Committee Meeting Agenda

1. Review December 9, 2022 Meeting Summary
2. NVTC WMATA Committee Overview and 2023 Workplan
3. Discussion and Comments on WMATA’s Proposed FY 2024 Operating Budget & FY 2024-2029 CIP
4. Other Items
Agenda Item #2: NVTC WMATA Committee Overview and Workplan

- Overview of Scope and Responsibilities
- Proposed 2023 NVTC WMATA Committee Workplan and Schedule
# Overview of Scope and Responsibilities

<table>
<thead>
<tr>
<th>Commission</th>
<th>NVTC WMATA Committee</th>
<th>Regional Staffing Structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meets Monthly</td>
<td>Meets 5-6 times a year</td>
<td>Meets Bi-weekly</td>
</tr>
<tr>
<td>• Discuss and inform Commissioners during the WMATA portion of the agenda</td>
<td>• Provides a forum for consensus-based recommendations to the Commission on WMATA policy positions</td>
<td>• NVTC staff coordinate a regional staffing structure that includes DRPT and jurisdictional staff</td>
</tr>
<tr>
<td>• Receive reports from the WMATA Committee and WMATA Board Members</td>
<td>• Provides strategic guidance to staff on WMATA related policy matters and NVTC’s responsibilities from legislation</td>
<td>• Prepares Virginia WMATA Board members for WMATA Board meetings</td>
</tr>
<tr>
<td>• Take formal action on NVTC policy positions on WMATA</td>
<td>• Builds consensus on Virginia issues related to WMATA and facilitates multi-jurisdictional representation</td>
<td></td>
</tr>
</tbody>
</table>
### Proposed 2023 NVTC WMATA Committee Schedule*

<table>
<thead>
<tr>
<th>JAN - APR</th>
<th>MAY - AUG</th>
<th>SEPT - DEC</th>
<th>Not Scheduled</th>
</tr>
</thead>
</table>
| • WMATA Committee Introduction and Workplan  
  • Comments on WMATA FY 2024 Budget | • Work Session(s) on the Annual Report on the Performance and Condition of WMATA | • Review draft Annual Report on the Performance and Condition of WMATA  
  • Preliminary Discussion of WMATA FY 2025 Budget | • Updates on NVTC Efforts:  
  • NVTC’s WMATA Operating Funding Working Group  
  • NVTC’s Role of Metrobus Study  
  • Update on WMATA’s Better Bus Network Redesign  
  • Comments on WMATA Blue/Orange/Silver Line Capacity Study |

**Commission Actions**

<table>
<thead>
<tr>
<th>JAN - APR</th>
<th>MAY - AUG</th>
<th>SEPT - DEC</th>
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</thead>
<tbody>
<tr>
<td>• Updates from the Chair and Actions Recommended by the NVTC WMATA Committee</td>
<td></td>
<td>• Authorize the Executive Director to send the Annual Report on WMATA</td>
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</table>

*Work plan dates and content may change.*

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Northern Virginia Transportation Commission 5
Agenda Item #3:
Discussion and Comments on WMATA’s Proposed FY 2024 Operating Budget & FY 2024-2029 CIP

• Background
• Proposed FY 2024 WMATA Operating Budget - Fares, Service, and Filling the Budget Gap
• Proposed FY 2024 Capital Budget and FY 2024-2029 CIP
• Staff Proposed Themes to include in a Budget Comments Letter
• Discussion & Next Steps
Background

WMATA's Actual, Budgeted and Projected Operating Sources of Funding for FY 2020-2025 (in millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2020 Actual</th>
<th>FY 2021 Actual</th>
<th>FY 2022 Actual</th>
<th>FY 2023 Budget</th>
<th>Proposed FY 2024</th>
<th>FY 2025 Scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Fare &amp; Non-Fare Revenue</td>
<td>$581</td>
<td>$167</td>
<td>$281</td>
<td>$383</td>
<td>$509</td>
<td>$534</td>
</tr>
<tr>
<td>Total Jurisdictional Subsidy</td>
<td>$1,126</td>
<td>$1,009</td>
<td>$1,110</td>
<td>$1,192</td>
<td>$1,252</td>
<td>$1,290</td>
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<tr>
<td>Federal Relief</td>
<td>$221</td>
<td>$705</td>
<td>$479</td>
<td>$673</td>
<td>$561</td>
<td></td>
</tr>
</tbody>
</table>

Note: Numbers may not add due to rounding

Source: WMATA [January 12 Board of Directors Meeting](#)
Background

- The Proposed FY 2024 Operating Budget reflects revenue recovery growing at the same pace as ridership, with a projection of 70% of pre-pandemic ridership.

Source: WMATA December 8 Finance and Capital Committee Meeting
Proposed FY 2024 Operating Budget

Fare Optimization

- Peak and off-peak fare consolidation
- Base fare would be $2 all week
- Mileage rate would be standardized at $0.40 per mile
- Max fare would increase to $6.50
- Regional low-income fare program

Source: WMATA December 8 Finance and Capital Committee Meeting
Proposed FY 2024 Operating Budget

Service Optimization

- Green and Yellow Line trains would arrive every six minutes all day
- Orange Line trains would operate every 7.5 minutes on average during peak service, and every 10 minutes during off-peak service
- 16M (Skyline to Crystal City) would operate every 12 minutes all day
- VA Amendment (1/12/23): Improvements to the 11Y (Mt. Vernon to DC)

Source: WMATA December 8 Finance and Capital Committee Meeting
Preventative Maintenance - Operating Gap Solve

Options for Closing FY 2024 Operating Budget Gap

The FY 2024 operating budget gap of $185 million will be closed by:

- Revenue increases
- Expense reductions
- Federal funding assistance
  - ARPA funding
  - Increased IIJA Federal Formula Funding for Maintenance (i.e. flexing preventive maintenance funds from capital to operating)

<table>
<thead>
<tr>
<th>$ in millions</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Funding Gap</td>
<td>($184.7)</td>
</tr>
<tr>
<td>Improving Ridership</td>
<td>$11.4</td>
</tr>
<tr>
<td>Non-Passenger Revenue Growth</td>
<td>$17.1</td>
</tr>
<tr>
<td>Expense Reductions</td>
<td>$10.0</td>
</tr>
<tr>
<td>FY2024 Base Funding Gap</td>
<td>($146.2)</td>
</tr>
<tr>
<td>Fare Optimization</td>
<td>$7.1</td>
</tr>
<tr>
<td>New Base Gap</td>
<td>($139.1)</td>
</tr>
<tr>
<td>IIJA Federal Formula Funding for Maintenance</td>
<td>$139.1</td>
</tr>
<tr>
<td>FY2024 Base Gap Closed</td>
<td>$0.0</td>
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</table>
Proposed FY 2024 Capital Budget and FY 2024-2029 CIP

Overview

• $2.4 billion capital budget and $14.4 billion CIP improve system safety, state of good repair, and reliability by rehabilitating, replacing, and modernizing the system while integrating resilience and sustainability.

Addressing Overdue Capital Needs

Substantial Progress

• 8000-series railcar acquisition
• Track Rehabilitation
• Platform Program - 20 stations complete

Priority Needs

• Structural rehabilitation
• Systems - Train Control, Radio and Comms, Power
• Facilities - Bus Divisions, Rail Maintenance, Offices
# Investment Reducing the State of Good Repair Backlog

## Percentage of State of Good Repair Assets Addressed Start of FY2024 vs. the End of FY2029

<table>
<thead>
<tr>
<th></th>
<th>Infrastructure</th>
<th>Equipment</th>
<th>Facilities</th>
<th>Vehicles</th>
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<tbody>
<tr>
<td><strong>Total SGR Value</strong></td>
<td><strong>$36.7B</strong></td>
<td><strong>$964M</strong></td>
<td><strong>$29.4B</strong></td>
<td><strong>$5.2B</strong></td>
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<tr>
<td><strong>Start of FY2024</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Past due</td>
<td>27%</td>
<td>40%</td>
<td>49%</td>
<td>23%</td>
</tr>
<tr>
<td>SGR need coming due</td>
<td>15%</td>
<td>20%</td>
<td>25%</td>
<td>9%</td>
</tr>
<tr>
<td>No Current SGR need</td>
<td>58%</td>
<td>40%</td>
<td>26%</td>
<td>75%</td>
</tr>
<tr>
<td>Addressed In Six-Year Program</td>
<td>11%</td>
<td>14%</td>
<td>9%</td>
<td>72%</td>
</tr>
<tr>
<td><strong>End of FY2029</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Past due</td>
<td>22%</td>
<td>37%</td>
<td>41%</td>
<td>23%</td>
</tr>
<tr>
<td>SGR need coming due</td>
<td>25%</td>
<td>39%</td>
<td>42%</td>
<td>7%</td>
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<tr>
<td>No Current SGR need</td>
<td>42%</td>
<td>10%</td>
<td>8%</td>
<td>5%</td>
</tr>
<tr>
<td>Addressed In Six-Year Program</td>
<td>11%</td>
<td>14%</td>
<td>9%</td>
<td>72%</td>
</tr>
</tbody>
</table>

Source: WMATA January 12 Board of Directors Meeting
Summer 2023 ‘Enhanced Maintenance Work’

Summer 2023 Outages

- **July 22 - Sept 4**
  - 44 days
  - Greenbelt
  - College Park-U of Md
  - Hyattsville Crossing
  - West Hyattsville

- **May 12-22**
  - 10 days
  - Fort Totten
  - New Carrollton
  - Landover
  - Cheverly
  - Deanwood
  - Minnesota Ave

- **June 3 - July 17**
  - 44 days
  - Vienna
  - Dunn Loring
  - West Falls Church

- **June 3-26**
  - 23 days
  - Vienna
  - Dunn Loring
  - West Falls Church
  - East Falls Church
  - Baileton-MU

Source: [https://www.wmata.com/about/board/meetings/board-pdfs/upload/3C-Capital-Delivery-Program-Report.pdf](https://www.wmata.com/about/board/meetings/board-pdfs/upload/3C-Capital-Delivery-Program-Report.pdf)
WMATA’s Budget Process Timeline

Update: will take place the 2nd week of March

Source: WMATA December 8 Finance and Capital Committee Meeting
Staff Recommended Comments

**FY 2024 Operating Budget**

- Deliver budgeted rail and bus service levels to give riders a consistent and reliable alternative to driving
- Complete the safe return of the 7000-series railcars to service to improve reliability and rebuild ridership
- Continue fare simplification efforts that balance ridership and revenue
- Open the Potomac Yard Metrorail Station for full revenue service
- Concern over flexing such a large amount of maintenance funding to the operating budget and starting a trend of overreliance on this budget tool
- Support the policy goals and concept of the proposed low-income fare program, but have questions about implementation, overlap with existing programs, and cost allocation to the jurisdictions

**Additional Comments**

- Concern over exhaustion of federal aid and projected FY 2025 operating gap
Staff Recommended Comments

FY 2024 Capital Budget and FY 2024-2029 CIP

• Look forward to additional information from WMATA on the benefits of the Infrastructure Investment and Jobs Act on the CIP and updated projections on dedicated capital funding

• Encouraging progress on reducing the SGR backlog

• Ensure close coordination with NVTC and jurisdictions for Summer 2023 ‘Enhanced Maintenance Work’

Additional Comments

• Look forward to updates on other WMATA initiatives such as WMATA’s Zero Emission Bus planning and implementation work as well as the Blue/Orange/Silver Line Capacity and Reliability Study
Next Steps

- **January-March:** NVTC staff will work with Chair Alcorn to incorporate Committee comments and feedback into a letter.
- **February/March:** Public Comment Period and public hearings on the WMATA GM/CEO’s Proposed Budget.
- **February/March:** NVTC staff will submit the NVTC WMATA Committee’s comments during the public comment period and share comments with the Commission.
- **April:** WMATA Board adoption of the FY 2024 Budget and FY 2024-2029 Capital Program.
Agenda Item #4: Other Items
Thank You.
## Proposed FY 2024 Operating Budget

### Service and Fare Optimization Summary

<table>
<thead>
<tr>
<th>Proposed FY 2024 Fare/Service Investments</th>
<th>FY2024 Revenue Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service</strong></td>
<td></td>
</tr>
<tr>
<td>Green &amp; Yellow Lines</td>
<td>($13.0)</td>
</tr>
<tr>
<td>Orange Line</td>
<td>($6.0)</td>
</tr>
<tr>
<td>Improved Frequent Bus Service</td>
<td>($5.1)</td>
</tr>
<tr>
<td>Potomac Yard Station</td>
<td>($0.3)</td>
</tr>
<tr>
<td><strong>Fare</strong></td>
<td></td>
</tr>
<tr>
<td>Fare Structure Simplification</td>
<td>$11.1</td>
</tr>
<tr>
<td>Low-Income Fare Program</td>
<td>($4.0)</td>
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</tbody>
</table>

Source: WMATA January 13 Finance and Capital Committee Meeting