

MEETING SUMMARY
NVTC LEGISLATIVE AND POLICY COMMITTEE
NVTC Suite #230 Conference Room
2300 Wilson Blvd., Arlington, Virginia
May 25, 2022

NVTC Legislative and Policy Committee Members Present:

David Meyer, Chair
Canek Aguirre
Adam Ebbin
Libby Garvey
Matt Letourneau
David Snyder (*via electronic participation*)
James Walkinshaw

NVTC Staff and Others Present:

Kate Mattice, Executive Director
Genoveva Cutrell
Matt Friedman
Allan Fye
Tenley O'Hara
Aimee Perron Seibert (*via electronic participation*)
Sophie Spiliotopoulos
Melissa Walker

Legislative and Policy Committee Chair David Meyer called the meeting to order at 8:32 a.m. Chair Meyer stated that there was an in-person quorum and that Mr. Snyder was participating electronically due to a personal reason. The meeting is also being livestreamed for the public.

Chair Meyer asked for any changes to the February 17, 2022 Legislative and Policy Committee Meeting Summary. Committee members accepted the summary with no changes.⁷

General Assembly Update

NVTC Legislative Liaison Aimee Perron Seibert addressed the committee and informed them that the General Assembly will reconvene on June 1 to vote on the budget. Of particular interest to NVTC are possible changes to the grocery tax and whether NVTC's requested language is included in the bill. The requested language calls for an alternative funding source if the partial repeal of the grocery tax is signed into law. Mr. Ebbin noted that the gas tax suspension proposal was defeated in the Senate and is unlikely to move forward. Committee members will be looking ahead to the 2023 Session for initiatives. Ms. Mattice stated that work has begun on NVTC's annual *Report on the Performance and Condition of WMATA* and if there is a particular legislative

request, Commissioners need to make sure the Commission is poised going into the fall and ready to crystalize ideas.

Ms. Garvey followed up with a question about hosting General Assembly members and touring transit systems that serve Northern Virginia. Ms. Perron Seibert stated that currently the fall looks like a potential timeframe to plan a visit. Mr. Letourneau suggested that the trip be coordinated with the reintegration of Metro's 7000-series train cars and potentially the opening of the Silver Line Phase 2 expansion. Chair Meyer suggested that the tour be coordinated with the arrival of the new WMATA General Manager/CEO, Randy Clarke. Ms. Mattice emphasized that meaningful engagement between the General Assembly and the new WMATA General Manager should be paramount.

WMATA Update

Mr. Letourneau provided the committee with a WMATA update. He stated that the WMATA Board will be receiving a fiscal update in the next week or so, and while slightly more optimistic, there will still be a significant funding gap in FY 2024. Expenditure savings combined with higher ridership than expected is putting WMATA in a slightly better place than projected. More detailed information is expected to be released soon. Mr. Letourneau emphasized that systematically tackling the way Metro is funded will need to be at the forefront of future conversations.

Mr. Letourneau addressed WMATA's leadership transition. As a result of General Manager/CEO Paul Wiedefeld's early retirement and the resignation of Chief Operating Officer Joe Leader, Andy Off is filling in as interim General Manager/CEO. Mr. Letourneau stated that he thinks one of the most important recent changes at WMATA was the empowerment of Interim General Manager Andy Off and Chief Safety Officer Theresa Impastato, enabling them to quickly take necessary action to ensure compliance with safety protocols. Mr. Letourneau is excited for incoming General Manager Randy Clarke's leadership and cited Mr. Clarke's intention to first 'get the house in order' before having conversations about funding structure. In the short term, it remains to be seen what WMATA needs for FY 2024.

Chair Meyer asked Mr. Letourneau if comparable transit agencies are in similar predicaments in terms of operating funding gaps. Mr. Letourneau stated that he thinks most other major transit systems in the United States are facing similar challenges due to the COVID-19 pandemic and loss of federal COVID funding in FY 2024 combined with not having the ridership revenue to make up for the loss. However, Mr. Letourneau stated he cannot speak to long-term comparisons with other transit agencies and emphasized that WMATA is unique in that it does not have a dedicated source of funding.

Mr. Walkinshaw pointed out that Passenger Rail Investment and Improvement Act (PRIIA) funding calculations are now over a decade old and need to be adjusted for inflation. He suggested that the Commission needs to advocate at the federal and state level for an adjustment to PRIIA funding to keep up with inflation and increasing costs. Mr. Walkinshaw acknowledged that this is a funding source for capital projects and does not address the operations funding shortfall. Mr. Letourneau agreed that the PRIIA funding calculation does need to be addressed.

Mr. Snyder stated that some issues he would like to see addressed are: governance at the management level, examining potential operational cuts and identifying what a reasonable worst-case scenario is, and analyzing comparable transit systems to determine what options there are for funding. Mr. Snyder emphasized that NVTC needs to update its study about the economic value of WMATA as part of its strategy moving forward. Ms. Mattice later addressed Mr. Snyder's comments and informed the committee that at the next Commission meeting there will be an action item to procure a contract to study and report on the value of Metro to the Commonwealth.

Mr. Ebbin asked what percentage of WMATA's operating expenses come from fare revenue. While a concise answer was not immediately available, NVTC staff will pin down an answer and provide a trendline, as this number is ever-changing. Mr. Letourneau later updated the committee that for FY 23 revenue is making up approximately 13% of the WMATA adopted budget.

TSDAC Update

Ms. Mattice provided a Transit Service Delivery Advisory Committee (TSDAC) update. She reported that the Department of Rail and Public Transportation (DRPT) is proposing a few changes. These include potential changes to strategic plans at jurisdiction transit agencies, tweaks to the competitive formula for capital projects, and potential changes to operating formulas. In general, changes to the strategic plan seem to be very high-level and are focusing on frequency and complexity. In terms of changes to capital funds, DRPT appears to be going in the direction of rewarding systems that apply for federal money. DRPT is engaging in conversations about setting aside funds to match federal awards.

Ms. Mattice referenced materials included in the committee handouts that illustrate scenarios which DRPT may use to allocate transit funding for operations. During the initial run of the metrics, it was discovered that most of the transit systems are hitting right at the same place in terms of funding with the exception of Virginia Railway Express (VRE). Ms. Mattice pointed out that metrics currently used by DRPT for VRE use a factor that is passenger-miles-traveled. Because VRE has experienced long routes with fewer passengers, this scenario would result in a 60% loss in funding for VRE. TSDAC has requested that DRPT continue running different scenarios and will be presented with the results next week. Ms. Mattice stressed that NVTC has been working with jurisdictional staff to watch this issue closely. The Commission will not be taking any action now but may want to consider comments in July.

Federal Update

Ms. Mattice closed the meeting by updating the committee on federal funding grants to local jurisdictions. There is a great deal of interest in a \$2 million earmark from U.S. Representatives Connolly and Beyer for the Route 7 project. Ms. Mattice thanked all Route 7 jurisdictions for sending out letters of support for the project. Ms. Mattice will provide more information at future meetings.

Chair Meyer adjourned the meeting at 9:26 a.m.