



NVTC WMATA Committee Meeting

September 29, 2022

Meeting materials available at www.novatransit.org

Committee Meeting Agenda

1. **Welcome and Opening Remarks**
2. **Review July 21, 2022 Meeting Summary**
3. **WMATA Presentation on the Bus Network Redesign**
4. **2022 Update on the Annual Report on the Performance and Condition of WMATA**
5. **WMATA FY 2024 Budget Outlook**
6. **Other Items**

Agenda Item #3:
**WMATA Presentation on
the Bus Network Redesign**

Better Bus: Network Redesign

Northern Virginia Transportation
Commission

September 29, 2022



Agenda

- Provide update on the Better Bus: Network Redesign

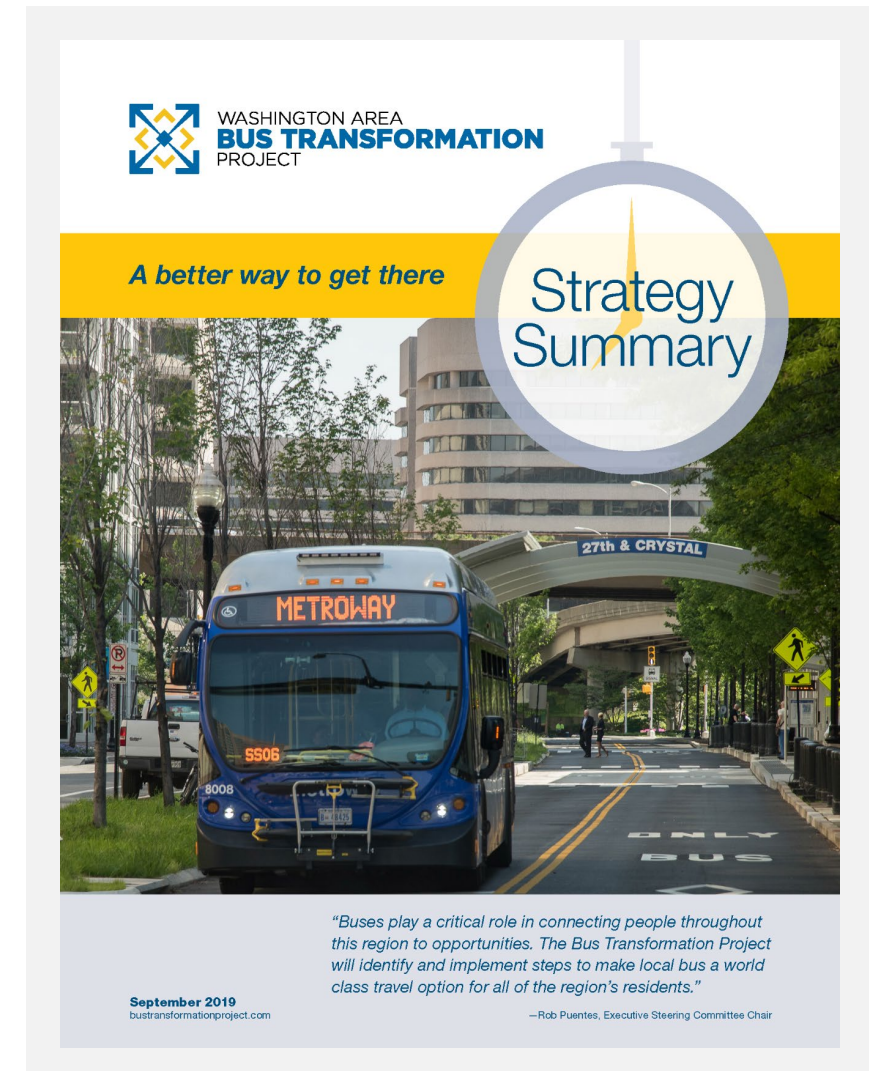


Bus Transformation Project Review

Vision: Bus will be the mode of choice on the region's roads by 2030, serving as the backbone of a strong and inclusive regional mobility system that will support a growing and sustainable economy

Input: More than a year of public and stakeholder input

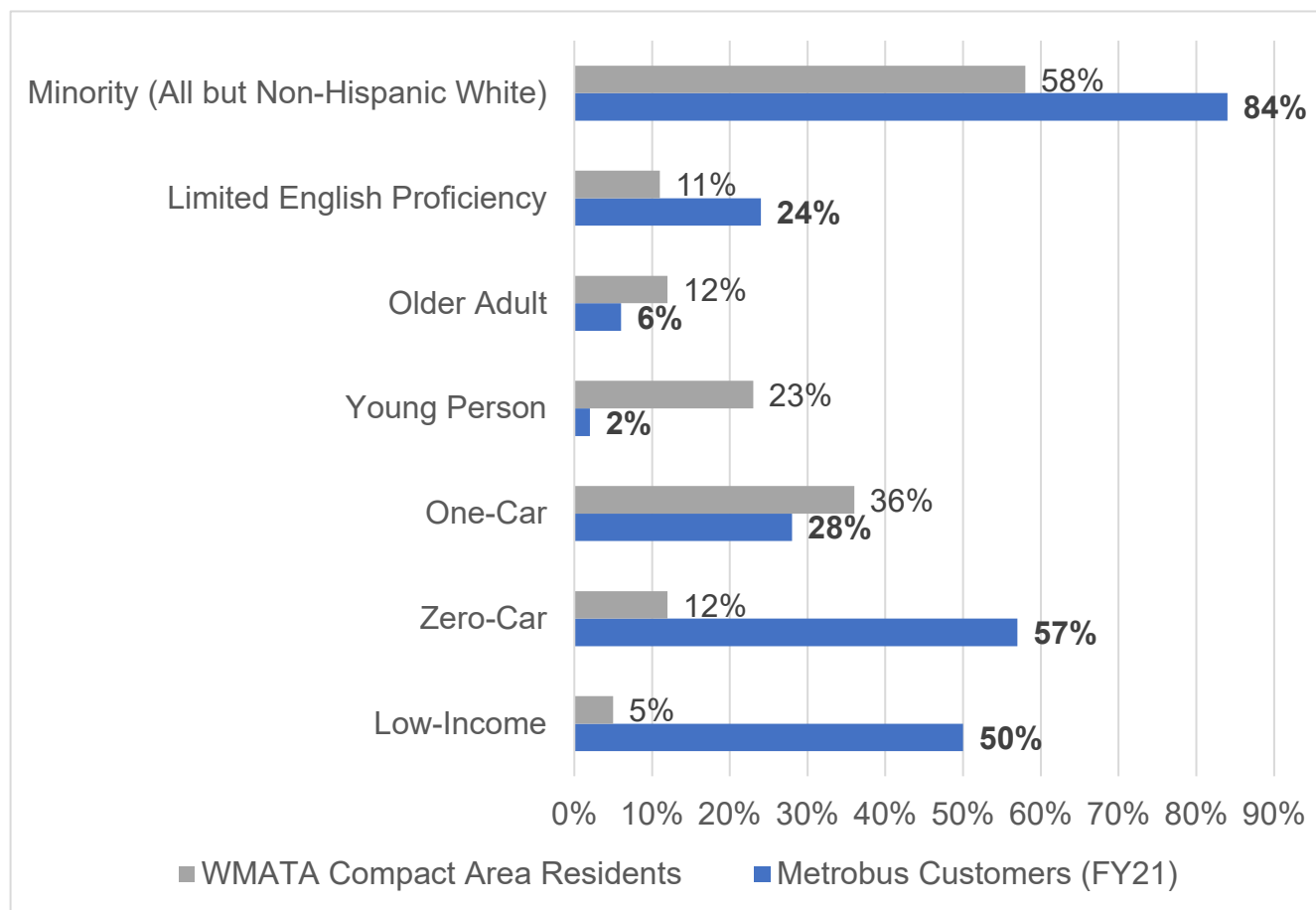
Outcome: Four strategies and 26 recommendations to transform the bus system into a fast, frequent, reliable, affordable service that feels unified and advances transit equity



Bus Customer Demographics

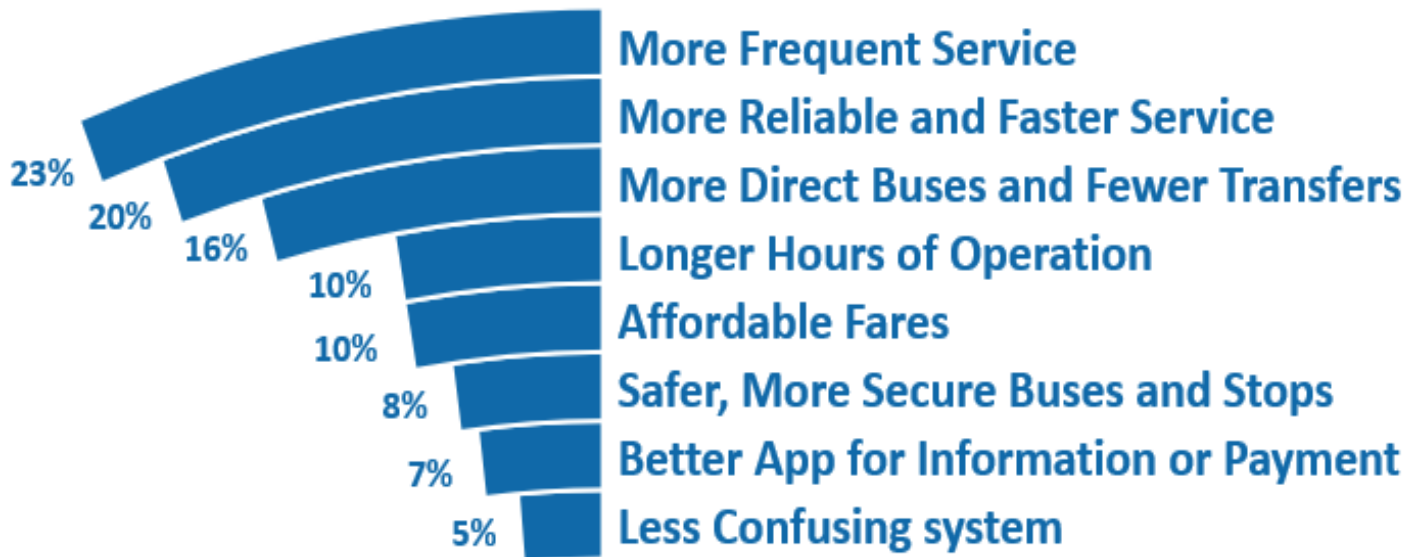
Bus customers in the region are more likely to:

- Live in households that do not have a car;
- Live in households making less than \$30,000 annually;
- Have limited English proficiency; and
- Be persons of color



Current and Potential Customers' Priorities

Survey Example: Bus Customer Priorities



Bus Transformation Project (2018): Respondents were asked to prioritize improvements to local bus service by apportioning “coins” from a hypothetical budget of 20 coins to eight different categories of improvement types based on their preferences.

Run more buses!

...ridership here would increase exponentially if buses were frequent and preferably in dedicated lanes

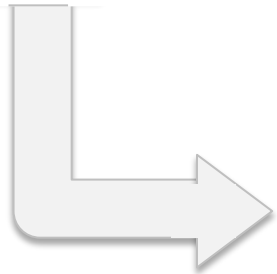
Frequent service that is available 7 days a week is critical to building a useful transit network that people can rely on for all their needs

Metro buses come fairly frequently (every 10-15 minutes) which is very convenient because then I can leave work whenever I want and always know a bus will be there soon

Bus Transformation Initiatives Related to Network Redesign

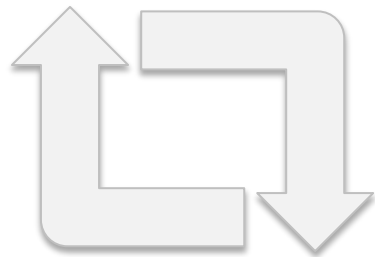
Bus Transformation Initiatives (Established)

- Service guidelines
- On-demand study
- Full transfer discount
- Metro bus priority program
- Customer input



Network Redesign Activities

- Bus network redesign
- Customer-focused route names
- Funding formula
- Service definitions



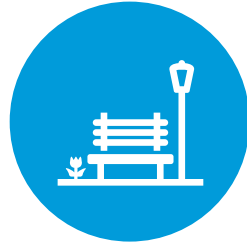
Concurrent Related Bus Transformation Initiatives

- Bus priority violation detection
- Marketing bus service
- Better bus stops and amenities
- Zero emissions program

Meeting Our Customers' and the Region's Needs



Access to frequent service



Bus priority infrastructure



Easier to use and understand



Development and travel patterns



Payment systems and fare structure



Access to opportunity for customers



Long-term sustainable, predictable funding model to meet customers' and region's needs

Network Redesign Outcomes

Service and Network

Outcomes

- Near-term service improvements
- Recommended network for FY2025
- Future network beyond FY2025

Needs Addressed

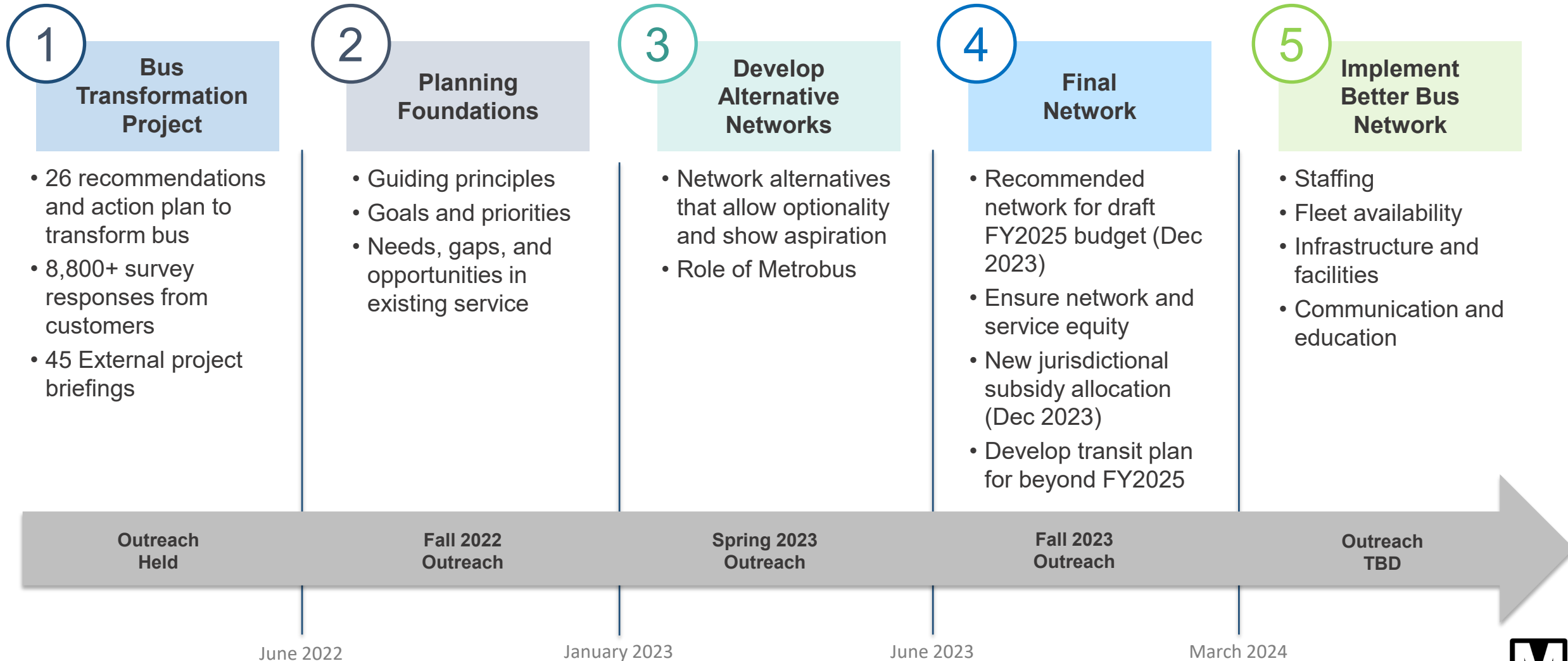


Policy

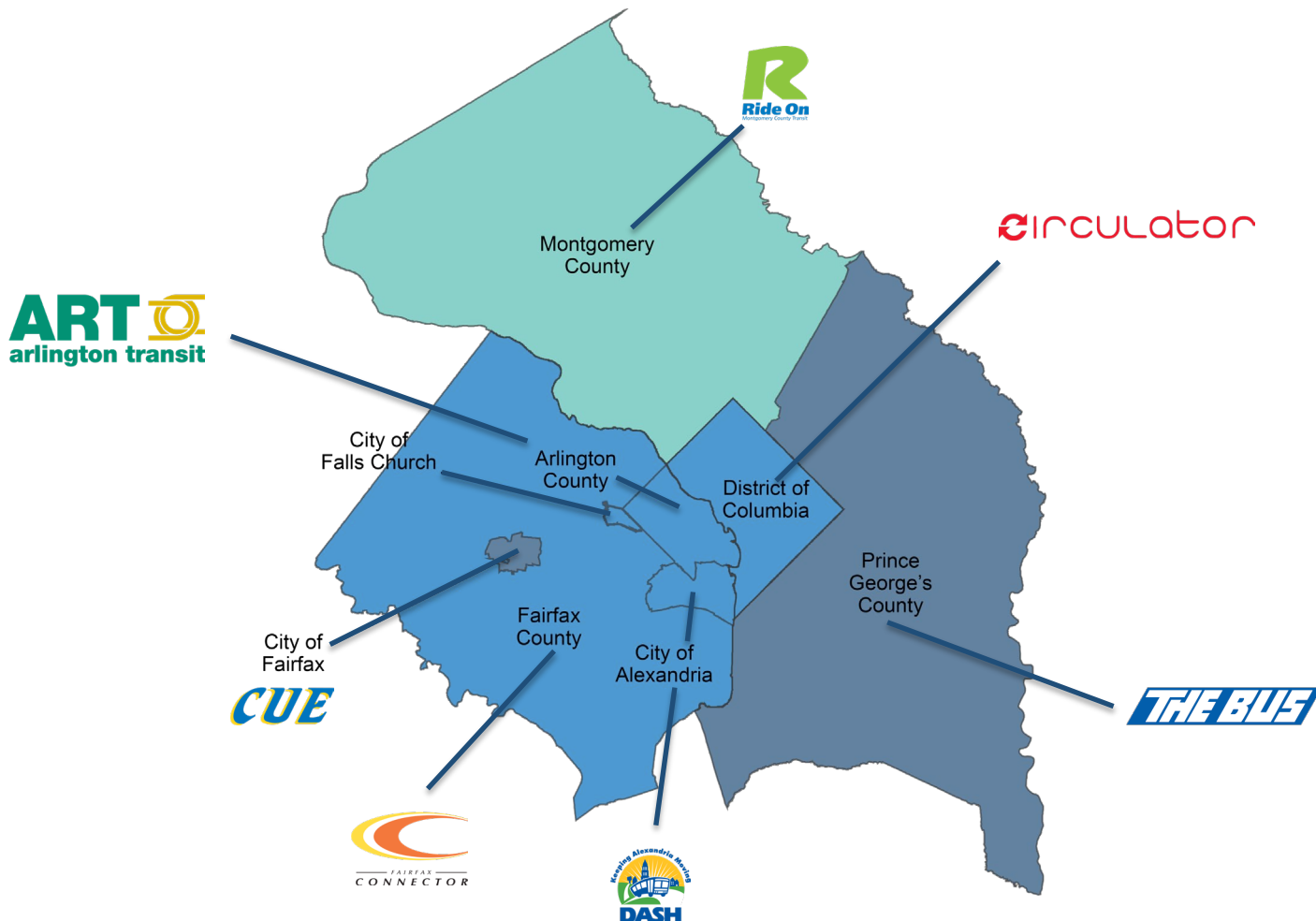
- Role of Metrobus
- Long-term sustainable, predictable funding model



Network Redesign | Roadmap






Partnering with Local Bus Providers



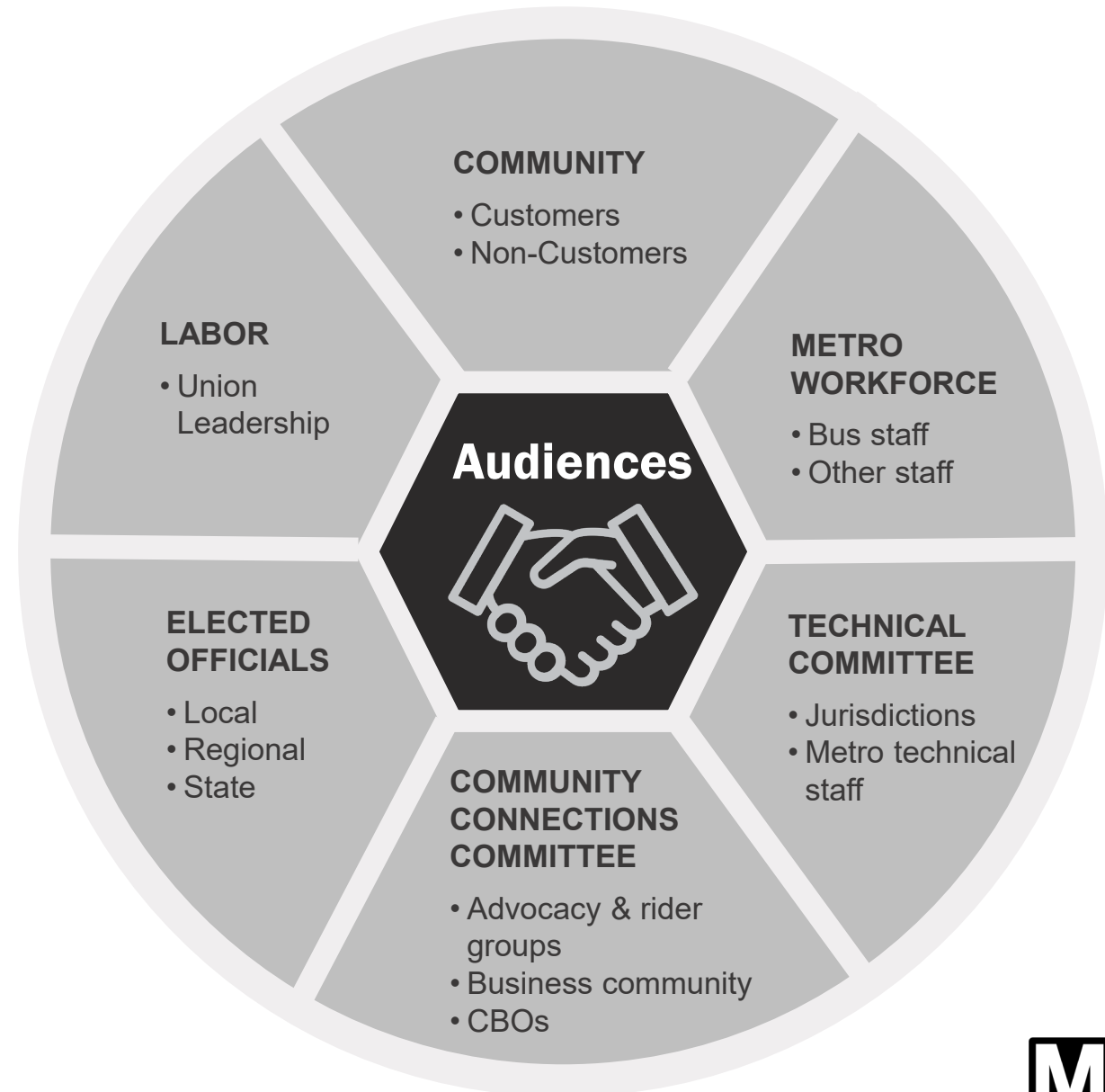
Metro will work collaboratively with each jurisdiction to design or enhance effectiveness of local bus service

Legend

-  Evaluate both Metrobus and Local Provider
-  Evaluate Metrobus only
-  Partner on Ride On Reimagined

Inclusive and Authentic Outreach and Engagement Informs Policy and Decisions

- Focus on customer needs and benefits
- Engage all audiences during all phases
- Engage customers and potential customers where they are, with a focus on historically underrepresented communities
- Communicate across multiple media
- Ensure plans, scenarios, and messages are accessible and understandable
- Work with partners to extend reach of engagement



Public Launch and Engagement | October

Customer Outreach

Launch Event	Survey
Roadshow Pop-up Events	Bus Stop Chats

Employee Engagement

Bus Operator Listening Sessions	Internal Communications
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Other Audiences

Presentations	Press Release
Fact Sheet	Communications Toolkit
Meetings/Briefings	

Additional Activities

Website	E-Newsletters
Social Media	Videos
Multilingual take-ones	Ads

Guiding Principles (Adopted September 2022)

Principles that will guide project approach and decisions

- Ensure a customer-focused and regional perspective
- Engage and communicate authentically, inclusively, and transparently
- Ensure equity is a value throughout the project
- Allow customers' input, region's needs, data, and service guidelines to drive decisions
- Attract customers with frequent, reliable, connective service
- Make cost-effective and data-driven business decisions

Next Steps | Fall 2022

- Outreach and engagement
 - Launch publicly in October with additional customer outreach activities held region-wide
 - Brief elected officials, community partners, project committees
- Finalize project goals, objectives, and metrics
- Complete and publish existing conditions and market assessment findings
 - Annual Line Performance Report (FY19, FY20 and FY21)
 - Market assessment of pre- and post-pandemic data
- Update Metro Board on Planning Foundations findings

Agenda Item #4:
**2022 Update on the
Annual Report on the
Performance and
Condition of WMATA**

Annual Report on the Performance and Condition of WMATA

Structure of the Report

Chapter	Title	Data Source or Content
	Introduction	Context and background on FY 2024 operating gap; highlighting new services
1	Strategies to Reduce the Growth in Costs and Improve Operational Efficiency	Policy Recommendations by the Commission
2	Use of Dedicated Capital Funds	WMATA
3	Safety & Reliability	
4	Metrorail Financial Performance	National Transit Database (NTD) and Metro Performance Reports
5	Metrobus Financial Performance	
6	Metrorail & Metrobus Ridership	

Staff proposed strategies for 2022

Recommendations for WMATA and funding partners

1) *Rebuild customer confidence*

- Return the 7000-series trains to service and offer frequent and reliable rail service
- Improve the physical safety and security of customers
- Reform the management and safety culture

2) *Enforce fare payment uniformly across the system*

- Work with partner jurisdictions to enforce fare payment to address customer safety and security
- Engage partner jurisdictions to offer jurisdictionally sponsored low-income fare products

Staff proposed strategies for 2022

Recommendations for WMATA and funding partners

3) *Implement a simple and convenient fare structure*

- Overhaul the fare structure and customer experience to be simple, customer-focused, and built to drive ridership and revenue
- Create a seamless and convenient customer experience that makes it easy to pay fares and manage transit benefits
- Integrate local and regional transit providers into WMATA's fare structure and fare payment systems

4) *Increase Non-Fare Revenues from real estate and advertising*

- Continue to partner with local jurisdictions and maximize the transformative opportunities for joint development on WMATA land

5) *Manage Labor Costs*

- Manage labor cost escalation in collective bargaining
- Seek amendments to the National Capital Area Interest Arbitration Standard Act of 1995

Staff proposed strategies for 2022

Recommendations for NVTC

6) Explore the implications of local transit agencies assuming the operation of Metrobus services in Northern Virginia

- Identify the challenges and opportunities of local transit agencies assuming the operation of Metrobus services in Northern Virginia
 - Examine the challenges and opportunities
 - Evaluate the policy, funding, capital facility, governance, labor and other considerations
 - Coordinate effort with ongoing bus studies (WMATA's Bus Network Redesign and NVTC Regional Bus Analysis)
 - Extensive jurisdictional and WMATA staff coordination with key touch points for Commission and NVTC WMATA Committee

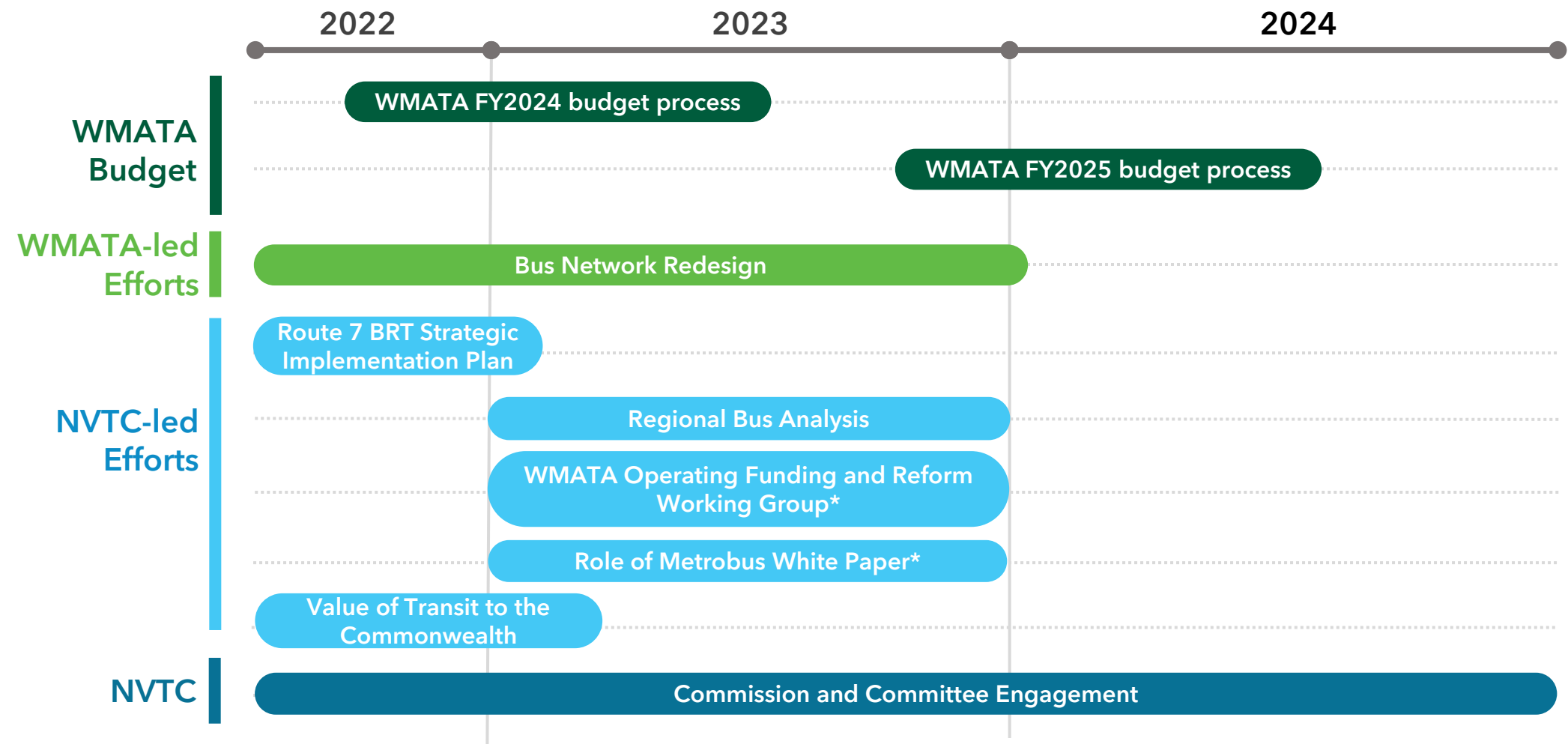
Staff proposed strategies for 2022

Recommendations for NVTC

7) Examine and develop options for a new financial operating model for WMATA

- Evaluate and explore WMATA's short-term and structural operating budget gaps and Virginia's unique jurisdictional funding and modal relationship with WMATA
- Examine existing and new operating revenues
- Explore opportunities to reform WMATA and state level laws or policies around WMATA budget and subsidy

Timeline of various efforts and studies



*Pending approval of the Final NVTC 2022 Report on the Annual Performance and Condition of WMATA

Annual Report on the Performance and Condition of WMATA

Next Steps

- October and November: NVTC staff continue to update data chapters as information becomes available
- October 20 NVTC WMATA Committee Meeting: Review draft introduction and strategies chapters
- November Commission Meeting: Annual Report on WMATA as an information item
- December Commission Meeting: Action item to authorize the Executive Director to send the report to the Governor and General Assembly
- December 15: Report due to Governor and General Assembly

Agenda Item #5:
**WMATA's FY 2024 Budget
Outlook**

WMATA's FY 2024 Budget Outlook

Structural Challenges to the Operating Budget

1 CUSTOMER REVENUE STRUCTURE

- Changing Travel Patterns
- Lower Customer Farebox Revenue
- Increased Fare Evasion

2 COST STRUCTURE

- Customer/Community Expectations
- Labor
- Inflation

3 SUBSIDY STRUCTURE

- Lack of Dedicated Revenues
- Historical Average Subsidy
- Subsidy Cap Mandate

WMATA's FY 2024 Budget Outlook

Options provided by WMATA for Closing the \$187.4 million FY 2024 Operating Budget Gap

Passenger Revenue Increases

\$11.4M Improving Ridership <i>(65% to 70% Recovery, improve fare recovery)</i>	\$11.4M
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Non-Passenger Revenue Increases

\$3.0M Revenue Growth <i>(Parking, Advertising, etc.)</i>	\$14.1M Joint Development <i>(Lease Revenue, etc.)</i>	\$17.1M
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Expense Reductions

\$7.0M Operating Efficiencies	\$3.0M Vacancy Reduction	\$10.0M
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Board Policy Decisions

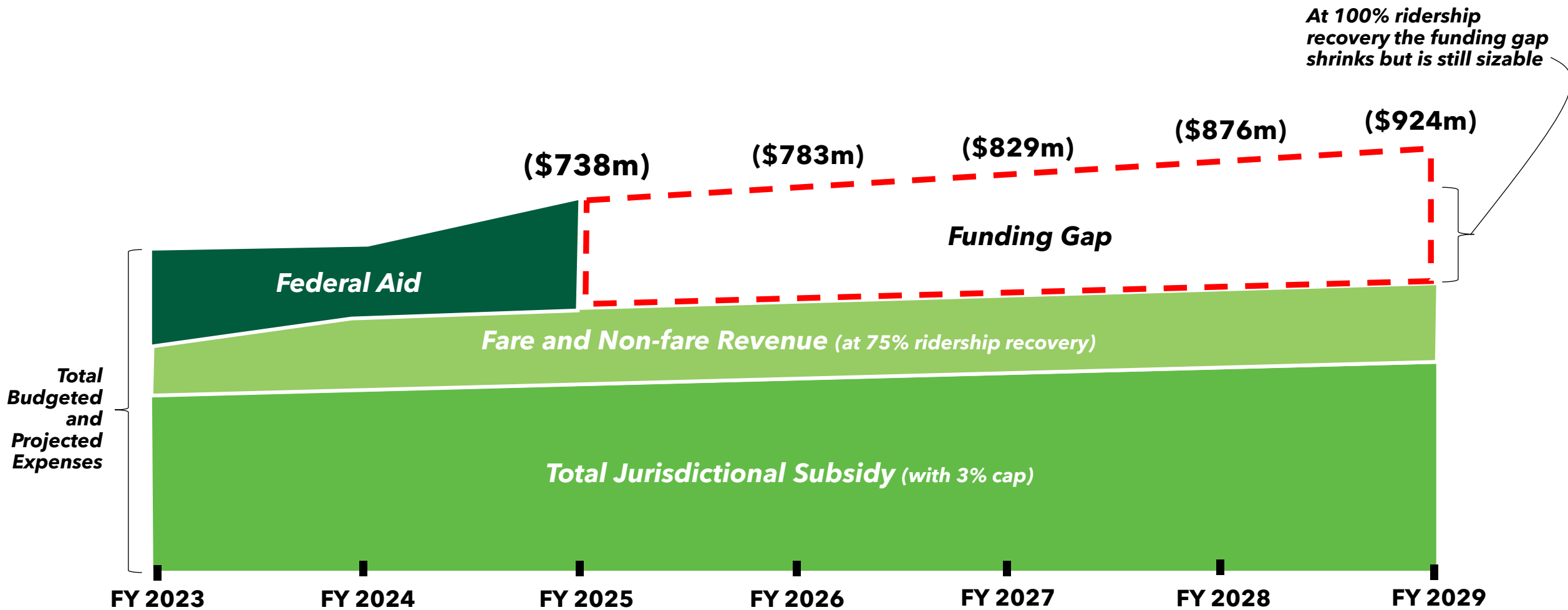
TBD Fare and Service Optimization	TBD Increase Preventive Maintenance Transfer	TBD Increase Current Subsidy	\$146.2M
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WMATA's FY 2024 Budget Outlook

Key Discussion Topics for the FY 2024 Budget

- Fare Optimization
 - Continuing Fare Simplification concepts
 - Fare Increase/Decrease
- Service Optimization
 - Bus Network Redesign underway
 - Rail Service optimization concepts
- Closing the FY 2024 Budget Gap
 - Fare and Service Optimization
 - Increasing the Preventive Maintenance Transfer

WMATA's FY 2024 Budget Outlook



WMATA's FY 2024 Budget Outlook

Next Steps

- November 2022: GM/CEO proposed budget
- December 2022: Board Authorizes public hearings
- December 2022-February 2023: Board Budget Workshops and public hearings
- March 2023: Board budget adoption

**The next NVTC WMATA Committee meeting is on October 20,
2020 at 6pm.
*(in person meeting)***

Thank You.

