

**MINUTES
BOARD BUDGET COMMITTEE
January 12, 2006**

Mrs. Mack called the meeting to order at 9:20 A.M. Present were:

Committee Members

Mrs. Gladys W. Mack
Mr. Dana Kauffman
Mr. Christopher Zimmerman
Mr. Jim Graham
Mr. Robert J. Smith
Mr. Marcell Solomon
Mr. Charles Deegan
Mr. William D. Euille

Other Board Members

Mrs. Catherine Hudgins

Minutes from December 8, 2005

Mr. Euille moved approval of the minutes; Mr. Deegan seconded. The minutes were approved without change.

I. Information Items:

A. Monthly Financial Reports – October and November 2005

Staff only focused and reported the highlights for November financials. For the month, the total revenue was \$3.9 million higher than the budgeted amount of \$45.0 million. Year-to-date total revenue was up \$14.3 million. For November, the expenses were over the budget by \$0.6 million. Year-to-date the, the expenses were \$11.1 million over the budget, with nearly two-thirds of the overrun contributed by the diesel prices. The year-to-date ridership was up 6.8% for Metrorail, and the bus ridership was up 2.6%. Staff also noted that the updated revenue and ridership would be presented to the Committee in March.

B. Status Report on Business Plan Development and Performance Based Budgeting

Staff provided the detailed tasks and action plans developed for completing the assignment, and noted the some of the tasks were already underway. The scopes for the consulting services would be developed and presented to the Committee for approval before procuring the contracts. Staff stated that all tasks and recommendations would be completed in time for incorporation into the FY 2008 Board budget guidance.

C. FY07 Operations Department Budget Reviews

Staff provided budget reviews for the following offices: Rail Operations, Elevator/Escalator, Plant Maintenance, Bus Operations, and the Transit Police. Each

office presented its detailed budget, primary functions and responsibilities, and the goals for the FY07. Committee members asked that the performance measures and goals be incorporated into the FY07 for all of the offices. The members also requested staff to provide various statistics and information to the Committee. Mrs. Mack deferred to the next meeting: Customer Communications, Marketing and Sales; Customer Contract Service; Operations Support Office.

II. Action Items:

A. Approval of Safety and Security Initiatives

Staff updated the Committee on funding received from the Department of Homeland and Security (DHS) for safety and security projects. Staff also requested for programmatic approval to advertise and award contracts; to modify existing contracts; and add two positions to support the projects. The \$12.2 million received for WMATA FY06 would be used to improve the below ground radio system in Arlington and the District's; equipping buses with security cameras, and to build-out existing space at Carmen Turner Facility for alternate Operation Control Center. Mr. Smith moved the motion; Mr. Deegan seconded. The motion was approved unanimously.

B. Approval to Amend FY06 System Access/Capacity Program

Staff requested approval to amend the FY06 SAP program by \$50,000, and to include \$100,000 in the proposed FY07 budget for Adams Morgan/U Street Link Planning Study project. The study will be conducted by the Adams Morgan Partnership. Funding from the District's TIF of \$150,000 will be provided for this action. Mr. Graham moved the motion; Mr. Zimmerman seconded. The motion was approved unanimously.

C. Approval to Initiate and Award Professional and Technical Consultant Service for Pre-Training and Promotional Testing

Staff sought approval to negotiate contract for pre-training and testing for promotional of Metro Transit Police personnel. The outside contractor is normally hired for a professional, unbiased promotional process. Staff stated that the funding of \$70,000 required for this request would come from the FY07 operating budget. Mr. Zimmerman moved the motion; Mr. Kauffman seconded. The motion was approved unanimously.

D. Approval to Initiate and Award Professional and Technical Government Consulting Services Contract

Staff requested approval to initiate and award consulting services to assist in achieving budgetary and legislative goals with the federal government. The contract consists of a three base year contract with two one-year options. Funding for the calendar year 2006 contract will come from the approved FY06 and the proposed FY07 operating budgets. Mr. Kauffman moved the motion; Mr. Smith seconded. The motion was approved unanimously.

E. Approval to Amend FY06 System Expansion Program for New York Avenue Station

Mrs. Mack requested approval to amend the FY06 SEP by \$3.8 million to increase the budget for New York Avenue Station. She stated that the increase was required to close out the construction contract, and the funding for the increase would be provided by the District. Mr. Kauffman moved the motion; Mr. Zimmerman seconded. The motion was approved unanimously.

F. Approval to Amend Resolution 2004-47 for Anacostia Corridor Demonstration Project

Mrs. Mack asked for approval to amend the resolution to reflect the District's request for the project. The request included a revision of WMATA's scope, a modification to the project's budget. The requested changes will be incorporated into the pending Funding Agreement between the District and WMATA. Mr. Solomon moved the motion; Mr. Deegan seconded. The motion was approved unanimously.

The meeting was adjourned at 12:20 P.M.