



Finance & Administration Committee

Action Item III-B

February 12, 2015

**Authorization for Public Hearings on FY2016
Budget and CIP**

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

Action Information

MEAD Number:
201302

Resolution:
 Yes No

TITLE:

Authorization of Public Hearings for FY2016 Budget

PRESENTATION SUMMARY:

This presentation supports the Board's decision-making regarding the public hearing docket of fare and service change options for FY2016. As part of the presentation, the Board will hear statements from the public and a summary of public survey results so far.

PURPOSE:

The purpose of the presentation is to review, discuss, and approve the proposed public hearing docket of fare and service changes for the FY2016 budget. The Board's decision-making regarding the docket will be augmented by statements from members of the public and a review of survey results conducted to date.

DESCRIPTION:

Key Highlights:

- In a survey of nearly 2,000 customers, 80 percent favored increased jurisdictional support to bridge WMATA's budget gap. The top offered actions included sustainable practices (8 percent) and increasing advertising revenues (8 percent). Customers were least opposed to mid-day and after-midnight cuts, and there was near unanimous support for cracking down on fare evasion (92 percent).
- In a survey of Community-Based Organizations (CBOs), 46 CBOs responded. 80 percent favor increased jurisdictional support, and the top offered actions included eliminating redundant positions (18%) and increasing advertising revenues (14%). The CBOs were least opposed to mid-day and after midnight cuts, and 4 of 5 support cracking down on fare evasion.
- The draft docket contains proposed fare increases and service changes that together (if all approved) would reduce the jurisdictional subsidy contribution by approximately \$46 million.

Background and History:

The GM/CEO put forward the FY2016 Proposed Operating Budget and Six-Year CIP in December 2014. Since that proposal, changes have been made to certain operating budget assumptions (regarding energy prices, bus service by the local jurisdictions, and bus staffing for fatigue risk management) that have reduced the proposed jurisdictional subsidy contribution by \$5.5 million. Staff have put forward other potential changes --

including additional administrative expense reductions and one-time funding options -- that may be pursued. However, the Board has also directed staff to put forward options for fare increases and service changes that could reduce the subsidy contribution. These options were reviewed at budget work sessions in January, and a draft public hearing docket has been prepared based on those options and additional Board guidance.

Discussion:

CBO Budget Survey

A survey of Community Based Organizations (CBOs) was conducted online subsequent to email outreach to more than 220 CBOs from January 21st to January 30th. A total of 51 surveys were completed by individuals representing 46 CBOs -- 19 percent from Maryland, 33 percent from Virginia, and 50 percent from the District of Columbia. This research helps to bridge a "hard to reach group" coverage gap experienced in the general customer survey among low income customers, prior to implementation of the more comprehensive public participation plan following the approval of a public hearing docket.

Of the specific concepts offered to balance the budget, 80 percent of CBOs said they support jurisdictions increasing their cost sharing for Metro — Virginia CBOs, as a percentage (88 percent), were the most supportive of increases in jurisdictional share of costs.

When asked about other options for balancing the budget, CBOs agreed on some options but not others. The large majority of CBOs opposed changes in rail headways during rush hours (72 percent) but fewer opposed reductions in the mid-day rail service (28 percent) and service after midnight (46 percent). Maryland CBOs were far more supportive of mid-day rail service reductions (67 percent) than eliminating rail weekend late night service (11 percent). Strategies supported by a majority of CBOs were reducing mid-day rail frequency and increasing funding by jurisdictions.

When offered a choice between service reductions or fare increases, nearly 60 percent of CBOs, regardless of jurisdiction, indicated a preference for service reductions. CBOs from the District of Columbia (60 percent) and from Virginia (65 percent) were more supportive of service reductions than their Maryland counterparts (33 percent).

Further, a quarter (26 percent) of CBOs support a five cent rail fare increase in FY2016. CBOs also indicated their constituents are prepared to start considering other modes of transportation if the rail base fare approaches \$3.75 or higher. At a base fare of just over \$4.00 they assert that they would stop using Metrorail all together. Not surprisingly, CBOs tend to support budget concepts that are the least impactful to their constituents.

In addition to specific budget concepts, CBOs were provided an opportunity to weigh in on potential revenue and expense actions that Metro could consider for FY16. Nearly half of responding CBO personnel offered an action, and the top four ideas offered included: eliminate redundant positions (18 percent), increase advertising revenues (14 percent), reduce employee wages (9 percent), and get jurisdictions to pay more (9

percent). The majority of CBOs responding provided disparate revenue or expense actions. However, more than four out of five CBOs (84 percent) said they support Metro cracking down on fare evasion as a way to realize additional funds each year.

(It should be noted that, commencing with a new contract on July 1, 2014, Metro increased the minimum guarantee for ad revenue from an average of \$8 million annually to nearly \$22 million annually over the next five years, with an upside opportunity for 68% share of revenues above the guarantee.)

Draft Public Hearing Docket

The options presented in the draft docket, which were reviewed in previous budget work sessions, total \$46 million in subsidy reduction if all options are approved, including:

- \$0.10 fare increase
- Rail headway increases and elimination of late-night rail service
- Reductions to low-productivity bus service and elimination of airport bus service (5A, B30, 13Y)

The docket also includes the proposed CIP and other minor docket items (parking changes, elimination of the TLC pass, etc.). The accompanying resolution authorizing the public hearings states that the Board expressly reserves judgment on the appropriateness and necessity of any and all options included in the docket.

FUNDING IMPACT:

| | |
|---|-------------------|
| No immediate impact on funding. Board action is to authorize public hearings. | |
| Project Manager: | Thomas J. Webster |
| Project Department/Office: | CFO/OMBS |

TIMELINE:

| | |
|---|--|
| Previous Actions | December 2014 - Presentation of GM/CEO's Proposed FY2016 Operating Budget and Six-Year CIP |
| | January 2015 - Budget work sessions on options to reduce projected jurisdictional subsidy contribution in FY2016 |
| Anticipated actions after presentation | March-April 2015 - Public participation and outreach culminating in public hearing |
| | March-April 2015 - Budget discussions continue at Finance & Administration Committee |
| | May 2015 - Adoption of the FY2016 Operating Budget and Six-Year CiP |

RECOMMENDATION:

Recommend approval of the docket of proposed fare and service change options for public hearing.



Washington Metropolitan Area Transit Authority

Authorization to Hold Public Hearing on FY2016 Budget

Finance & Administration Committee
February 12, 2015



Agenda

- Public statements on budget and summary of public outreach to date
- Public hearing docket





Preliminary Budget Concept Survey – Customers

- Survey of nearly 2,000 customers
- 80% favor increased jurisdictional support
- Top offered actions:
 - Sustainable practices (8%)
 - Increase advertising revenues (8%)
- Least opposed to mid-day and after midnight cuts
- Near unanimous support for cracking down on fare evasion (92%)





Top 5 Customer Identified Actions

| Action | % |
|--|------|
| • Reduce Costs Through Sustainability | 8.3% |
| • Reduce Employee Pay | 7.9% |
| • Eliminate Redundant Employee Positions | 7.8% |
| • Increase Ad Revenues | 7.6% |
| • Increase Reliability to Attract More Customers | 6.9% |



Budget Concept Survey – Organizations

- 46 CBOs responded to survey
- 80% favor increased jurisdictional support
- Top offered actions
 - Eliminate redundant positions (18%)
 - Increase advertising revenues (14%)
- Least opposed to mid-day and after midnight cuts
- 4 of 5 support cracking down on fare evasion





Review Topics from Previous Work Session

- Pensions
- Hedging
- Fare implementation schedule





Draft Docket

- Options in draft docket totaling \$46 million in subsidy reduction if all approved:
 - \$0.10 fare increase
 - Rail headway increases and elimination of late-night rail service
 - Reductions to low-productivity bus service and elimination of airport bus service (5A, B30, 13Y)
- Also includes proposed CIP and smaller docket items (parking changes, TLC pass, etc.)
- Resolution states that Board expressly reserves judgment on all options



Next Steps

- **March-April 2015:** Public participation and outreach culminating in public hearing
- **March-April 2015:** Budget discussions continue at Finance & Administration Committee
- **May 2015:** Adoption of FY2016 Operating Budget and Six-Year CIP



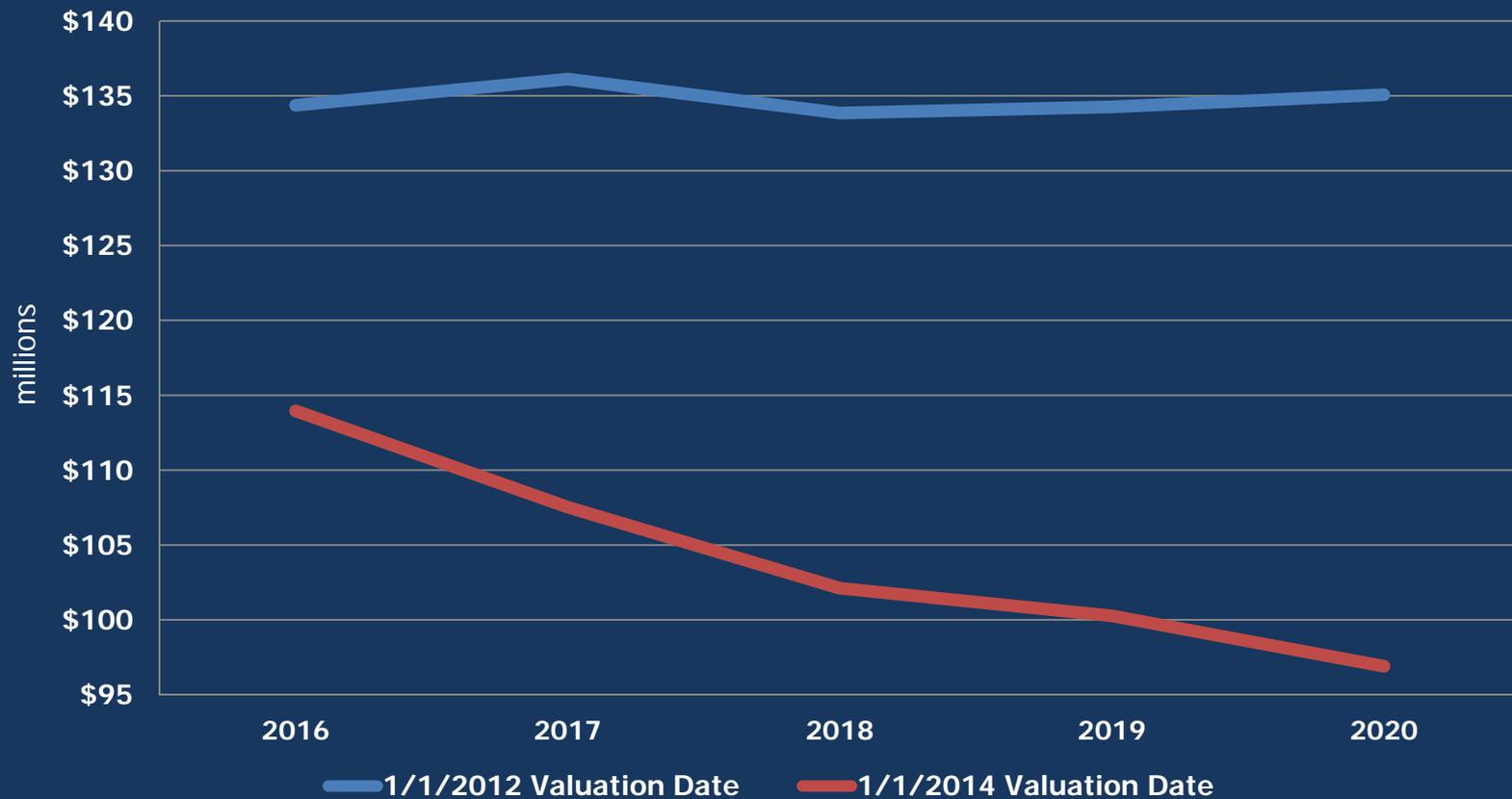
Appendix: Pensions

- Five pension plans (four union plus NRP), of which 689 plan is largest
- As of most recent CBA, 689 and 922 employees now must contribute to their plans:
 - 1 percent in FY2015
 - 3 percent in FY2016
- WMATA is contractually obligated to make payments as determined by independent plan actuary
- Payment forecasts change based on market performance, payroll, number of participants, and other factors



Appendix: Pensions (cont.)

689 Pension Plan Contribution Projections (2016-2020)





Appendix: Commodity Hedging

- WMATA hedges to achieve budget stability, not for speculative purposes
- Consumed commodities represent a significant portion of WMATA's budget
- Legally prohibited from using swap agreements as investment, but may use as form of insurance
- From FY2012-2014, 68 percent of fuel actually consumed was hedge-protected



Appendix: Fare Implementation

- 90-day timeline used successfully for FY2015 and FY2013 fare changes – no errors
- Timeline driven by three critical path items, each of which requires four weeks:
 - Produce revised fare matrices and tables (source data for all later steps)
 - Re-populate, proof, and approve materials
 - Fabrication/production
- 273 separate files produced
- Electronic fare displays could reduce time and fabrication costs

SUBJECT: PUBLIC HEARINGS ON PROPOSED FY2016 FARE CHANGES, SERVICE CHANGES, AND CAPITAL IMPROVEMENT PROGRAM

RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, The Washington Metropolitan Area Transit Authority (WMATA) provides Metrobus, Metrorail, and MetroAccess services to the residents of the region; and

WHEREAS, These services combine to provide over 340 million passenger trips per year; and

WHEREAS, The operating cost of Metrobus, Metrorail, and MetroAccess services is funded in part by passenger and other operating revenues and in part by subsidies provided by the District of Columbia, the State of Maryland, local jurisdictions in Virginia, and the Commonwealth of Virginia; and

WHEREAS, The Interim General Manager/Chief Executive Officer's (GM/CEO) current proposed Fiscal Year (FY)2016 budget forecasts operating expense growth in an amount greater than the growth in passenger and other operating revenues, leading to a substantial increase in proposed local jurisdictional subsidy compared to FY2015; and

WHEREAS, The Board of Directors is considering a range of options for reducing the required local jurisdictional subsidy in the FY2016 budget, including administrative expense reductions, one-time funding sources, fare increases, and major service changes; and

WHEREAS, Any increase in fares or major change in service requires a public hearing pursuant to the WMATA Compact; and

WHEREAS, In order to meet Board-established deadlines for public hearing and public participation, staff must begin work immediately following adoption of this Resolution; and

WHEREAS, The GM/CEO recommends that the Board of Directors conduct a public hearing on the proposed FY2016 Capital Improvement Program in conjunction with the hearing on the proposed fare and service changes; now, therefore be it

RESOLVED, That, in accordance with Section 62 of the WMATA Compact, the Board of Directors will conduct a public hearing to solicit public comment on the proposed fare increases and major service changes as shown in Attachment A to this Resolution; and be it further

RESOLVED, That the Board of Directors expressly reserves judgment on whether any of the proposed fare increases or major service changes are appropriate or justified; and be it further

RESOLVED, That Staff is directed to develop and implement an outreach program (as described in and guided by WMATA's Board-adopted Public Participation Plan) that will invite public input through means including public hearings, online surveys, and written email or website submissions, all of which shall become part of the public record of the hearing and community outreach meetings; and be it further

RESOLVED, That the Board of Directors directs the GM/CEO to include the proposed FY2016 Capital Improvement Program, as described in Attachment A to this Resolution, in the public hearing to solicit public comment on the proposed fare and service changes; and be it further

RESOLVED, That the Board of Directors directs the GM/CEO to report on the findings of the public hearings and that the Board shall consider these findings and other public comments in its deliberations on a proposed fare increase or service change, as well as in its decision on the FY2016 Capital Improvement Program; and be it finally

RESOLVED, That, in order to meet Board-established deadlines for public hearing and public participation, this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Mark R. Pohl
Acting General Counsel

WMATA File Structure Nos.:
9.12.9 Tariff (WMATA Fare Structure)
18.8 Public Hearings and Meetings

Notice of Public Hearings

Washington Metropolitan Area Transit Authority

Docket B15-01: Proposed FY2016 Fare and Service Adjustments and

Docket B15-02: Proposed FY2016 Capital Improvement Program and Federal FY2015 Grant Applications

Purpose

Notice is hereby given that a public hearing will be held by the Washington Metropolitan Area Transit Authority on the two dockets noted above as follows:

Hearing No. 603
DATE, 2015
Metro Headquarters Building
600 Fifth Street NW
Washington, DC 20001

Information Session at 6 p.m. – Public Hearing at 6:30 p.m.

**Please note that this date is subject to Metro's inclement weather cancellation policy.
In the event of a cancellation, Metro will post information about a new hearing on wmata.com.**

The public hearing location is wheelchair accessible. Any individual who requires special assistance such as a sign language interpreter or additional accommodation to participate in the public hearing, or who requires these materials in an alternate format, should contact Danise Peña at 202-962-2511 or TTY: 202-962-2033 as soon as possible in order for Metro to make necessary arrangements. For language assistance, such as an interpreter or information in another language, please call 202-962-2582 at least 48 hours prior to the public hearing date.

For more information please visit www.wmata.com/hearings

In accordance with Section 62 of the WMATA Compact, Metro will conduct a public hearing at the location listed in this notice. Information on the hearing will be provided in area libraries, on Metrobus, Metrorail, and MetroAccess vehicles, and online at www.wmata.com/hearings.

HOW TO REGISTER TO SPEAK – All organizations or individuals desiring to be heard with respect to these two dockets will be afforded the opportunity to present their views and make supporting statements and to offer alternative proposals. In order to establish a witness list, individuals and representatives of organizations who wish to be heard at this public hearing are requested to furnish, in writing, their name and organizational affiliation, if any, via email to speak@wmata.com. The request may also be mailed to the Office of the Secretary, Washington Metropolitan Area Transit Authority, 600 Fifth Street, NW, Washington, DC 20001 or faxed to 202-962-1133. Please submit only one speaker's name per letter. Lists of individual speakers will not be accepted. Please note that all comments received are releasable to the public upon request, and may be posted on WMATA's website, without change, including any personal information provided. Public officials will be heard first and will be allowed five minutes each to make their presentations. All others will be allowed three minutes each. These limits apply regardless of whether the speaker is addressing one or more dockets. Relinquishing of time by one speaker to another will not be permitted.

HOW TO SUBMIT WRITTEN STATEMENTS – Written statements and exhibits must be received by 5 p.m. on DATE, by the Office of the Secretary and may be emailed to writtentestimony@wmata.com. They may also be mailed to the Office of the Secretary, Washington Metropolitan Area Transit Authority, 600 Fifth Street, NW, Washington, DC 20001 or faxed to 202-962-1133. Please reference the appropriate docket number (B15-01 and/or B15-02) in your submission. Please note all statements are releasable to the public upon request, and may be posted on WMATA's website, without change, including any personal information provided.

SURVEY – Additionally, if you wish to participate in a survey on Metro's budget and possible fare and service changes, fares, please go to wmata.com/budgetsurvey. The survey will open by TIME on DATE and will close on DATE at TIME. You will be asked to respond to questions about Metro's proposed FY2016 budget and potential fare and service changes, as well as some demographic questions. This option is in addition to your ability to speak at a public hearing or to submit a written statement. The survey results, along with written statements and public hearing comments, will be presented to the Board and will be part of the official public hearing record.

WMATA PROPOSAL FOR DOCKET B15-01: Proposed FY2016 Fare and Service Adjustments

Metro faces difficult and important choices about how best to balance its budget in the coming year. Despite growth in Metrobus ridership, as well as higher revenues from advertising and joint development, the recent declines in Metrorail ridership pose a significant budget challenge. Metro's jurisdictional partners, who contribute an increasing share of Metro's operating and capital costs, are facing their own financial constraints as tax dollars are also needed to pay for schools, public safety, and other local priorities. Metro's challenge in FY2016 is to bridge this funding gap.

The General Manager's proposed operating budget for FY2016 is \$1.8 billion, an increase of less than four percent over FY2015. This budget supports the men and women who operate and maintain our Metrobus, Metrorail, and MetroAccess services, as well as other costs, including fuel and power to run buses and trains. The proposed budget also funds new safety-critical initiatives to manage employee fatigue through compliance with Metro's new Hours of Service policy. We have also dedicated resources to our Customer Care Initiative and for a new Internal Compliance Office that will focus on organization-wide adherence to financial management controls, processes and procedures.

The proposed operating budget benefits from previous cost reduction initiatives, particularly the employee pension cost-sharing that began in FY2015. To reduce costs further, the proposed budget includes more than \$5 million in administrative cost reductions by eliminating 50 non-safety sensitive positions, and further administrative reductions are being considered. Metro has also deferred investments in bus Priority Corridor Networks and State of Good Operations (PCN/SOGO), as well as delayed the expansion of bus vehicle and rail station cleanliness efforts.

Finally, the operating budget contemplates broader changes to curb Metro's cost growth beyond FY2016, including an expansion of MetroAccess delivery options that build on existing pilot programs in the District of Columbia (for kidney dialysis patients to travel by taxi) and in Maryland (working with Community Support Services) to lower transportation costs for disabled riders.

However, despite these cost reduction and service delivery initiatives, Metro still faces a funding gap and must explore additional options to reduce the growth in jurisdictional subsidy. This docket proposes potential fare increases and service changes that would reduce the growth in jurisdictional subsidy. Taken together, if all the proposed changes were adopted, the jurisdictional subsidy contribution for FY2016 would be reduced by approximately \$46 million. ***The docket provides a description of the maximum possible fare increases and service reductions that could be adopted for FY2016, but the Board may choose to adopt smaller changes or even no changes.*** For example, the proposed fare change outlined below is an increase of \$0.10 for both Metrobus and Metrorail over current fares, but the Board could choose to adopt a \$0.05 increase or no increase. Similarly, for example, the proposed bus service reductions (which are intended to eliminate the underperforming services within the Metrobus

network) are projected to save approximately \$10 million in subsidy in FY2016. The Board could choose to adopt a smaller package of bus service reductions, but not a larger one.

In addition to a broad-based fare increase of up to \$0.10 on regular full fare adult trips on Metrobus and Metrorail (with corresponding increases to passes, senior/disabled and student fares, and MetroAccess fares, as outlined in the information below), this docket also proposes four smaller changes related to fares and fees:

- *Daily parking fee at Minnesota Avenue station:* The daily parking fee at the Minnesota Avenue station is currently \$3.60, which is \$1.00 below the daily fee of \$4.60 at all other Metro parking facilities in the District of Columbia. The fee at this location was previously kept low in order to encourage usage, and the average daily utilization rate has now risen to over 90 percent. In coordination with the District of Columbia, Metro proposes to raise the daily parking fee at Minnesota Avenue to \$4.60, equal to the other locations in the District of Columbia.
- *Parking hours of collection:* Metro currently collects parking fees at its rail stations until midnight Monday to Thursday and until 3:00 a.m. Friday. Data indicates that many park-and-ride customers wait inside the parking garages prior to those times and then exit immediately after the gates rise. In addition, at some locations, local residents park their cars overnight inside Metro's facilities and then exit each morning before the gates are lowered. Metro proposes to extend the hours of collection (i.e., the hours when the gates are down) by one hour in both the morning and the evening. This will generate additional parking revenue and also make it easier for customers to find parking spaces in the morning.
- *Elimination of the TransitLink Card (TLC) pass:* The TLC pass is a discounted, unlimited-ride monthly rail pass that can only be purchased along with a monthly MARC, VRE, or MTA Commuter Bus pass. The TLC is one of the few remaining paper farecard products in the Metrorail system. As part of Metro's broader effort to eliminate paper-magnetic farecards, staff have explored a number of options for transitioning the TLC product to SmarTrip®, but none have proved satisfactory to both WMATA and the partner agencies. Therefore, this docket proposes the elimination of the TLC product. It should be noted that MARC, VRE, and MTA weekly and monthly pass holders will continue to be able to ride Metrobus for free (as prescribed in the WMATA tariff) even if the TLC product is eliminated.
- *Changes to pricing for early open/late close service:* Metro currently charges \$29,500 per hour to outside event organizers who request Metrorail service beyond the normal operating hours when that request is limited to additional Metrorail service and no other support. (For example, the Marine Corps Marathon requests additional early morning service in order to get runners to the starting line of the race.) The organizer is then given a credit against that charge for the fare revenue generated by riders using the system during the extra service period. This pricing has not been updated in a number of years. Metro is proposing to increase the charge to as much as \$50,000 per hour beginning in FY2016 and to institute a process for regular annual updates to the charge based on the underlying cost inflation of providing Metrorail service (currently approximately four percent per year).

Fares and Fees (Maximum Potential Changes)

| | CURRENT Fares/Fees | FY2016 Proposed Fare Options |
|---|-----------------------|---------------------------------|
| Metrorail Fares | | |
| Peak Fares¹ | | |
| 1 · Boarding charge (up to 3 miles) | \$2.15 | \$2.25 |
| 2 · Composite miles between 3 and 6 miles | \$0.326 | no change |
| 3 · Composite miles over 6 miles | \$0.288 | no change |
| 4 · Maximum peak fare | \$5.90 | \$6.00 |
| 5 · Charge for senior/disabled is one-half peak fare | \$1.05 - \$2.95 | \$1.10 - \$3.00 |
| Off-Peak Fares² | | |
| 6 · Boarding charge (up to 3 miles) | \$1.75 | \$1.85 |
| 7 · Composite miles between 3 and 6 miles | \$0.244 | no change |
| 8 · Composite miles over 6 miles | \$0.216 | no change |
| 9 · Maximum off-peak fare | \$3.60 | \$3.70 |
| 10 · Charge for senior/disabled is one-half peak fare during off-peak | \$1.05 - \$2.95 | \$1.10 - \$3.00 |
| Paper Magnetic Fare Cards | | |
| 11 · Non-SmarTrip® fare surcharge ³ | \$1.00 | no change |
| 12 · Senior/disabled non-SmarTrip® surcharge | \$0.50 | no change |
| Rail Passes | | |
| 13 · One-day unlimited pass | \$14.50 | \$14.80 |
| 14 · One-day "convention" pass (bulk sales only) ⁴ | \$10.00 | no change |
| 15 · 7-day short-trip pass for rail | \$36.00 | \$37.00 |
| 16 · 7-day fast pass for rail | \$59.25 | \$60.00 |
| 17 · 28-day fast pass for rail | \$237.00 | \$240.00 |
| Other Rail Fares | | |
| 18 · Bus-to-rail transfer utilizing SmarTrip® card | \$0.50 discount | no change |
| 19 · 30-day DC SmartStudent pass & DC One card, within DC | \$33.00 | \$34.00 |
| 20 · DC Student farecards & DC One Card - 10 rail trips within DC | \$10.30 | \$10.50 |
| 21 · TransitLink Card on MARC and VRE ⁵ | \$111.00 | eliminate |
| 22 · TransitLink Card on MTA ⁵ | \$171.00 | eliminate |
| Metrobus Fares | | |
| Regular Fares | | |
| 23 · Cash/SmarTrip® boarding charge for local/limited-stop bus | \$1.75 | \$1.85 |
| 24 · Cash/SmarTrip® boarding charge for express bus | \$4.00 | \$4.10 |
| 25 · Cash/SmarTrip® boarding charge for designated airport routes | \$7.00 | \$7.10 |
| Senior/Disabled: One-Half Regular Fares | | |
| 26 · Cash/SmarTrip® boarding charge for local/limited-stop bus | \$0.85 | \$0.90 |
| 27 · Cash/SmarTrip® boarding charge for express bus | \$2.00 | \$2.05 |
| 28 · Cash/SmarTrip® boarding charge for designated airport routes | \$3.50 | \$3.55 |

| Metrobus Fares (cont.) | CURRENT Fares/Fees | FY2016 Proposed Fare Options |
|---|-------------------------------|---|
| Bus Transfers | | |
| 33 · Bus-to-bus transfers utilizing SmarTrip® card | varies | varies |
| 34 · Rail-to-bus transfer utilizing SmarTrip® card | \$0.50 discount | no change |
| 35 · Transfer from MARC, VRE, & MTA with weekly/monthly pass | \$0.00 | no change |
| 36 · Transfer from regional bus partners | varies | varies |
| Bus Passes | | |
| 37 · 7-Day Regional Bus Pass | \$17.50 | \$18.50 |
| 38 · 7-Day Regional Senior/Disabled Pass | \$8.75 | \$9.25 |
| Other Fare Media | | |
| 39 · Package of 10 tokens, available to organizations | \$17.50 | \$18.50 |
| 40 · DC student tokens - 10 trips per pack | \$8.75 | \$9.25 |
| 41 · DC student pass on DC One Card - 10 trips | \$8.75 | \$9.25 |
| MetroAccess Fares⁶ | | |
| 42 · MetroAccess fare (within ADA 3/4 mile service corridor) | varies | varies |
| 43 · Maximum fare | \$6.50 | no change |
| Parking Fees⁷ | | |
| 44 · District of Columbia | \$3.60 - \$4.60 | \$4.60 |
| 45 · Montgomery County | \$4.35 - \$5.10 | no change |
| 46 · Prince George's County | \$4.60 - \$5.10 | no change |
| 47 · Virginia | \$4.85 | no change |
| 48 · Monthly reserved parking fee | \$45.00 - \$65.00 | no change |
| 49 · Parking meters \$1.00/60 minutes | \$1.00 | no change |
| 50 · Prince George's parking garage at New Carrollton | \$85.00 | no change |
| 51 · Non-Metro rider parking fees | \$8.25 - \$15.00 | no change |
| Other Fees | | |
| 52 · Bicycle locker rental | \$120.00 (annual) | no change |
| 53 · Surcharge on Entry/Exit for station improvements, two stations per Compact jurisdiction ⁸ | \$0.05 | no change |

¹ Peak fares are in effect from opening through 9:30 a.m. and from 3:00 p.m. to 7:00 p.m. weekdays, except on national holidays. Peak fares are in effect from midnight until closing Friday and Saturday nights.

² Off-peak fares are in effect during all other hours on weekdays, Saturday and Sunday, and all national holidays.

³ Non-SmarTrip® fare surcharge is in addition to the peak or off-peak fare charged.

⁴ Discounted unlimited one-day pass for convention attendees, available through WMATA bulk sales only.

⁵ Metro's portion of the TransitLink Cards on MARC, VRE, and MTA.

⁶ MetroAccess fare is twice the equivalent fixed route SmarTrip® fare based on fastest trip.

⁷ Parking fees consist of Metro's base fee plus jurisdiction surcharge. Monthly fee for Prince George's parking at New Carrollton is \$70 base fee plus \$15 surcharge.

⁸ Rail stations with surcharge are designated per jurisdiction discretion pending Board approval.

I. Fare Proposal – Metrorail

A. Fare Changes for Travel Using SmarTrip®

1. Increase peak period rail fares by up to \$0.10

It is proposed that the boarding charge (also referred to as the base fare) will increase by up to \$0.10, while the composite mileage increments will remain the same. The maximum fare will also be increased by up to \$0.10. If the maximum advertised increase is adopted, the peak period fare will increase as follows:

- a) Base fare will increase from \$2.15 to \$2.25
- b) Mileage composite between 3 and 6 miles is unchanged at \$0.326
- c) Mileage composite over 6 miles is unchanged at \$0.288
- d) Maximum peak fare will increase from \$5.90 to \$6.00

2. Increase off-peak rail fares by up to \$0.10

It is proposed that the boarding charge (also referred to as the base fare) will increase by up to \$0.10, while the composite mileage increments will remain the same. The maximum fare will also be increased by up to \$0.10. If the maximum advertised increase is adopted, the off-peak fare will increase as follows:

- a) Base fare will increase from \$1.75 to \$1.85
- b) Mileage composite between 3 and 6 miles is unchanged at \$0.244
- c) Mileage composite over 6 miles is unchanged at \$0.216
- d) Maximum off-peak fare will increase from \$3.60 to \$3.70

The off-peak fare structure was changed in FY2013 to be aligned with the peak structure, but at an approximate 25 percent discount from peak. If implemented uniformly, this change would have caused off-peak trips between some station pairs to experience fare increases of up to 60 percent. Therefore, in order to avoid such large increases, a “cap” was implemented as part of the FY2013 fare changes that prevented any off-peak fare from going up more than 27 percent. A similar cap of 15 percent was implemented as part of the FY2015 fare increase. No cap is proposed for this current fare change proposal – all fares between all station pairs will increase by the same dollar amount.

B. Fare Changes for Passengers Using Paper Farecards

Depending on the month, paper farecards account for 10 percent or less of Metrorail trips, as the vast majority of riders are now utilizing SmarTrip®. The current surcharge for passengers using a paper farecard instead of SmarTrip® is \$1.00 per trip. Fares for passengers using paper farecards would increase as detailed above; however, there is no proposed change to the paper farecard surcharge in FY2016.

C. Fare Changes for Rail Passes and Other Rail Fares

1. Increase price of existing rail passes

Existing Metrorail pass products would increase in the same proportion (subject to rounding) as individual peak and off-peak trips. If the maximum advertised increase of \$0.10 were adopted, the pass price increases would be as follows:

- a) One-day unlimited pass would increase from \$14.50 to \$14.80
- b) 7-day short-trip pass would increase from \$36.00 to \$37.00
- c) 7-day fast pass would increase from \$59.25 to \$60.00
- d) 28-day fast pass would increase from \$230.00 to \$239.00
- e) TransitLink Card (TLC) pass on MARC, MTA, or VRE would be eliminated, per discussion above

2. Maintain discount for bus-to-rail transfers

The current bus-to-rail transfer discount is \$0.50 (i.e., the rail fare is reduced by \$0.50 when a passenger transfers from Metrobus or another local bus provider using the SmarTrip® card within the transfer time window). There is no proposed change in the transfer discount.

II. Fare Proposal – Metrobus

A. Fare Changes for Bus Boarding Using Cash or SmarTrip®

It is proposed that the regular fare bus boarding charge (for local and limited-stop services) using either cash or SmarTrip® be increased by up to \$0.10, from \$1.75 to \$1.85. It is also proposed that the regular fare bus boarding charge for express services be increased by up to \$0.10, from \$4.00 to \$4.10, and that the regular fare bus boarding charge for airport services be increased by up to \$0.10, from \$7.00 to \$7.10. All senior/disabled fares would be one-half the regular fare, rounded down to the nearest nickel.

B. Bus Transfers

No changes are proposed to the current bus-to-bus and rail-to-bus transfer discounts, including free transfers to bus for riders with weekly or monthly MARC, VRE, and MTA passes.

C. Bus Passes and Other Media

The seven-day bus pass is currently priced at 10 times the base SmarTrip® fare, and this pricing is proposed to continue, so that a seven-day bus pass would increase from \$17.50 to as high as \$18.50. Similarly, a package of 10 non-student tokens could increase from \$17.50 to as high as \$18.50.

III. Fare Proposal – MetroAccess

A. MetroAccess Fare Calculation

There is no proposed change to the pricing calculation for MetroAccess. MetroAccess fares are equal to twice the equivalent fixed-route SmarTrip® fare, based on the fastest trip using Metro’s fare calculator. Fares will be adjusted according to the adopted fare changes for bus and rail.

B. MetroAccess Maximum Fare

There is no proposed change to the maximum fare for MetroAccess, which will remain at \$6.50.

IV. Fare Proposal – Parking

A. Change in Base and Surcharge Parking Fees

There is no proposed change to the base or surcharge parking fees at Metro’s parking facilities, with the exception of Minnesota Avenue. The daily parking fee at this location is proposed to increase from \$3.60 to \$4.60, equal to the daily rate charged at all other Metro facilities within the District of Columbia.

V. Impact of Fare Options

The Board’s current policy is to consider fare changes on a biannual basis, and fares were increased as part of the FY2015 budget process. However, in light of current funding constraints, a small off-cycle fare increase is being considered for FY2016. Given the current plan for budget adoption in May, and the 90-day timetable to implement new fares (signage changes, farebox programming, etc.), any fare change would be implemented on or about September 1, or for ten months of the fiscal year.

- A \$0.05 fare increase on both Metrobus and Metrorail (in both the peak and off-peak) would generate approximately \$11 million in additional fare revenue (\$4 million from bus, \$7 million from rail) in FY2016 if implemented on September 1. Due to the fare increase, approximately one million existing passenger trips would be lost, with 70 percent of those trips being from rail. The average commuter would see a cost increase of approximately \$2.00 per month.
- A fare increase of \$0.10 on both Metrobus and Metrorail would essentially double the figures above, generating a net fare revenue increase of approximately \$22 million and reducing ridership by two million trips.
- In forecasting the impact of a proposed fare increase, the elasticity with respect to price (that is, the factor determining what percentage of ridership is lost in response to a given percentage increase in the fare) is assumed to be lowest for bus trips and for shorter, peak-hour rail trips, and highest for longer peak-hour rail trips, given the recent ridership weakness Metro has seen in those long rail trips.

The above revenue and ridership figures are estimates subject to final budget approval.

Service Reductions (Maximum Potential Changes)

Three separate service change proposals are included in this docket and outlined below:

- The first is a reduction in Metrobus service aimed at increasing the effectiveness of Metrobus by removing low productivity service – that is, service with very few riders. This would be achieved by eliminating trips or sections of routes that do not meet performance criteria or where other bus service is available. This proposal also includes a restructuring of Metro’s airport services (the 5A to Dulles International Airport, the B30 to BWI Thurgood Marshall International Airport, and the 13Y to Reagan National Airport).
- The second is the proposed elimination of Friday and Saturday late night (midnight to 3:00AM) Metrorail service.
- The third is an increase in headways (or equivalently, a reduction in frequency) on Metrorail in both the peak and off-peak.

I. Proposed Bus Service Changes

| District of Columbia Tier 1 | | | |
|--|--|---|---------------------|
| Route | Name | Proposed Change | Service Type |
| 34 | Pennsylvania Avenue | Eliminate route evenings and weekends. Service is available on routes 32, 36, 30N, 30S | Regional |
| 54 | 14 th Street | Shorten route, eliminate segment between McPherson Square and L’Enfant Plaza. Other routes provide overlapping service, route 52 will still connect 14 th Street to L’Enfant Plaza. Some existing trips may require transfers. | Regional |
| 60, 64 | Fort Totten - Petworth | Eliminate route 60 (operates weekdays only,) Other routes serve all but 2 stops. Some existing trips may require transfers. | Regional |
| 74 | Convention Center – Southwest Waterfront | Reduce Span | Regional |
| 80 | North Capitol St | Shorten route, eliminate segment between McPherson Square and Kennedy Center; replace segment by rerouting routes 32 and/or 36 via 18 th /19 th Sts and Virginia Ave | Regional |
| A31 | Anacostia High School Line | Eliminate afternoon school trip | Non-Regional |
| A42 A46 A48 | Anacostia-Congress Heights | Eliminate routes, replace with additional trips on routes A2, A6, A8 and P6 trips as necessary for capacity | Regional |
| B8,9 | Fort Lincoln Shuttle | Eliminate all service. Coverage would still be provided by route H6 to Brookland Station. Some existing trips may require transfers. | Non-Regional |
| B51 | Brookland | Eliminate AM school trip. | Non-Regional |

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|----------|-----------------------------------|--|--------------|
| | Education Campus Line | | |
| D1 | Glover Park-Federal Triangle Line | Shorten route, eliminate segment between Franklin Square and Federal Triangle, reduce span | Regional |
| D3 | Ivy City – Dupont Circle | Eliminate all service (operates weekday peak only.) D4 and D8 will still provide coverage. Some existing trips may require transfers. | Regional |
| E6 | Chevy Chase Line | Eliminate midday service, and service after 7:00 PM. | Non-Regional |
| G8 | Rhode Island Avenue | Eliminate one weekday afternoon school trip. | Regional |
| M31 | McKinley High School Line | Eliminate one afternoon school trip. | Non-Regional |
| N2,3,4,6 | Massachusetts Avenue | Eliminate all service on route N3 (operates weekday peak only.) Other N lines still provide coverage. Some existing trips may require transfers. | Regional |
| V5 | Fairfax Village – L’Enfant Plaza | Eliminate all service (operates weekday peak only.) 30N, 36 and M6 still provide coverage. Some existing trips may require transfers. | Regional |
| X2 | Benning Road-H Street | Eliminate one weekday afternoon school trip. | Regional |

| District of Columbia Tier 2 | | | |
|--|---|--|---------------------|
| Route | Name | Proposed Change | Service Type |
| 42 | Mt. Pleasant | Reduce off-peak and weekend frequency | Regional |
| 62 | Takoma - Petworth | Reduce off-peak frequency | Regional |
| 60, 64 | Fort Totten - Petworth | Reduce off-peak & Saturday frequency on route 64 | Regional |
| 70 | Georgia Ave- 7 th St | Reduce off-peak frequency | Regional |
| 93 | U St-Garfield | Eliminate route, replace with additional trips on routes 90, 94 as necessary for capacity | Regional |
| 94 | Stanton Road | Reduce off-peak frequency | Regional |
| D2 | Glover Park- Dupont Circle Line | Reduce Saturday, Sunday, and weekday peak and midday frequency | Non-Regional |
| D8 | Hospital Center Line | Reduce Saturday, Sunday and weekday peak and midday frequency | Non-Regional |
| G2 | P St- LeDroit Park | Reduce Sunday frequency | Regional |
| G8 | Rhode Island Avenue | Reduce Saturday and Sunday frequency; | Regional |
| H2,4 | Crosstown | Reduce Saturday frequency | Regional |
| H6 | Brookland-Fort Lincoln Line | Reduce Saturday, Sunday and weekday midday frequency | Non-Regional |
| L2 | Connecticut Avenue | Reduce off-peak, Saturday and Sunday frequency | Regional |
| N2,3, 4,6 | Massachusetts Avenue | Replace N2,4 with N6 off-peak, reduce frequency Saturday and Sunday | Regional |
| W2, W3 | United Medical Center- Anacostia Line | Reduce Saturday, Sunday and weekday peak and midday frequency. | Non-Regional |
| W6, W8 | Garfield- Anacostia Loop Line | Reduce Saturday, Sunday and weekday peak frequency. | Non-Regional |
| X2 | Benning Road- H Street | Reduce Sunday frequency | Regional |
| X3 | Benning Road | Eliminate all service (operates weekday peak only.) X2 and 96 still provide coverage, transfers may be required. | Regional |

| Maryland Tier 1 | | | |
|----------------------------|----------------------------------|--|---------------------|
| Route | Name | Proposed Change | Service Type |
| B31 | Crofton-New Carrollton | Eliminate Evening service. B24,25 still would provide some coverage. No service to Bowie Park-and-Ride would be available after 8 PM. | Non-Regional |
| C2,4 | Greenbelt-Twinbrook | Restructure service. Operate C2 at reduced frequency between Greenbelt Station and Takoma- Langlely Station with revised routing to merge with R3 line. Add additional C4/ trips to provide adequate coverage on University Blvd. Some existing trips may require transfers. | Regional |
| Q1,2,4 | Veirs Mill Road | Shorten route in off-peak periods. Eliminate segment between Wheaton Station and Silver Spring Station. Overlapping service provide by Y lines. Some existing trips may require transfers. (Special Rail fare discount between Wheaton, Forest Glen and Silver Spring Stations would also reduce the number of bus trips needed on this corridor.) | Regional |
| K6 | New Hampshire Avenue - Maryland | Even out frequency in peak periods, reducing total number of trips operated. | Regional |
| R3 | Greenbelt-Prince Georges Plaza | Eliminate entire line (operates weekday peak only.) Restructure C2 route to provide missing coverage. | Non-Regional |
| W15 | Camp Springs-Indian Head Highway | Transfer operations of the line to Prince Georges County Transit as previously approved by WMATA Board on January 22, 2015 in docket B14-03. | Regional |
| W19 | Indian Head Express | Transfer operations of the line to Maryland Transit Administration Commuter Bus. | Non-Regional |

**Maryland
Tier 2**

| Route | Name | Proposed Change | Service Type |
|--------------|-----------------------------------|--|---------------------|
| B30 | Greenbelt – BWI Airport | Eliminate entire line. Increased MARC service has caused significant drop in ridership. | Non-Regional |
| C11, 13 | Clinton | Eliminate last C11 and last C13 trip. (Operates weekday peak only.) | Regional |
| C12, 14 | Hillcrest Heights | Eliminate Saturday service | Regional |
| | | Eliminate weekday service | |
| F12 | Ardwick Industrial Park Shuttle | Reduce peak frequency to every 60 minutes. (operates weekdays only.) | Non-Regional |
| | | Eliminate off-peak service (operates weekdays only.) | |
| J5 | Twinbrook-Silver Spring | Eliminate entire line (operates weekday peak only.) Coverage provided by Ride-On and other J Lines. Some existing trips may require transfers. | Non-Regional |
| J7,9 | I-270 Express | Reduce number of trips from 11 to 7. (Operates weekday peak only.) | Non-Regional |
| V14 | District Heights – Seat Pleasant | Eliminate Sunday service | Non-Regional |
| Z6 | Calverton-Westfarm | Reduce late evening frequency. | Non-Regional |
| | | Shorten Route. Eliminate segment between CSTLE Blvd. and Burtonsville Park-and-Ride. | |
| Z8 | Fairland | Reduce late evening frequency. | Regional |
| | | Shorten some trips. Reduce number of trips operating between Briggs Chaney Park-and-Ride and Greencastle Park-and-Ride | |
| Z11, 13 | Greencastle-Briggs Chaney Express | Reduce number of trips (operates weekday peak only.) | Non-Regional |

**Virginia
Tier 1**

| Route | Name | Proposed Change | Service Type |
|--------------|--------------------------------|--|---------------------|
| 1A,B,E, Z | Wilson Blvd.- Vienna | Eliminate selected route 1B trips (operates weekday peak only.) | Regional |
| | | Eliminate service on route 1B on MLK Day, Presidents Day, Columbus Day and Veterans Day. | |
| | | Convert route 1Z trips to route 1A trips. Restructure route 1B to bypass Seven Corners Shopping Center and operate limited-stop on Wilson Blvd. | |
| | | Eliminate all service on route 1E (operates weekday peak only.) Some passengers would have to walk into Dominion Hills neighborhood from Wilson Blvd. | |
| 2A | Washington Blvd.-Dunn Loring | Eliminate supplemental trips operated on MLK Day, Presidents Day, Columbus Day and Veterans Day. | Regional |
| 2T | Tysons Corner-Dunn Loring | Eliminate all Sunday service. Coverage still provided by Fairfax Connector. Some existing trips may require transfers. | Regional |
| 3A | Lee Highway-Falls Church | Eliminate supplemental trips operated on MLK Day, Presidents Day, Columbus Day and Veterans Day. | Regional |
| 3T | Pimmit Hills-Falls Church | Shorten Route. Eliminate service between East Falls Church and West Falls Church Stations. | Regional |
| | | Eliminate supplemental trips operated on MLK Day, Presidents Day, Columbus Day and Veterans Day. | |
| 4A,B | Pershing Drive-Arlington Blvd. | Eliminate all Saturday service on route 4A. | Regional |
| | | Eliminate supplemental trips on route 4B operated on MLK Day, Presidents Day, Columbus Day and Veterans Day. | |
| 7A | Lincolnia-North Fairlington | Eliminate all trips after midnight on Friday and Saturday nights. | Regional |
| 7H,X | Lincolnia-Park Center-Pentagon | Eliminate all 7H trips (weekday peak-period reverse commute trips.) | Regional |
| | | Shorten route 7X, eliminate service between Lincolnia Road and Orleans Village. 29G fare reduction to local fare will provide equivalent service to Orleans Village (approved on docket B14-03.) | |
| 9A | Huntington-Pentagon | Eliminate entire line. Route 10A would be restructured to replace missing coverage. | Regional |
| 10A,R,S | Hunting Point-Pentagon | Restructure service to provide coverage to Powhattan Street and Huntington Station lost by eliminating the 9A line. | Regional |

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|-------|-------------------------------------|--|--------------|
| | | Eliminate 10R and 10S routes, convert some trips to 10A route. Would eliminate service connecting Alexandria and Crystal City to Rosslyn. | |
| 15M | GMU-Tysons Corner | Eliminate entire line. Overlapping service provide by Fairfax Connector and City of Fairfax CUE. Some existing trips may require transfers. | Regional |
| 16G,H | Columbia Heights West-Pentagon City | Shorten 16H route. Eliminate segment between Pentagon City and Crystal City, alternative service provided by Metroway Potomac Yard Line. | Regional |
| 16X | Columbia Pike-Federal Triangle | Eliminate service on MLK Day, Presidents Day, Columbus Day and Veterans Day. | Regional |
| 18E,F | Springfield | Eliminate entire line. Some segments will be replaced by restructured 21A,D line. | Non-Regional |
| 21A,D | Landmark-Pentagon | Extend route to cover Bren Mar Park (proposed to be eliminated on 18E,F) | Non-Regional |
| 22A | Barcroft-South Fairlington | Eliminate supplemental trips operated on MLK Day, Presidents Day, Columbus Day and Veterans Day. | Regional |
| 25C,D | Ballston-Bradlee-Pentagon | Eliminate service on MLK Day, Presidents Day, Columbus Day and Veterans Day. | Regional |
| 38B | Ballston-Farragut Square | Eliminate supplemental trips operated on MLK Day, Presidents Day, Columbus Day and Veterans Day. | Regional |
| REX | Richmond Highway Express | Shorten route. Eliminate segment between Huntington Station and King Street-Old Town Station. (Special Rail fare discount between Huntington, Eisenhower Avenue and King Street-Old Town Stations would also reduce the number of bus trips needed on this corridor.) Eliminate supplemental trips operated on MLK Day, Presidents Day, Columbus Day and Veterans Day | Regional |
| W99 | West Ox Employee Shuttle | Eliminate service. Alternative service is available on 1C and 2B lines. | Regional |

**Virginia
Tier 2**

| Route | Name | Proposed Change | Service Type |
|--------------|-------------------------------------|--|---------------------|
| 2A | Washington Blvd.-Dunn Loring | Eliminate selected weekday trips. | Regional |
| 2T | Tysons Corner-Dunn Loring | Eliminate selected weekday trips. | Regional |
| 3T | Pimmit Hills-Falls Church | Reduce weekday peak frequency from 20 minutes to 30 minutes. | Regional |
| | | Reduce weekday evening frequency from 30 minutes to 60 minutes. | |
| 5A | DC-Dulles | Eliminate entire line. Silver Line, Fairfax Connector and reduced fare on Washington Flyer provides alternate service. | Regional |
| 13Y | Arlington-Union Station | Eliminate entire line (operates Saturday and Sunday mornings before rail service only.) | Regional |
| 15K,L | Chain Bridge Road | Eliminate selected trips (operates weekday peak only.) | Regional |
| 16E | Columbia Pike | Eliminate all trips after midnight on Friday and Saturday nights. | Regional |
| 16G,H | Columbia Heights West-Pentagon City | Reduce weekday peak frequency from 12 minutes to 15 minutes. | Regional |
| 16X | Columbia Pike-Federal Triangle | Eliminate all service (operates weekday peak period only.) | Regional |
| | | Shorten route. Eliminate service between Pentagon and Federal Triangle. | |
| 17A,B,M | Kings Park | Eliminate all weekday service after 7:55 PM | Non-Regional |
| | | Eliminate service on route 17M on MLK Day, Presidents Day, Columbus Day and Veterans Day. | |
| 18S | Burke Centre | Eliminate selected trips (operates weekday peak only.) | Non-Regional |
| 29G | Annandale | Eliminate all weekday service after 8 PM. | Regional |
| 29W | Braeburn Drive-Pentagon | Eliminate last AM and first and last PM trips (operates weekday peak only.) | Regional |

II. Proposed Rail Service Changes

| | |
|--|---|
| Option 1: Eliminate Late Night Rail Service | |
| A | Eliminate service on all lines from midnight to 3:00AM on Friday and Saturday nights |
| Option 2: Widen Headways | |
| A | Widen Saturday headways from 12 to 15 minutes during the day - 10:00 am to 6:00 pm |
| B | Widen Sunday headways from 15 to 20 minutes - opening to 6:00 pm |
| C | Widen weekend evening headway from 15/20 (Red) to 20/25 (all others) minutes between 6:00 pm to closing |
| D | Widen weekday peak headways on all lines (except Blue line) from 6 to 8 minutes - 6:30 am to 9:30 am and 3:30 pm to 6:30 pm. Increase percentage of 8-car consists when possible. |
| E | Widen weekday evening headway: from 12 to 15 minutes between 6:30-9:30pm; from 15/20 (Red) to 20/25 (all others) minutes between 9:30pm – midnight |
| F | Widen weekday midday headways on all lines from 12 to 15 min - 9:30am to 3:00pm use the same percentage 8-car trains as peak |

III. Impact of Proposed Service Changes

As with fares, the budget adoption timetable limits how quickly service changes could be implemented in FY2016. As with fares, time is required for implementation of service changes following budget adoption. This allows for the development of detailed schedules and operator and fleet assignments, along with customer outreach. The options described below assume the service changes would be implemented on or about October 1, or for nine months of the fiscal year.

Rail Changes:

By increasing headways (i.e., decreasing frequency) on Metrorail throughout the day, expenses for operator labor, propulsion, and parts can be reduced. If headways are increased as outlined above, the total gross operating cost savings for a full year would be \$24 million. This would be offset, however, by an estimated fare revenue decline of \$11 million, for a total 12-month subsidy decrease of \$13 million. If implemented on October 1, the achievable subsidy decrease for FY2016 is approximately \$10 million.

This change in rail service levels would have major customer impacts. In addition to the loss of three to four million passenger trips, riders would experience longer average wait times and experience significantly worsened crowding at key load points within the system. For example, riders at stations such as Rosslyn (Silver Line) and Gallery Place (Red Line) in the AM peak would see crowding (measured as average passengers per car) increase by 25 to 35 percent.

The other rail service option is to eliminate late night (midnight to 3:00 a.m.) service on Friday and Saturday nights. The gross operating cost savings would be approximately \$8 million for a full year, offset by a loss of more than one million riders paying peak fares

(\$4 million in total revenue), so that the total subsidy decline would be only \$4 million. If implemented on October 1, the net impact for FY2016 would then be \$3 million.

Bus Changes:

The bus service reduction option is to eliminate low productivity service throughout the entire network. Under this approach, region-wide coverage would remain, but particular trips or route sections with low utilization would be deleted. Similar to the rail service scenarios, a gross cost reduction of \$18 million, with an associated revenue loss of \$4.5 million, leads to a full year subsidy reduction of \$13.5 million. If implemented for nine months, these changes would save \$10 million in subsidy. Also as with rail, these cuts would have major customer impacts, with ridership losses exceeding two million trips, longer wait times, and more overcrowding on routes already facing high demand.

WMATA PROPOSAL FOR DOCKET B15-02: Proposed FY2016 Capital Improvement Program and Federal FY2015 Grant Applications

WMATA intends to apply for Federal Fiscal Year 2015 grants under the Moving Ahead for Progress in the 21ST Century Act (MAP-21) and the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) to support the agency's ongoing capital investments. These applications will be filed under the provisions of MAP-21 (P.L. 112-141) and PRIIA (P.L. 110-432).

Based on the current apportionment WMATA estimates \$292.4 million will be available to the agency through three MAP-21 programs. WMATA intends to apply for a combined \$145,029,626 of funds in the Section 5307 Urbanized Area and Section 5340 High Density States Formula Programs. This assumes successfully applying for a Section 5307 grant of \$131,588,924 and a Section 5340 grant of \$13,440,702. WMATA will also apply for \$134,801,848 of federal funds through the Section 5337 Fixed Guideway Modernization/State of Good Repair-Rail program and an additional \$3,015,411 in the Section 5337 Fixed Guideway program for bus. Furthermore, WMATA will apply for \$9,521,063 of federal funding in the Section 5339 Bus/Bus Facilities program.

Additionally, WMATA estimates \$150,000,000 will be available to the agency through the PRIIA program. WMATA intends to apply for these funds in the coming year.

WMATA's Fiscal Year 2016 Proposed Program of Projects will be supported in part by the Federal Fiscal Year 2014 MAP-21 and PRIIA funds. WMATA's Proposed Program of Projects and the applications to the Federal Transit Administration for these funds are described below.

WMATA intends to submit the final Program of Projects to the National Capital Region Transportation Planning Board as input to the FY2016-2021 Transportation Improvement Program (TIP) for the Washington Metropolitan area.

WMATA FY2016 CAPITAL IMPROVEMENT PROGRAM

The Washington Metropolitan Area Transit Authority's proposed FY2016 Capital Improvement Program (CIP) is a \$1.3 billion capital investment plan focused on safety improvements, the rebuilding of the Metro system, increasing system capacity and improving the effectiveness of the current rail and bus network. Metro is advancing the most aggressive program of capital investments since the construction of the Metro system – the vast majority of the planned investment advances the safety, rehabilitation, and replacement of Metro's infrastructure, facilities, equipment, systems, railcars, buses, and Metro Access vehicles.

The proposed program will be funded through investments from the federal government, state and local government, and other sources. The proposed program assumes federal sources make up \$552 million of the \$1,314 million program. The remaining portion of the program is funded with \$371 million of state and local sources, \$283 million in planned long-term financing, \$77 million in additional Metro 2025 contributions from state and local sources, and \$31 million of other sources.

The Capital Improvement Program consists of the following project elements:

- **Vehicles/Vehicle Parts**, including bus replacement, fleet expansion, and rehabilitation; rail car replacement and rehabilitation, rail car safety and reliability enhancements, MetroAccess vehicle replacement, replacement parts, and preventive maintenance;
- **Rail System Infrastructure Rehabilitation**, including rail line segment rehabilitation;
- **Maintenance Facilities**, including bus garage rehabilitation and replacement, and rail yard rehabilitation and capacity improvements, and maintenance facility rehabilitation;
- **Systems and Technology**, including power system upgrades, operations support software, business support software and equipment, and rail fare equipment;
- **Track and Structures**, including track rehabilitation, station and tunnel leak mitigation;
- **Passenger Facilities**, including elevator and escalator facilities, and station rehabilitation;
- **Other Improvements**, including station capacity project development, bus priority corridors, and bicycle and pedestrian facility improvements;
- **Maintenance Equipment**, including rail and bus maintenance, and business facility equipment;
- **Other Facilities**, including business and transit police support facilities; and
- **Project Management and Support**

Washington Metropolitan Area Transit Authority
FY2016 Proposed Capital Improvement Program - Costs
(dollars in millions)

| Category | Project Description | WMATA FY2016 Capital Program | |
|--|--|--|--------|
| Vehicles/ Vehicle Parts | Replacement of Rail Cars 1000 Series Rail Car Replacement | \$261.4 | |
| | Replacement of Buses Bus Replacement | \$84.1 | |
| | Rehabilitation of Rail Cars Railcar Rehabilitation Program Rail Car Safety & Reliability Enhancements Rail Lifecycle Overhaul Repair of Damaged Railcars | \$52.1 | |
| | Rehabilitation of Buses Bus Rehabilitation Program Bus Repairables Bus Lifecycle Overhaul | \$64.1 | |
| | Replacement of MetroAccess Vehicles MetroAccess Fleet Acquisition | \$15.1 | |
| | Replacement of Service Vehicles Service Vehicle Replacement | \$10.2 | |
| | Rail Car Fleet Expansion Railcar Fleet Expansion - 7000 Series | \$53.0 | |
| | Bus Enhancements Automatic Vehicle Location Equip. Replmt. Bus Camera Installation & Replacement | \$6.9 | |
| | Rail System Infrastructure Rehabilitation | Rail Line Segment Rehabilitation Red Line Rehabilitation Stage Two Orange/Blue Line Rehabilitation Stage 1 | \$97.4 |
| | Maintenance Facilities | Rehabilitation and Replacement of Bus Garages Southern Avenue Bus Garage Replacement Royal Street Bus Garage Rpl. (Cinder Bed Road) Shepherd Parkway Bus Facility | \$77.2 |
| Maintenance of Bus Garages Bus Garage Facility Repairs | | \$11.6 | |
| Maintenance of Rail Yards Rail Yard Facility Repairs | | \$31.9 | |
| Rail Maintenance Facilities Test Track & Railcar Commissioning Facility 7000 Series Rail Car HVAC Maintenance Facility New Carrollton Yard Capacity Improvements Railcar Heavy Repair and Overhaul Facility Relocation of Main. Dept. from Rail Yards | | \$43.2 | |
| Environmental Compliance Projects Environmental Compliance Project Underground Storage Tank Replacement Pollution Prevention for Track Fueling Areas Storm Water Facility Assessment Sustainability Investments - Pilot Program | | \$7.5 | |
| Maintenance Bus and Rail Facilities Support Equipment - MTPD Bus Customer Facility Improvements | | \$3.8 | |
| Expansion of Bus Garages Bladensburg Bus Facility Rehab. & Reconfig. | | \$1.7 | |

| | | |
|------------------------|--|--------|
| Systems and Technology | Power System Replacement/Upgrades - Rail Traction Power and Tie Breaker Improvements 8-Car Train Power Cable Upgrades Automatic Train Control System Upgrades | \$32.8 |
| | Operations Support Software Bus & Rail Asset Management Software Bus Operations Support Software IT Cap. Prgm Business Process Reengin. & Program Spt. Data Centers and Infrastructures Enterprise Geographic Information System Police Dispatch and Records Management Network and Communications Rail Operations Support Software Data Governance and Business Intelligence Rail Mileage Based Asset Management Transit Asset Management System Rail Scheduling System Upgrade Next Generation Communications | \$43.5 |
| | Business Support Software & Equipment Document Management System Sensitive Data Protection Technology Management Support Software Metro IT One Stop and Office Automation Customer Electronic Communications & Outreach Police Portable Radio Replacement Financial Planning, Project Administration, and System Wide Infrastructure Upgrades Safety Measurement System Wireless Communication Infrastructure | \$28.6 |
| | Rail Fare Equipment Debit/Credit Processing Requirements Integrating regional NEXTFARE System New Electronic Payments Program | \$67.8 |
| Track and Structures | Track Rehabilitation Track Welding Program Track Floating Slab Rehabilitation Track Grout Pad Rehabilitation Track Structural Rehabilitation Third Rail Rehabilitation and Replacement Track Rehabilitation Bush Hill Aerial Structure Rehabilitation 100% 8 Car Third Rail Upgrade and Replacement | \$71.5 |
| | Station/Tunnel Rehabilitation Station/Tunnel Leak Mitigation | \$4.1 |
| Passenger Facilities | Elevator/Escalator Facilities Elevator Rehabilitation Escalator Rehabilitation Elevator/Escalator Repairables Escalator Replacement | \$80.9 |
| | Maintenance of Rail Station Facilities Station Rehabilitation Program System-wide Infrastructure Rehabilitation Fire Systems Station Cooling Program Parking Garage Rehabilitation Accessible Station Signage Farragut North Beam Rehabilitation Raising Vent Shafts Vicinity Federal Triangle & Protecting System Core Improving Drainage | \$58.9 |
| | Bicycle & Pedestrian Facilities Bicycle & Pedestrian Facilities: Capacity Improvements | \$2.3 |

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|--|---|-----------|
| | Rail Station: Capacity/Enhancements Core & System Capacity Project Development Station Entrance Canopies Union Station Access & Capacity Improvements Station Lighting Improvements | \$20.8 |
| | Bus Priority Corridor Improvements Bus Priority Corridor & Network | \$13.3 |
| | Rail Station Equipment Police Emergency Management Equipment | \$0.3 |
| Maintenance Equipment | Rail Maintenance Equipment Replacement of Rail Track Signage Switch Machine Rehabilitation Project Wayside Work Equipment Radio Infrs. Replacement - T-Band Relocation National Transportation Safety Board Recomm. Rail Operations Upgrade | \$43.3 |
| | Bus Repair Equipment Bus Repair Equipment | \$3.9 |
| | Business Facilities Equipment Materials Handling Equipment | \$0.2 |
| Other Facilities | Business Support Facilities Revenue Facility Equipment Revenue Collection Facility Building Infrastructure & Systems Renewal Roof Rehabilitation and Replacement Rehabilitation of Non-Revenue Facilities Carmen Turner Facility Electrical Dist. Upgrade | \$11.5 |
| | MTPD Support Facilities Police Substation (Northern Virginia) | \$0.2 |
| Project Management and Support | Credit Facility Credit Facility | \$3.9 |
| | Planning Bus Planning | \$1.0 |
| | Project Management and Other General Engineering Emergency Construction | \$3.9 |
| Total Capital Improvement Program Expenditures | | \$1,313.7 |

Washington Metropolitan Area Transit Authority
 FY2016-2021 Proposed Capital Improvement Program (CIP)
 Proposed Financial Plan
 (dollars in millions)

| | FY2015 Forecast | Six-Year Plan | | | | | | FY16-FY21 Total | FY11-21 Total |
|------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|
| | | FY2016 Proposed | FY2017 Forecast | FY2018 Forecast | FY2019 Forecast | FY2020 Forecast | FY2021 Forecast | | |
| Federal | | | | | | | | | |
| Federal Formula Programs | \$ 290.3 | \$ 379.6 | \$ 293.0 | \$ 293.0 | \$ 293.0 | \$ 293.0 | \$ 293.0 | \$ 1,844.6 | \$ 3,064.6 |
| Federal PRIIA | \$ 168.8 | \$ 150.0 | \$ 159.6 | \$ 150.0 | \$ 150.0 | \$ 150.0 | \$ 150.0 | \$ 909.6 | \$ 1,650.0 |
| Resiliency Grant | \$ 0.8 | \$ 4.4 | \$ 4.1 | \$ 5.5 | \$ 3.7 | \$ 2.5 | \$ - | \$ 20.3 | \$ 21.0 |
| Other Federal Grants | \$ 11.8 | \$ 18.1 | \$ 0.8 | \$ 6.9 | \$ 7.4 | \$ 4.5 | \$ 4.5 | \$ 42.2 | \$ 99.1 |
| Subtotal Federal | \$ 471.7 | \$ 552.2 | \$ 457.5 | \$ 455.4 | \$ 454.1 | \$ 450.0 | \$ 447.5 | \$ 2,816.7 | \$ 4,834.7 |
| State and Local | | | | | | | | | |
| Match to Federal Formula | \$ 74.9 | \$ 92.6 | \$ 73.3 | \$ 73.3 | \$ 73.3 | \$ 73.3 | \$ 73.3 | \$ 458.9 | \$ 765.9 |
| System Performance | \$ 134.8 | \$ 121.9 | \$ 115.7 | \$ 121.1 | \$ 127.9 | \$ 134.7 | \$ 213.0 | \$ 834.4 | \$ 1,361.1 |
| State and Local PRIIA | \$ 168.8 | \$ 150.0 | \$ 159.6 | \$ 150.0 | \$ 150.0 | \$ 150.0 | \$ 150.0 | \$ 909.6 | \$ 1,650.0 |
| Match to Resiliency Grant | \$ 0.3 | \$ 1.5 | \$ 1.4 | \$ 1.8 | \$ 1.2 | \$ 0.8 | \$ - | \$ 6.8 | \$ 7.0 |
| Other State and Local | \$ 1.0 | \$ 4.5 | \$ 0.2 | \$ 1.7 | \$ 1.8 | \$ 1.1 | \$ 1.1 | \$ 10.6 | \$ 17.1 |
| Subtotal State and Local | \$ 379.7 | \$ 370.5 | \$ 350.2 | \$ 347.9 | \$ 354.2 | \$ 359.9 | \$ 437.4 | \$ 2,220.1 | \$ 3,801.0 |
| Other Sources | | | | | | | | | |
| MetroMatters | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 184.8 |
| Insurance Proceeds | \$ 4.0 | \$ 0.8 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 0.8 | \$ 38.0 |
| Land Sale Proceeds | \$ 1.5 | \$ 30.0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 30.0 | \$ 59.8 |
| Miscellaneous | \$ 15.0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 38.8 |
| Subtotal Other Sources | \$ 20.5 | \$ 30.8 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 30.8 | \$ 321.3 |
| Financing | | | | | | | | | |
| Interim Funding Sources | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Planned Long-Term Financing | \$ - | \$ 282.8 | \$ 271.1 | \$ 36.9 | \$ - | \$ - | \$ - | \$ 590.8 | \$ 590.8 |
| Subtotal Financing | \$ - | \$ 282.8 | \$ 271.1 | \$ 36.9 | \$ - | \$ - | \$ - | \$ 590.8 | \$ 590.8 |
| Metro 2025 Investment | | | | | | | | | |
| Metro 2025 Investment | \$ 75.0 | \$ 77.4 | \$ 183.8 | \$ 171.8 | \$ 316.3 | \$ 301.5 | \$ 282.9 | \$ 1,333.7 | \$ 1,408.7 |
| Subtotal Metro 2025 | \$ 75.0 | \$ 77.4 | \$ 183.8 | \$ 171.8 | \$ 316.3 | \$ 301.5 | \$ 282.9 | \$ 1,333.7 | \$ 1,408.7 |
| Total | \$ 947.0 | \$ 1,313.7 | \$ 1,262.6 | \$ 1,012.0 | \$ 1,124.6 | \$ 1,111.4 | \$ 1,167.8 | \$ 6,992.2 | \$ 10,956.6 |

Consideration will be given to the special needs of people with disabilities and seniors in implementing projects. All projects conform to the comprehensive land use and transportation plans in the Washington Metropolitan area. No significant adverse environmental effects are anticipated as a result of these projects.

In accordance with Federal Transit Administration (FTA) regulation 49 CFR Part 604, WMATA conducts bus subcontracting service incidental to its mass transportation services only where permitted by exceptions contained in those regulations. WMATA's subcontract operations are self-supporting with rates established to return all operational costs whether direct or indirect. Services and charges are published in the Subcontracting and Special Transit Service Tariff #17 of the Washington Metropolitan Area Transit Authority, effective March 1, 2008, as amended by Board Resolution 2008-56 adopted on November 20, 2008. Copies of the Tariff and Bus Subcontracting Cost Allocation Plan are available for public inspection from WMATA's Department of Bus Services.

REFERENCE MATERIAL AVAILABLE FOR REVIEW

The proposed WMATA FY2016 Capital Improvement Program is included in the WMATA FY2016 Proposed Budget, which is available online at wmata.com/budget.

The FY2016 Proposed Budget is also available for inspection through 5 p.m. on DATE, between the hours of 9 a.m. and 4:30 p.m., Monday - Friday, except holidays at the Office of the Secretary, Washington Metropolitan Area Transit Authority, 600 Fifth Street, NW, Washington, DC 20001.

This public notice of the public hearing and the time established for public review and comments on the Program of Projects satisfies the MAP-21 public participation requirements. The program of projects outlined in the FY2016 Proposed Budget will be the final program of projects unless modified prior to final approval by the WMATA Board of Directors.