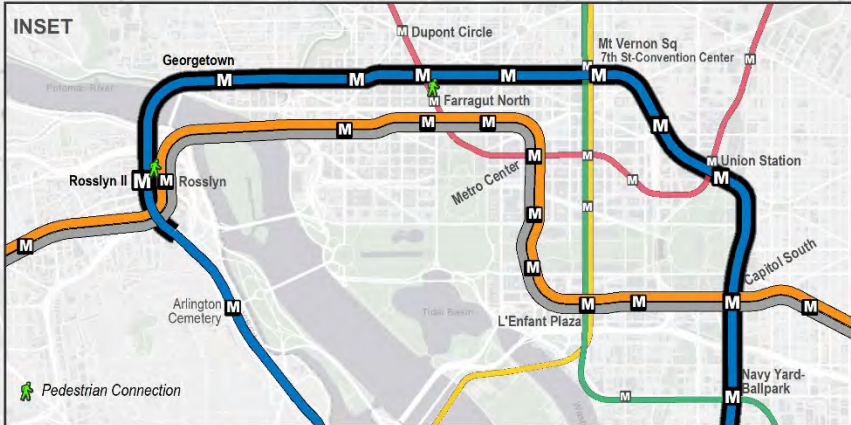
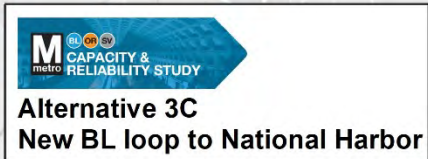
# New Metrorail Line: Blue to Greenbelt

**Alternative 3A**  
New BL to Greenbelt





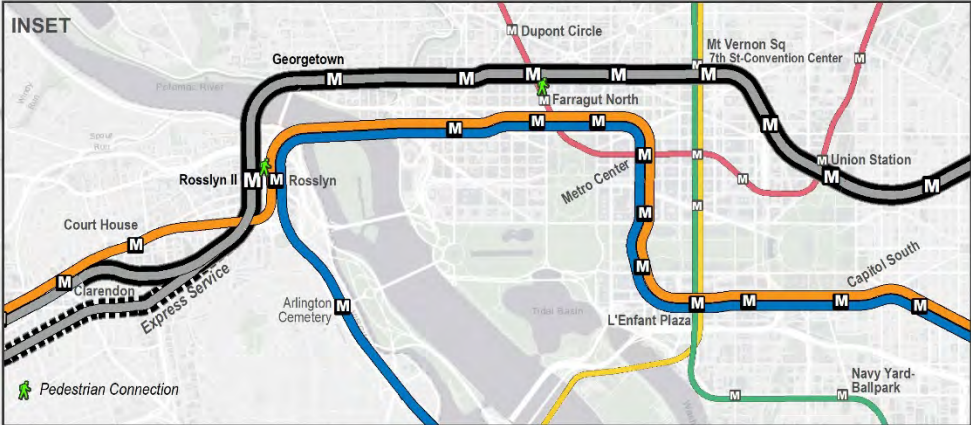
# New Metrorail Line: Blue to National Harbor





# New Metrorail Line: Silver Express in VA

**Alternative 5A**  
New SV Express to Greenbelt

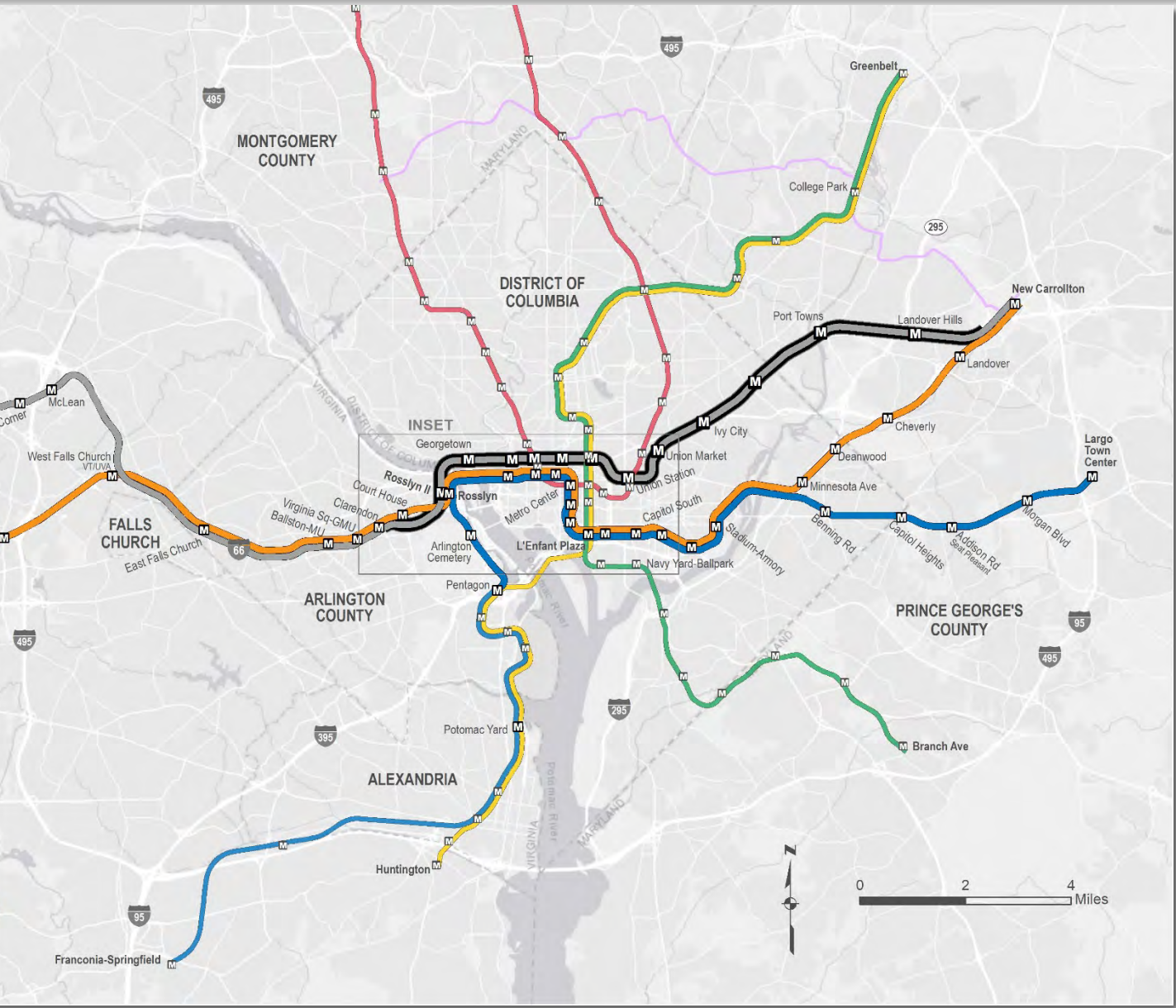
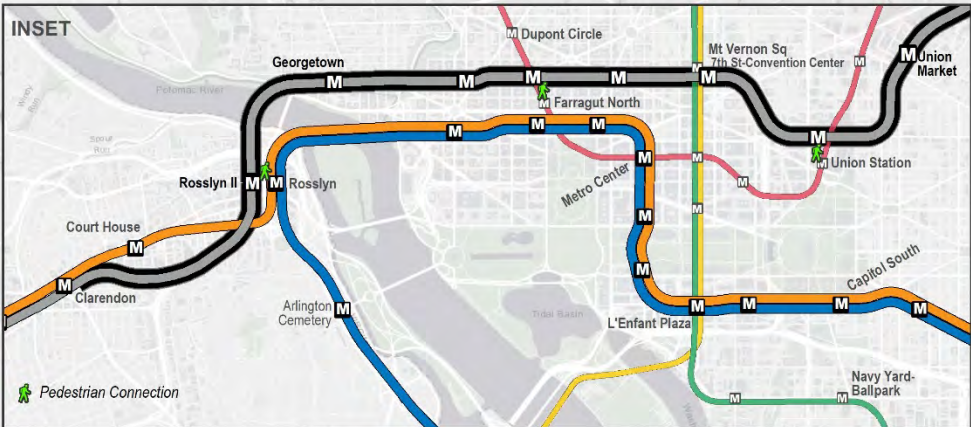


Separate SV  
express and local

Separate track  
and stations

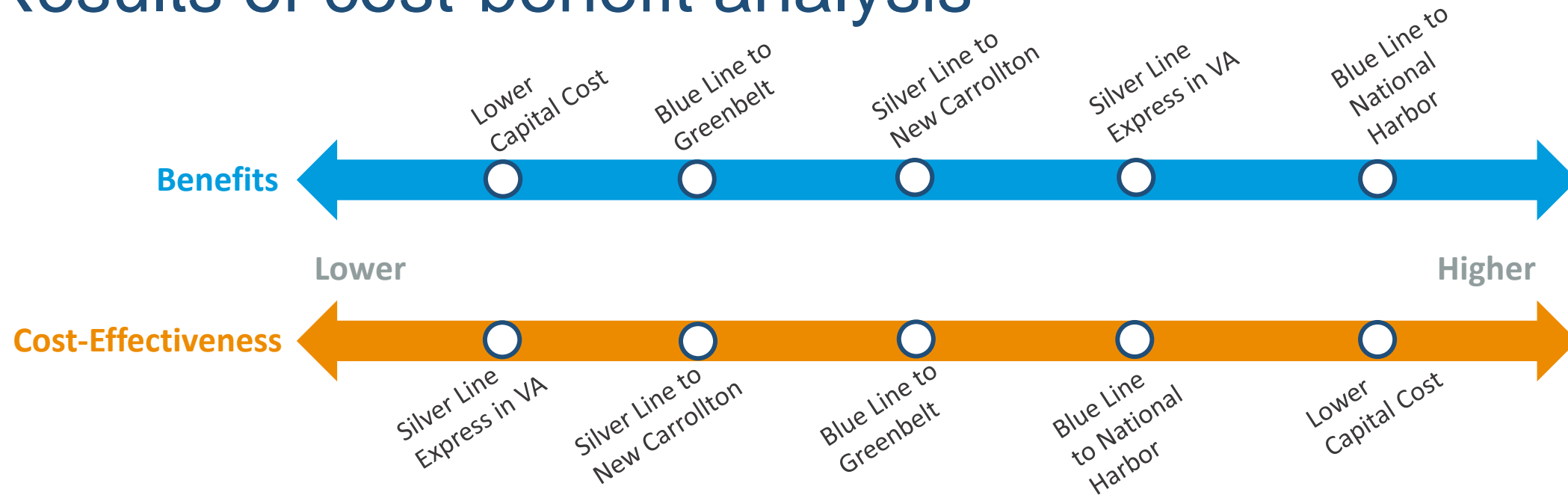


# New Metrorail Line: Silver to New Carrollton



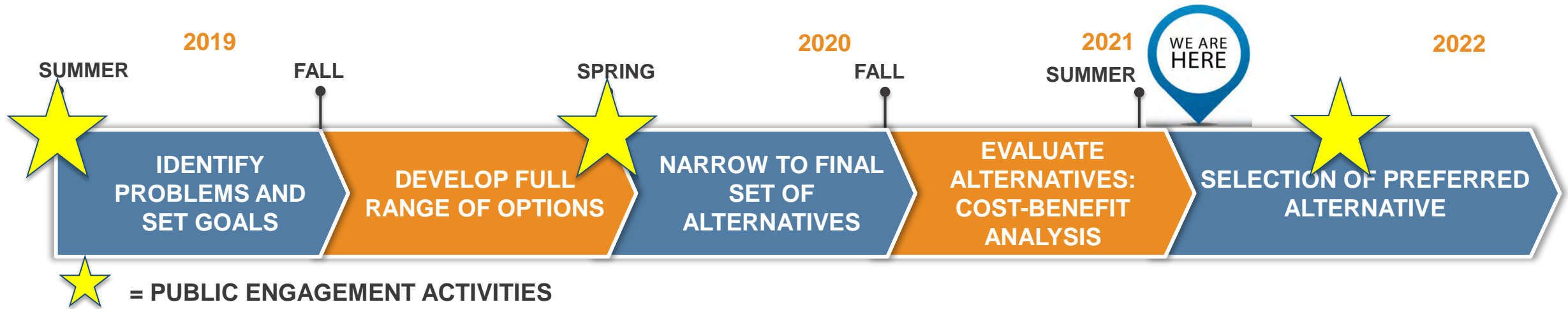


# Results of cost-benefit analysis



Selected Metrics				
Alternative	New weekday trips	New annual fare revenue (\$M)	Capital cost (\$B)	Annual O&M cost (\$M)
Blue Line to Natl. Harbor	180K	\$154.2	\$20-25	\$175-200
Silver Line Express in VA	139K	\$119.4	\$20-25	\$150-175
Silver Line to New Carrollton	94K	\$80.4	\$15-20	\$100-125
Blue Line to Greenbelt	92K	\$79.1	\$15-20	\$100-125
Lower Capital Cost	16K	\$33.9	\$0-5	\$75-100

# Next steps



- Briefings to elected officials and boards – Fall 2021 (tentative)
- Third round of public engagement – Fall 2021 (tentative)
- Board selection of LPA – 2022 (tentative)

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

State code requires NVTC to recommend potential strategies to WMATA to reduce the growth in operating costs and improve operational efficiency. This annual report updates the previous year's recommendations in light of the ever-evolving COVID-19 pandemic and WMATA's response and recovery. The COVID-19 pandemic has dramatically lowered WMATA's ridership on bus and rail, causing significant declines in farebox revenues. This revenue decline has been offset by COVID-19 related federal aid and has allowed WMATA to restore services and avoid layoffs. The exact long-term impacts of the pandemic on ridership and WMATA's farebox recovery – especially when federal aid is exhausted – is uncertain and poses significant challenges to WMATA's long-term financial sustainability.

In previous reports, the Commission made several policy and program recommendations that should help WMATA improve efficiency, increase ridership, and increase revenue. These recommendations are still relevant, and WMATA has taken several service and fare policy actions consistent with previous NVTC recommendations as part of their pandemic recovery efforts to rebuild ridership. This chapter describes NVTC's recommendations that would help to reduce the growth in operating costs and improve operational efficiency and highlights recent major accomplishments by WMATA in those areas.

### Strategy 1: Rebuild Metrorail & Metrobus Ridership

Rebuilding Metrorail and Metrobus ridership is critical to improving the efficiency of the system, controlling subsidy growth, and increasing farebox revenues. WMATA has actively pursued several initiatives to rebuild ridership that align with NVTC recommendations.

#### Recommended Strategies



***Leverage federal aid to prevent layoffs, sustain and improve service levels throughout a multi-year recovery period, and position WMATA for a sustainable long-term ridership and revenue recovery***

From the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA), and American Rescue Plan Act (ARPA) of 2021, WMATA has received over \$2.80 billion in federal aid for transit to help improve safety, sustain operations, and avoid layoffs. 349 million of the aid from all three aid bills was provided as a credit of non-federal funding to the jurisdictions to maintain local transit service. The latest aid bill, the American Rescue Plan Act, provided WMATA with the ability to sustain operations through FY 2023 with an uncertain outlook for FY 2024. This aid provides WMATA with the ability to improve service, navigate uncertainty, and sustain a multi-year recovery period that can help position WMATA for post pandemic recovery.



### ***Communicate and encourage a safe return to transit***

As the region enters a recovery period, WMATA should highlight and promote ongoing enhanced safety efforts and develop a long-term, post-pandemic marketing and communications strategy to help rebuild ridership. WMATA expects a gradual recovery and the long-term impacts of the pandemic on riders' perception of transit are unknown. Pre-pandemic (FY 2019), farebox recovery for rail was 51.5%. Bringing back and retaining riders who did not ride during the pandemic is critical to rebuilding ridership and fare revenue.



### ***Implement fare and parking policy changes that improve revenue and ridership, remove barriers to access, and retain newly returning riders***

The post pandemic recovery period offers an opportunity to revisit WMATA's fare and parking fee structure and offer pass products and other fare policy changes that improve revenue and ridership, remove barriers to access, and retain newly returning riders. With less riders due to the pandemic, WMATA should consider reducing parking rates at underutilized parking facilities. Fare pass products generally increase both encourage ridership with the potential to increase and revenue, so changes to passes should be considered to drive and retain riders and appeal to unmet market demand in a post-pandemic environment.



### ***Better balance the weekend customer experience with service disruptions for weekend track work***

Preventative maintenance and capital project work during operating hours on Metrorail are often accompanied by service disruptions and increased wait times for trains or additional transfers, all of which have a negative impact on service and weekend ridership. WMATA should improve weekend rail service by developing customer-focused service standards and operating procedures for planned weekend track service disruptions to minimize the impacts on riders.



### ***Develop the next generation of fare collection technology and support strategic fare collection initiatives***

WMATA's fare collection systems have aged beyond their lifespan and are being replaced and modernized. Modern and reliable fare collection technology provides new methods for customers to pay fares, improves convenience and reliability, and decreases repair costs. NVTC supports fare collection modernization efforts and coordination with WMATA through the Northern Virginia Fare Collection Strategic Plan.





***Pursue partnerships with the business community and other stakeholders to provide easier access to transit for employees and visitors***

Employers, universities, and other businesses offer opportunities to drive ridership by providing fare media and other fare products to students, visitors, and employees. WMATA offers unlimited Metrobus and Metrorail rides to full time college students through the University Pass program. WMATA has also entered into discounted fare agreements with several jurisdictions, including Fairfax County, where eligible students can ride Metrobus for free with the costs reimbursed by the sponsoring jurisdiction. WMATA should continue to pursue partnerships with the business community and other stakeholders.



***Implement efforts on bus and rail to decrease fare evasion***

WMATA estimates that, pre-pandemic, fare evasion on bus and rail cost the agency approximately \$40 million on an annual basis. Each state or local government, not WMATA, makes the applicable laws surrounding fare evasion within their respective jurisdictions. WMATA has taken several steps to better measure fare evasion and is working to install electronic gate sensors and other technology to provide better data on occurrences. WMATA should work with local jurisdictions to decrease fare evasion on rail and bus.

## **Major Recent Accomplishments**

### *Metrorail and Metrobus provide all day frequent service*

In anticipation of new travel patterns as the region reopens, WMATA provided increased off-peak Metrorail service on weekdays starting in September 2021. During off-peak hours, trains will operate every 6 minutes on the Red Line and every 12 minutes on all other lines. During peak hours trains will operate every 5 minutes on the Red Line and every 10 minutes on all other lines. In addition, 20 Metrobus lines will operate every 12 minutes or better and 16 bus lines will operate every 20 minutes or better, for most of the day all week.

Recommendation: Leverage federal aid to prevent layoffs, sustain and improve service levels throughout a multi-year recovery period, and position WMATA for a sustainable long-term ridership and revenue recovery

### *Post-pandemic marketing campaign*

In August 2021, WMATA debuted a marketing campaign, "Doing our part," to advertise its COVID safety precautions and assure the public and business community that Metrorail and Metrobus are safe and ready for riders as the region reopens.

Recommendation: Communicate and encourage a safe return to transit.

### *Mobile fare payment launched for Apple and Android*

In 2020 and 2021, WMATA launched a mobile app allowing both Apple and Android users to pay their fares with their phone. Mobile fare payments are now accepted anywhere SmarTrip is used, including on all regional bus providers.

Recommendation: Develop the next generation of fare collection technology and advance strategic fare collection initiatives

### *WMATA partners with Capital Bikeshare*

In August 2021, WMATA announced a partnership with Capital Bikeshare, the DC region's bikeshare system, to offer free bike rides to eligible WMATA customers. By creating a mobile SmarTrip card and signing up for the offer through the end of the year, one can earn ten free bike rides.

Recommendation: Pursue partnerships to improve access to transit

### *WMATA installs new faregates at Metrorail stations*

In 2021, WMATA began the systemwide replacement of faregates at all 91 Metrorail stations. The old faregates were more than 25 years old and at the end of their life. The new, modern faregates make it quicker and easier to ride; are upgradable for future technology; and include enhanced safety features, larger displays, and faster processing.

Recommendation: Implement efforts on bus and rail to decrease fare evasion

### *WMATA implements free transfers between Metrobus and Metrorail*

In the fall of 2021, WMATA increased the discount provided to customers when they transfer to/from Metrobus and Metrorail - effectively providing free transfers between most Metrobus rides and Metrorail. The changes also included a free transfer between most trips taken on local buses to Metrorail. These changes help move the region towards a more seamless and efficient transit system by reducing the need to run bus service that is wholly redundant to Metrorail.

Recommendation: Implement Fare Policy changes that improve revenue and ridership, remove barriers to access, and retain newly returning riders

### *Better weekend rail service*

In June 2021, the WMATA Board approved improvements to weekend rail service. On weekends, the Blue, Orange, Green, Yellow, and Silver Line headways will be improved to 12 minutes (from 15) and Red Line headways will be improved to 6 minutes (from 12). These improvements will be implemented in FY 2022.

Recommendation: Utilize federal aid to prevent layoffs, sustain and improve service levels throughout a multi-year recovery period, and position WMATA for a sustainable long-term ridership and revenue recovery

## Strategy 2: Improve the Operational Efficiency of Metrorail and Metrobus

While rebuilding ridership improves farebox recovery and contributes to improving efficiency, several areas remain where WMATA can deliver service more efficiently. Some of these efforts are within WMATA's control, while many efforts – especially with Metrobus – require extensive coordination and support from local and state agencies. Improving operational efficiency yields costs savings for the agency and can also benefit customers. Since labor costs are approximately 70% of total operating costs, these recommendations focus on strategies that impact the non-labor portion of the operating budget (approximately 30%) to yield the most productivity and capacity out of existing service.

### Recommended Strategies



#### ***Adapt rail service to anticipate demand during the pandemic and subsequent recovery period***

With the rapid decline in ridership due to the pandemic and limited labor availability due to COVID safety measures, WMATA reduced the level of Metrorail service when compared to pre-pandemic levels. At different phases of recovery during the pandemic, services have been adjusted to reflect and anticipate demand and provide enough capacity for social distancing.



#### ***Pursue capital investments that increase the reliability and efficiency of the system***

Continuing state of good repair investments is critical to maintain system reliability, retain current riders, and attract new riders. WMATA is rebuilding and modernizing Metrorail and Metrobus facilities as it addresses state of good repair needs. This modernization includes opportunities to pursue energy efficiency strategies and reduce future maintenance costs. Projects like rail traction power upgrades and reconstruction of bus garages will enable WMATA to accommodate additional demand and improve operational efficiency. As the technology continues to evolve, WMATA should explore and evaluate opportunities to improve bus efficiency through low or zero emissions technology, monitoring energy consumption with smart meters, and the implementation of facility maintenance best practices.



### ***Leverage the expertise of local and regional partners to improve the efficiency of the bus network***

Increasing the speed and efficiency of Metrobus operations requires partnerships with local and regional partners. WMATA's Bus Priority Program plans and implements new initiatives and technologies to advance bus priority strategies in partnership with local jurisdictions. WMATA should continue to work with local and state partners to improve the efficiency of the bus network, implement bus priority projects, and explore pilot programs and other efforts to increase the reliability and speed of Metrobus operations.

## **Major Recent Accomplishments**

### *Railcar reliability at an all-time high*

Since the acquisition and deployment of the 7000-series railcars, railcar reliability has increased 239% percent between FY 2018 and FY 2021. This is the highest level of railcar reliability on record. In March 2021, WMATA selected Hitachi Rail to build the system's 8000-series railcars, which will replace the aging 2000 and 3000 series railcars which have been in service since the early 1980s.

*Recommendation: Pursue capital investments that increase the reliability of the system*

### *17 Metrorail station platforms rebuilt and refurbished*

WMATA has nearly completed its Platform Improvement Project, a major initiative to reconstruct 20 outdoor station platforms that were deteriorating and in need of major repair. Over the last three years, 12 station platforms have been reconstructed in Virginia and this year WMATA completed reconstruction at the Cheverly, Landover, and New Carrollton stations in Maryland.

*Recommendation: Pursue capital investments that increase the reliability of the system*

### *WMATA Board adopts updated Metrobus Service Guidelines*

In December 2020, the WMATA Board adopted new Metrobus Service Guidelines, which will provide the building blocks for service planning and budget decisions and include targets for productivity and efficiency. These service guidelines are the first update in over 20 years and will provide a framework for the pending Metrobus Network Redesign effort.

*Recommendation: Leverage the expertise of local and regional partners to improve the efficiency of the bus network*

### *Metrorail runs all eight-car train during the pandemic and recovery period*

As part of its pandemic response, WMATA ran all 8-car 7000 series trains between April and mid-August of 2020 to ensure service reliability and social distancing on railcars. The new rail service plan in FY 2022 adopted budget supports all 8-car train operations throughout the day.

*Recommendation: Adapt rail service to anticipate demand during the pandemic and subsequent recovery period*



## Strategy 3: Increase non-fare revenues

Non-fare revenues are those revenues derived by WMATA from sources other than fares, such as parking, joint development, advertising and other sources. Strategies to generate non-fare revenue leverage existing assets to help mitigate the challenges of having reduced ridership revenue. However, the pandemic has dramatically reduced both fare revenue and traditional sources of non-fare revenue. While this immediate revenue shortfall is outside of WMATA's control, strong non-fare revenue policies take time to yield results and will help with the post-pandemic recovery by providing additional resources to maintain service, diversify funding sources, and control subsidy growth.

### Recommended Strategies



#### ***Leverage value for assets WMATA owns by maximizing advertising revenues and optimizing parking revenues***

With 91 rail stations and nearly 60,000 parking spaces, WMATA has a large physical footprint across the region and actively leverages the value of these facilities through advertising revenues and parking revenues.



#### ***Pursue joint development opportunities on underutilized assets***

Joint development is a type of public-private partnership in which real estate developers co-locate private real estate near transit. WMATA has an active joint development program, completing more than 30 projects since 1975 that generate revenue and ridership for the system.



#### ***Pursue a real estate and sustainability strategy for WMATA facilities that generates operating efficiencies***

WMATA is pursuing other real estate investment strategies, including selling surplus property, to generate revenue and improve efficiencies. In 2018, the WMATA Board approved an office consolidation strategy to save on capital and operating expenses by strategically locating its facilities and reducing the number of office buildings it owns.

## Major Recent Accomplishments

### *Agreement signed for Joint Development project at West Falls Church*

In August 2021, WMATA signed an agreement to redevelop the West Falls Church Metro Station site to create a vibrant, mixed-use community with over one million square feet of office, retail, and residential space. The project is the result of a multi-year effort between WMATA, the development team, and Fairfax County. The development will generate long-term revenue through 99-year ground leases as well as additional fare revenue.

Recommendation: Pursue joint development opportunities on underutilized assets

### *WMATA to add solar panels at four Metrorail stations*

In 2020, WMATA reached an agreement to install solar paneled carports or canopies over surface lots and parking garages at the Anacostia, Cheverly, Naylor Road, and Southern Avenue Metrorail stations in Washington, DC and Maryland. The solar installation will generate power and provide annual payments to WMATA.

Recommendation: Pursue a real estate and sustainability strategy for WMATA facilities that generates operating efficiencies

### *WMATA approved a joint development for its headquarters site*

In 2020, the WMATA board approved a joint development for its existing headquarters building. WMATA will move office staff to three new buildings in Virginia, Washington DC, and Maryland and decrease the number of office buildings from ten to seven. The DC office building is anticipated to be completed in FY 2022 and the VA and MD office buildings in FY 2023. This strategy will result in an estimated \$130 million in savings over the next 20 years.

Recommendation: Pursue a real estate and sustainability strategy for WMATA facilities that generates operating efficiencies

## Strategy 4: Control Cost Escalation and Enhance Efficiency of the Workforce and Contracted Services

Implementing cost and work efficiencies is only part of the solution to controlling cost escalation in WMATA's operating subsidy growth. The 2019 "Keeping Metro Safe, Reliable and Affordable" strategic plan identified labor costs as nearly 70% of WMATA's total operating expenditures. As most employees at WMATA are covered by multi-year collective bargaining agreements, there are opportunities to control cost escalation in these negotiations. For strategies that are outside of WMATA's direct control, this report recommends that WMATA seek certain actions or conditions by external parties that would result in labor cost savings.

### Recommended Strategies



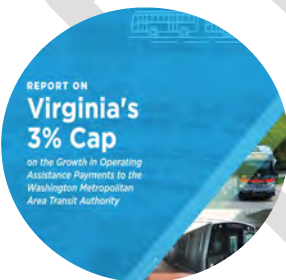
#### ***Adequately fund WMATA's Office of the Inspector General (OIG)***

The WMATA OIG is an independent office that conducts and supervises audits, program evaluations, and investigations, promotes economy, efficiency, and effectiveness, and prevents fraud and abuse in WMATA related activities.



#### ***Encourage and enable innovative solutions that improve productivity***

In 2017, the WMATA General Manager increased accountability by introducing new controls on absenteeism to improve oversight and reduce the use of overtime.



#### ***Use the 3% cap on annual growth in operating subsidies as a tool during labor negotiations and annual budget development***

Enacted in the landmark transit funding legislation in 2018, Virginia's legislative cap on the growth in WMATA's operating subsidy provides WMATA with a tool to examine spending and controls costs during labor negotiations and the annual budget development process.



***Seek amendments to the federal Wolf Act to require arbitrators in WMATA contract mediations to consider WMATA's fiscal condition in all cases***

The National Capital Area Interest Arbitration Standards Act (Wolf Act) of 1995 governs the actions of arbitrators in the arbitration of labor disputes involving transit agencies operating in the national capital area. WMATA's adopted strategic plan, Keeping Metro Safe Reliable and Affordable, calls for reforming this act to reflect WMATA's true financial capacity and to drive decisions that are in line with the jurisdictions ability to pay.



***Identify and evaluate options to address unfunded OPEB liabilities***

Other Post-Employment Benefits (OPEB) include non-pension costs for retiree medical and prescription drug coverage and life insurance. In FY 2020, WMATA had a \$2.3 billion unfunded OPEB liability.

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