

PRESENTED AND ADOPTED:

SUBJECT: PROPOSED REORGANIZATION

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

WHEREAS, Pursuant to the Washington Metropolitan Area Transit Authority (WMATA) Compact, the General Manager acts as the Chief Executive Officer of the Authority and, subject to policy direction by the Board of Directors, is responsible for all activities of the Authority; and

WHEREAS, Organizational hierarchy and reporting relationships are important ingredients in managing the business of the Authority; and

WHEREAS, The Board's recent focus on a "back to basics" approach with emphasis on both customer service and improved reliability has prompted a restructuring of the Board Committee functions; and

WHEREAS, It is important for the WMATA organization to provide for a structure that promotes greater accountability and responsiveness, that provides for increased focus on customer service and improved reliability, and that better aligns itself with the Board of Directors Committee structure, now therefore be it

*RESOLVED*, That the Board of Directors of WMATA approves the reorganization of WMATA as generally depicted in the attached organization chart (Attachment 1); and be it further

*RESOLVED*, That the Board of Directors approves the attached listing of Executive Management positions (Attachment 2); and be it further

*RESOLVED*, That the Board of Directors approves the appointments of Mr. Takis Salpeas as Deputy General Manager, Planning and Development, Mr. William Scott as Deputy General Manager, Workforce Development and Administration; and Mr. Harold Bartlett as Chief of Staff; and be it further

*RESOLVED*, That the new organization will be implemented with no increase to either the FY 2005 Approved Budget or the FY 2006 Proposed Budget. Although the new organization will result in four net new positions, four positions will be abolished as follows: a General Superintendent position, resulting from the mergers of System

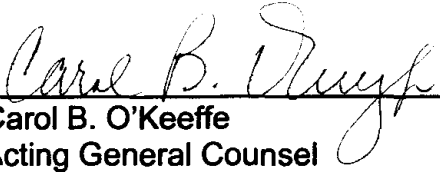
Maintenance and Track and Structures; the Director of Board and Executive Management Relations, the Deputy Director of Property Development and Management, and the Assistant Director of Operations Planning and Administrative Support; and be it further

*RESOLVED*, That the General Manager/Chief Executive Officer is authorized to add, delete, or modify existing policies, practices and procedures consistent with the structure and titles of the new organization; and be it further

*RESOLVED*, That the General Manager/Chief Executive Officer is authorized to make minor adjustments to the reorganization during the implementation stage consistent with no increase in budget or headcount; and be it finally

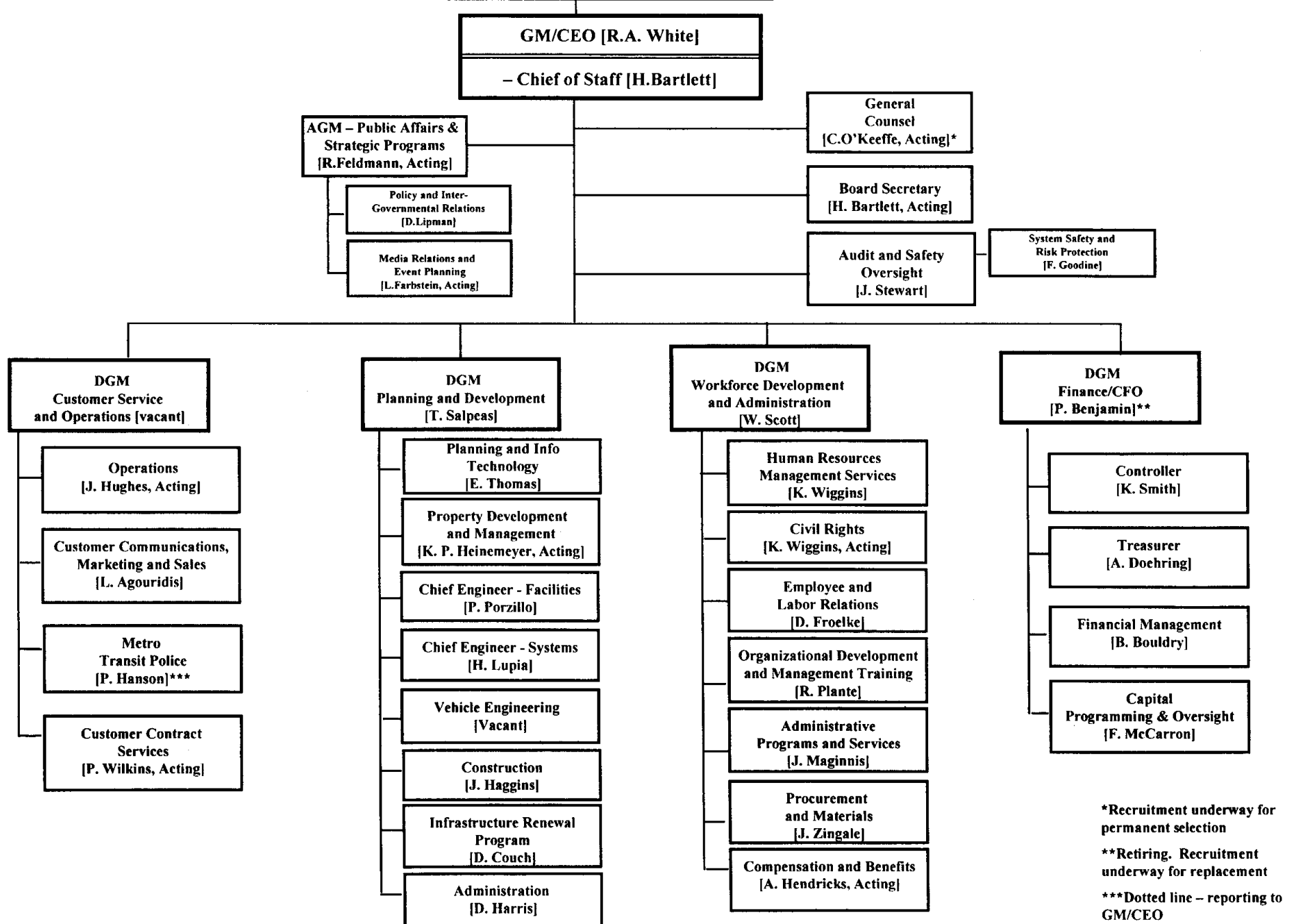
*RESOLVED*, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency:

  
\_\_\_\_\_  
Carol B. O'Keeffe  
Acting General Counsel

# Board of Directors

March 17, 2005



**Executive Management Positions****CURRENT**

General Manager/Chief Executive Officer  
~~Secretary and Chief of Staff~~  
~~Deputy General Manager, Operations~~

~~Assistant General Manager, Finance/Chief Financial Officer~~

~~Assistant General Manager, Capital Projects Management~~  
~~Assistant General Manager, Workforce Development &—Diversity Programs~~  
 General Counsel  
 Chief Metro Transit Police Department  
 Assistant General Manager, System Safety & Risk Protection  
~~Assistant General Manager, Communications~~

~~Assistant General Manager, Planning and—Strategic Programs~~  
 Chief Operating Officer, Bus  
 Chief Operating Officer, Rail

**PROPOSED**

General Manager/Chief Executive Officer  
**Chief of Staff**  
**Deputy General Manager, Customer Service and Operations**  
**Deputy General Manager, Finance/Chief Financial Officer**  
**Deputy General Manager, Planning & Development**  
**Deputy General Manager, Workforce Development and Administration**  
 General Counsel  
 Chief Metro Transit Police Department  
 Assistant General Manager, System Safety & Risk Protection  
**Assistant General Manager, Customer Communications, Marketing and Sales**  
**Assistant General Manager, Planning and Information Technology**  
 Chief Operating Officer, Bus  
 Chief Operating Officer, Rail

**Assistant General Manager, Operations**  
**Assistant General Manager, Public Affairs & Strategic Programs**  
**Assistant General Manager, Customer Contract Services**  
**Board Secretary**  
**Auditor General**

**Senior Management Positions****CURRENT**

~~Auditor General~~  
 Chief Engineer  
 Chief Operations Liaison  
 Chief Technology Officer  
~~Deputy Assistant General Manager, Planning & Strategic—Programs~~  
 Deputy General Counsel  
 Director, Board and Executive Management Relations  
 Director, Civil Rights  
 Director, Employee and Labor Relations  
 Director, Financial Management  
~~Director, Intergovernmental Relations~~  
 Director, Media Relations, Events and Employee Programs  
 Director, Property Development and Management  
 Managing Director, Procurement and Materials  
 Principal Deputy General Counsel  
 Secretary to the General Manager  
~~Director, Board and Executive Management Relations~~

**PROPOSED**

Chief Engineer  
 Chief Operations Liaison  
 Chief Technology Officer  
**Deputy Assistant General Manager, Planning and Information Technology**  
 Deputy General Counsel

Director, Civil Rights  
 Director, Employee and Labor Relations  
 Director, Financial Management  
**Director, Policy and Intergovernmental Relations**  
 Director, Media Relations, Events and Employee Programs  
 Director, Property Development and Management  
 Managing Director, Procurement and Materials  
 Principal Deputy General Counsel  
 Secretary to the General Manager/Chief Executive Officer

**Director, Compensation & Benefits**



Washington Metropolitan Area Transit Authority  
**STAFF SUMMARY SHEET**

ROUTING	TO	BY DATE	FOR		DATE	
1	BOARD	3-17-05	X	APPROVAL	SUBJECT: Ratification of Reorganization	
2	BOARD	3-17-05	X	VOTE		PREPARED BY: Harold Bartlett
				CONCURRENCE		EXTENSION: X1300
				INFORMATION		DEPARTMENTAL APPROVAL: Richard White
					X1000	

IMPLICATIONS (The implications checked below are involved in this action, and are discussed below or provided as a separate enclosure, and have been considered in the attendant recommendation.):

<input type="checkbox"/> CIP	<input type="checkbox"/> RAIL CAPITAL CONST.	<input type="checkbox"/> MANPOWER	<input type="checkbox"/> CONSULTANTS	<input checked="" type="checkbox"/> NONE
<input type="checkbox"/> OPERATING BUDGET	<input type="checkbox"/> PUBLIC INFORMATION	<input type="checkbox"/> LEGAL	<input type="checkbox"/> SAFETY	
<input type="checkbox"/> RAIL OPERATIONS	<input type="checkbox"/> BUS OPERATIONS	<input type="checkbox"/> POLITICAL	<input type="checkbox"/> OTHER	

(NARRATIVE)

**Purpose:** To obtain Board approval of a resolution for a reorganization of WMATA including approval of a revised listing of Executive Management positions, and the appointments of Mr. Takis Salpeas as Deputy General Manager, Planning and Development; Mr. William Scott as Deputy General Manager, Workforce Development and Administration; and Mr. Harold Bartlett as Chief of Staff.

**Discussion:**

**Rationale for Reorganization:**

WMATA has had numerous successes and faces several key challenges. The existing organization has played a very important role in providing mobility to the residents of the National Capital Region and in helping to promote a high quality of life and access to opportunity for all. Our ability to continue to meet the expectations of our customers and regional stakeholders is impacted by our "aging pains" and our "growing pains".

COORDINATION (Routing)		Initial	Date	COMP	ENCLOSURE(S):
	RAIL			COUN <i>Wings</i>	
	BUSV				
	CIVR				
	HMRS				
	CAPM			SECT	GENERAL MANAGER ACTION: <input type="checkbox"/> Approved. <input checked="" type="checkbox"/> Approved for Submission to the Board. <i>Harold Bartlett</i> for <u>3/11/05</u> Signature Date
	.COM				
	ADA				
	FIMA				
	PROC			Deputy/ Admin.	BOARD ACTION (When Required): Approved by the Board of Directors on _____
	GOVR				
	AUDT				
	SAFE				
	OPAS			Deputy/ Oper.	
	ITSV				

Recently, perceptions that people have of our organization have been negatively impacted by several high profile incidents, the recent decline in our service reliability primarily due to deferred investments and by the cumulative effect of back-to-back fare increases. It is more important now than ever before to demonstrate our resolve to do the best job possible with the resources that are given to us and to regain the confidence of our customers and stakeholders.

This new organization will have more direct lines of responsibility and accountability and is designed to be more responsive to organizational corrective process implementation. It will support significantly our recommitment to a Back-to-Basics program of safe, reliable and clean WMATA transit services. It streamlines our Operations Department to focus on a primary mission of service delivery. It improves our capability to be responsive to customer feedback and to receive customer input. It improves our capability to deliver on major capital project implementation, particularly for rolling stock contracts. It creates a higher level of organizational focus on managing our major contract services that are highly visible to our customers. It consolidates our operating and capital budgeting and financial management for fiscal accountability. It ensures organizational compliance for implementing internal independent reviews resulting from audit and safety evaluations. It clearly assigns organizational responsibility for workforce issues related to personnel actions, compensation, and management performance in order to ensure organizational consistency. Finally the new structure better aligns the organization of WMATA staff to support the recent restructuring of the WMATA Board Committees.

**Reorganization Highlights:**

As previously indicated, the reorganization will be aligned around the new Board of Director Committees, creating four divisions, each to be led by a Deputy General Manager reporting to the GM/CEO:

- Division of Customer Service and Operations
- Division of Planning and Development
- Division of Workforce Development and Administration
- Division of Finance/Chief Financial Officer

In addition, the following smaller organizational units will report to the GM/CEO:

- Department of Public Affairs and Strategic Programs
- General Counsel
- Board Secretary
- Auditor & Safety Oversight

Furthermore, the Board Secretary/Chief of Staff function will be reconstituted to separate out the Board Secretary function and to more effectively utilize the Chief of Staff function in the coordination of executive management activities and supporting the GM/CEO in the management of all matters of the Authority. The current line management responsibilities reporting to the Chief of Staff will be transferred to other parts of the organization. Harold Bartlett will be appointed as Chief of Staff

A more detailed description of the responsibilities for the new organizational units is as follows:

### **Division of Customer Service and Operations**

The DGM for this new division will be selected based on a national recruitment. The thrust of this division will be to coordinate and oversee all of the operational functions of the Authority. This includes the traditional operations and maintenance of rail and bus services and physical plant services as well as security, customer communications, and major operational contract services (i.e., paratransit services, parking services, and regional clearinghouse services).

The following units will report to this DGM:

- **Operations**

The Acting AGM for Operations will be Jim Hughes. In recognition of the vast and almost unwieldy scope of responsibilities for the current operations department, the new unit will be more streamlined and more focused on the core mission of operations and maintenance reliability of our basic services and infrastructure including support for our 1,000 Day Service Plan. Two major elements of the current organization will be reassigned. They are the Office of the Chief Engineer, which will be transferred to the Division of Planning and Development, and the Office of MetroAccess, which will be transferred to the new Department of Customer Contract Services.

- **Customer Communications, Marketing, and Sales**

The AGM for Customer Communications, Marketing, and Sales will continue to be Leona Agouridis. The focus of this organizational unit, as the name implies, will be on improving our communications and outreach with our customers. It will be responsible for supporting several of the major new initiatives recently announced by our Board of Directors, including the Riders Advisory Committee, Town Hall Meetings, and our Customer First Plan. Certain other functions are being transferred to other organizational units, as further described in this document.

- **Metro Transit Police Department**

The Chief of the Metro Transit Police Department will continue to be Polly Hanson. There will be no other changes to this unit. The Chief will have a dotted line reporting relationship to the GM/CEO for sensitive security and law enforcement matters.

- **Customer Contract Services**

This is a new unit to be created in recognition of growing importance and complexity of several services that are provided to our customers by private service providers under contract with WMATA. The Acting AGM for this Department will be Pamela Wilkins. This department is intended to strengthen our oversight of the delivery of contract services for the MetroAccess paratransit services program, our parking customer assistance program and our

SmarTrip operations/regional clearinghouse services. Currently, these units are in different parts of the organization, and will now be consolidated and merged into the new office.

### **Division of Planning and Development**

The DGM for the division will be Takis Salpeas. This division will continue to be the primary manager of capital projects and programs, as currently constituted in the Department of Capital Projects Management (CAPM). In addition, it will assume the responsibility for the Planning and Information Technology function, the Real Estate and Property Development function, and the Operations Chief Engineer Function. This will help to provide additional engineering support to the operations division and to improve our delivery of major capital projects, particularly for major rolling stock contracts. It will continue to support important aspects of our 1,000 Day Service Plan. In addition to the units which currently report to CAPM, the following units will be added as direct reports to the reconstituted division:

- **Planning and Information Technology**

The AGM for Planning and Information Technology will be Edward Thomas. This unit will retain all of its existing responsibilities except for the Capital Programming and Oversight function, which will be transferred to the Department of Finance/CFO. An important area of emphasis for the unit will be access planning, including providing assistance to our real estate joint development program in the area of transit-oriented development. Another important area of emphasis will be on our Information Technology Renewal Program (ITRP). We are entering a critical phase of WMATA's ITRP, and more managerial attention and emphasis will be required to maximize the benefit of our investment in new business systems which are being implemented to replace our existing outmoded and non-integrated systems.

- **Real Estate and Property Development**

The Acting Director for Real Estate and Property Development is Dutch Heinemeyer. We are in the process of completing a recruitment for this position and anticipate an announcement on this in the near future. This unit will be closely coordinated with the Planning and Information Technology Department to help support transit-oriented development principles in our joint development program. This unit will be responsible for staffing the Board's Real Estate Committee, through the DGM.

- **Operations Chief Engineer**

The Operations Chief Engineer will continue to be Pat Porzillo. He will be now reporting to Takis Salpeas in order to help strengthen our management of rolling stock procurements and to help provide deeper engineering support for our operations. The Planning and Development Division will dedicate engineering resources to support three distinctly different engineering disciplines: vehicle engineering, facilities engineering, and systems engineering.



### **Division of Workforce Development and Administration**

The DGM for this division will be Bill Scott. This unit will retain all of its existing responsibilities as well as assume the managerial responsibilities for the Procurement and Materials Office. The focus of this unit will be to consolidate and strengthen the major internal administrative support functions that must be proactively working to support our operations. In addition, there needs to be a continued and even heightened emphasis on all aspects of our human resources. This division is being assigned clear organizational responsibilities for overseeing workforce issues relative to programmed actions, compensation and managers performance, in order to ensure consistent organizational performance against a set of defined standards and procedures. The division will oversee important aspects of our 1,000 Day Service Plan as well as provide proactive communications for our employees.

### **Division of Finance/Chief Financial Officer**

A recruitment is underway for the DGM of Finance/Chief Financial Officer, to succeed Peter Benjamin who has announced his intention to retire at the end of the year. This division will continue to manage its existing functional responsibilities as well as assume the managerial responsibilities for the Office of Capital Programming and Oversight, upon the hiring of a permanent DGM. This will allow for a consolidation of all of the operations and capital financial management aspects of the Authority's business for fiscal accountability, and will integrate the staffing and development of items that go to our Board's Budget/Audit Committee.

### **Other Organizational Changes**

In addition to these four major divisions, four smaller organizational units will also report to the GM/CEO as follows:

### **Department of Public Affairs and Strategic Programs**

The Acting AGM for this unit will be Ray Feldmann. It will integrate the Office of Media Relations and Event Planning and the Office of Policy and Intergovernmental Relations. It will focus on providing strategic external messaging for the media, elected officials at the Federal, state and local levels, and major regional stakeholder groups. It will provide overall leadership in staffing and coordinating activities for the Board's new Policy and Legislative Committee. It will support the Regional Transportation Action Coalition (TRAC) and will provide coordination, education and outreach for WMATA's funding needs, including support for the Board's call for a regional Summer Summit to help reach consensus on an approach to dedicated funding for WMATA.

### **General Counsel**

The Acting General Counsel will continue to be Carol O'Keeffe. We are in the final stages of a recruitment process to fill this position on a permanent basis and anticipate an organizational announcement on this shortly. There will be no further changes to this unit.

### **Board Secretary**

Harold Bartlett will serve as the Acting Board Secretary until a hiring process is completed for the new position. This position will serve as a central point of service for our Board of Directors and will work with the entire organization to coordinate the response to Board questions and issues. It will continue to be responsible for all Board mailings and for the distribution of Board and Committee agenda materials.

### **Audit and Safety Oversight**

Jim Stewart will continue to serve as Auditor General. In recognition of the importance of proactive and independent program reviews and investigations, this function will be a direct report to the GM/CEO. It will coordinate the work activities of WMATA's independent auditors for the Board of Directors. In order to maintain the independence of WMATA's safety oversight, the Department of System Safety and Risk Protection will report to the Auditor General. The AGM for System Safety and Risk Protection will continue to be Fred Goodine. There will be no other changes to this unit. Overall, the department will have responsibilities for ensuring organizational compliance for implementing independent reviews resulting from audit and safety evaluations. In recognition of the reporting relationship of System Safety and Risk Protection to the Auditor General and the direct reporting relationship to the General Manager/Chief Executive Officer, the Auditor General position will move from senior management status to executive management status.

**Impact on Funding:** The new organization will be implemented with no increase to either the FY 2005 Approved Budget or the FY 2006 Proposed Budget. Although there are four net new positions created, four positions will be abolished as follows: a General Superintendent position, resulting from the mergers of System Maintenance and Track and Structures; the Director of Board and Executive Management Relations, the Deputy Director of Property Development and Management; and the Assistant Director of Operations Planning and Administrative Support.

**Recommendation:** That the Board approve the attached resolution for a reorganization of WMATA including approval of a revised listing of Executive Management positions, and the appointments of Mr. Takis Salpeas as Deputy General Manager, Planning and Development; Mr. William Scott as Deputy General Manager, Workforce Development and Administration; and Mr. Harold Bartlett as Chief of Staff.