

## **Metro Board Self Evaluation Summary**

### **Board Governance Progress in 2011; Look ahead to 2012**

In December of 2010, the WMATA Board of Directors committed itself to updating and strengthening its approach to governance. Since January 2011, 9 new members - 1 who subsequently left - have participated on the Board. In short, the Board experienced the greatest member turnover in its history.

It is worth noting that the vast majority of WMATA Board members hold other leadership positions in government, industry or business in the Washington DC region. All 14 members (and those who served for portions of the year) made significant adjustments to their other responsibilities and work schedules in order to serve the region as a WMATA Board member. Despite these challenges, all jurisdictions were fully represented from February thru December at the monthly WMATA Board meeting by 2 voting members; on average 11.9 of the 14 WMATA Board members attended each Board meeting. All Committees met as Committees of the Whole from February through December; attendance ranged from 100% to the occasional 64%; on average there were 11 of 14 Board members present at each Committee meeting. In addition, all Board members used Metro services regularly to attend WMATA meetings.

This document highlights progress in meeting other objectives laid out in the Bylaws and is drawn from conversations among the Board members.

The Board engaged in the creation and adoption of Bylaws, revised Procedures and updated Code of Ethics processes from February to July, 2011. The Board conducted this work publicly and audio from the meetings was streamed live on the web and continues to be available for public review. Member participation in the development process was extremely high. All resulting documents were thoroughly vetted with funders, appointing bodies, WMATA Advisory groups and

riders. Board members view this work as critical in setting the foundation for future growth in governance.

Our focus on safety and security continues to be a top priority. The Agency's much improved relationship with the Tri-state Oversight Committee (TOC) is to be commended; the recent collaborative work on fatigue should become a model for examining tough issues together in service of maintaining an excellent transit system. We believe our region is fortunate to have GM/CEO Richard Sarles at the helm of Metro and the Board pledges to continue strengthening our performance evaluation practices. In his relatively short tenure, change designed to strategically strengthen and develop the organization, the establishment of a performance management system with components such as the Key Performance Indicators, and movement with all deliberate speed toward a state of good repair have become the order of the day, rather than one-time events. In addition, the Board remains committed to transparency for the Inspector General's robust audit and inspections function. The Board believes, in particular, that an aggressive approach to review of procurement procedures, project management processes, and financial disbursement systems coupled with compliance recommendations based on industry best practices is essential to the Board's successful oversight of all WMATA programs.

The Board commends staff for its work on the development of a comprehensive Board orientation process – much refined due to four changes in Board membership in less than 12 months. Despite this turnover, Board members have worked cohesively and cooperatively to minimize confusion and build effective working relationships. Members generally approach meetings well-prepared and ready to fully participate. There is a high level of respect among members, leading to an environment at meetings that is conducive to extensive, civil discussions and decision-making. While operating as a Committee of the Whole for all Committee meetings has been necessary, but time-consuming, this year due to the large number of new Board members, we look forward to finding

more efficient structures that reduce the amount of time individual members spend on WMATA work without sacrificing the quality of our governance activities.

The Board is proud of our jurisdictions' support for WMATA; we commend our funders for stepping up to increase subsidies so that the FY12 budget had neither a fare increase nor decreased service for our riders. To improve WMATA's performance and position the Agency in an appropriate leadership role in regional development, we look forward to continuing to develop a multi-year business plan and budget as well as adopting a new strategic plan during calendar year 2012. All of these activities will require intentional interactions with our funding partners, something we plan to begin in the first quarter of calendar year 2012.

In addition, we believe that we have begun a new relationship with riders – both directly with the Board at its meetings and through the informational campaigns developed by staff that explain the many ways that we are moving “Metro Forward”. Both the Riders' Advisory Council and the Accessibility Advisory Committee have made significant contributions to the dialogue particularly when it comes to governance and to our budget discussions. We look forward to continuing to strengthen those ties.

The Board has much to do in 2012.

- We will continue to work on setting good policy to guide the GM/CEO and asking the appropriate monitoring questions about outcomes. We will also continue to better define the connection between investments and results, as well as developing a multiyear business plan and budget, for both operating and capital funding. Finally, it is our intention to engage the full community in developing and reviewing a new strategic plan by the end of 2012.

- We will continue to expand our interactions with riders, involving them wherever possible in our strategic and budget work to assure that we make decisions that serve their – and the region's – needs.
- Developing a Board policy framework that will enable WMATA management to engage in collective bargaining negotiations
- We will refine the Board's personnel evaluation procedures to ensure that all of our direct reports have the advantage of a full Board review.
- We will continue to monitor progress on the Capital Program – especially as it relates to our goal of achieving a state of good repair throughout the system.
- In particular, the operating budget for FY13 presents both immediate and long-term challenges. The increased funding needs associated with the pre-opening activities related to opening the Silver line to Wiehle Avenue will be challenging; in addition, it is possible that subsidy allocations among funders will be adjusted for FY13 due to the 2010 census. The GM/CEO is likely to include other strategic investment opportunities designed to advance key Board and regional priorities. The conversation with our partners is likely to be robust and challenging due to the region's economic pressures.

This has been an important and busy year that brought many changes in Board composition as well as many governance challenges. As a result, the Metro Board has undertaken initiatives to address the recommendations made by our partners and we have made significant progress in many governance areas. We are focused and committed to the long term strategies that will be necessary to advance Metro's mission and goals and assure its sustainability.