



MINUTES

1291th Meeting of the Board of Directors
March 17, 2005

Mr. Kauffman called the meeting to order at 9:16 A.M. Present were:

DIRECTORS

Mr. Dana Kauffman
Mrs. Gladys Mack
Mr. Charles Deegan
Mr. Jim Graham
Mr. Christopher Zimmerman
Mr. Robert Smith

ALTERNATE DIRECTORS

Mrs. Catherine Hudgins
Mr. Marcell Solomon
Mr. William Euille
Mr. Gordon Linton
Mr. Daniel Tangherlini*
*(Board Member Designee)

STAFF

Mr. Richard White
Mr. James Hughes
Mr. Harold Bartlett
Ms. Carol O'Keeffe
Mr. Peter Benjamin
Mr. Takis Salpeas

Ms. Polly Hanson
Ms. Leona Agouridis
Mr. Jack Requa
Mr. William Scott
Mr. Ron Edwards
Ms. Judy O'Leary

APPROVAL OF AGENDA:

The Agenda was accepted.

APPROVAL OF MINUTES:

The Minutes were approved as submitted.

**Washington
Metropolitan Area
Transit Authority**

600 Fifth Street, NW
Washington, DC 20001
202/962-1234

By Metrorail:
Judiciary Square—Red Line
Gallery Place-Chinatown—
Red, Green and
Yellow Lines
By Metrobus:
Routes D1, D3, D6, P6,
70, 71, 80, X2

A District of Columbia,
Maryland and Virginia
Transit Partnership

REPORT BY CHAIRMAN

A. Administer Oath of Office to New Member:

Mr. Kauffman administered the oath of office to Mr. Daniel Tangherlini of the District of Columbia, who has been appointed as an Alternate Director.

Mrs. Mack thanked Mr. Alex Eckmann, Director of Mass Transit of the D.C. Department of Transportation for his years of exemplary service he provided to the Board of Directors.

REPORT BY GENERAL MANAGER/CHIEF EXECUTIVE OFFICER:

A. Approval of Resolution on Reorganization:

Mr. White referred the Board to the request for approval of the Resolution for the reorganization. This will better align the organization of WMATA staff to support the recent restructuring of WMATA Board Committees: Customer Service, Operations, and Safety; Budget/Audit; Planning and Development; Administration; Policy and Legislative; Real Estate. The reorganization will provide more direct lines of responsibility and accountability, and organizational corrective process improvement actions. It will streamline the Operations Department to focus on the primary mission of service delivery. Reorganize rail division to create a decentralized rail line ownership and accountability. Improve our capability to be responsive to customer feedback and to receive and act on public input. Improve our delivery of major capital project implementation, particularly for major rolling stock contracts. Create a higher level of organizational focus on managing our major contract services that are highly visible to our customers. Consolidate our operating and capital budgeting and financial management for fiscal accountability. Ensure organizational compliance for implementing internal independent reviews resulting from audit and safety evaluations. Clearly assign organizational responsibility for workforce issues related to personnel actions, compensation, and management performance.

Mr. Zimmerman moved, seconded by Mrs. Mack, that the Board approve the Resolution for the reorganization.

Ayes: 6 - Mr. Kauffman, Mrs. Mack, Mr. Deegan, Mr. Zimmerman, Mr. Smith, and Mr. Graham

A copy of the approved Resolution (2005-05) has been made a part of the official file.

B. Metro Board Digest:

Mr. White referred the Board to the *Metro Board Digest* for March 2005, highlighting the following items:

- On March 18, 2005, the Greater Washington Board of Trade Policy Series with the Honorable Thomas Davis (R-VA), U.S. House of Representatives. Congressman Davis will share his thoughts on issues important to Northern Virginia and the District of Columbia, including Metro funding, and rail to Tysons and Dulles; at the Hilton Arlington, 950 North Stafford Street, 8:30 a.m.

On April 1, 2005, Metro LunchTalk Online, chat session at metroopensdoors.com at 12:00 p.m.

On April 12, 2005, Metro's Town Hall Meeting and Open House; George Mason High School cafeteria, 7124 Leesburg Pike, Falls Church; Open House begins at 6:00 p.m.; Town Hall Meeting at 7:00 p.m. The school is located within walking distance of the West Falls Church Metrorail Station.

REPORT BY CUSTOMER SERVICE, OPERATIONS, AND SAFETY COMMITTEE:

Mr. Smith reported to the Board on the information items discussed at the Customer Service, Operations, and Safety Committee meeting on February 24, 2005. Mr. Greg Hull from the American Public Transportation Association and Mr. Michael Mulhern, General Manager of MBTA and Peer Review chair reported on the APTA Peer Review for Metrorail Operations. Mr. Mulhern summarized the panel's findings into four key action areas: 1) Reorganization - In terms of better alignment of controls and responsibility and improve accountability on the line; 2) Movement of Trains - Optimizing movement of trains and people on the system by: re-design railcar interior, examining passenger flow in and out of doors, floor markings for queuing on the platform; decals on platform and signage for passenger flow, i.e., exit to the right/enter to the right, getting on and off the cars is clumsy, compared to other transit systems he has visited, engage/re-educate customers and initiate customer surveys on these techniques; 3) State of Good Repair - The top priority must be to ensure that we have sufficient operating and capital funds to keep our existing system "in a state of good repair"; and 4) Dedicated Funding - WMATA needs a dedicated funding source. This must be a top priority for the agency. In addition, qualifying for future federal "new starts" funding will be dependent upon an adequate and reliable funding stream. The Committee Members commended the Peer Review Panel on its report and findings and requested an itemized list of all recommendations made by the panel, staff response to each recommendation, and a table tracking the progress to implement the

recommendations. Mr. Smith reported staff summarized ongoing and upcoming initiatives to improve safety and community outreach to protect and deter crimes against Metrobus operators, a concern shared by Local 689 and WMATA management.

REPORT BY PLANNING AND DEVELOPMENT COMMITTEE:

Mr. Zimmerman reported on the items discussed at the Planning and Development Committee on March 3, 2005. Staff sought approval to proceed with the proposed pilot program, to determine feasible approaches to increase railcar capacity by removing seats, and to continue a dialogue on methods to optimize rail system throughput. This was an area that was recommended by the recent report of the APTA Rail Peer Review Panel. By majority vote, the Committee recommended approval to proceed with Phase I of the proposed pilot program to collect data that provides a baseline for comparison when the reconfiguration of 16 railcars is implemented (Phase II). The Committee also requested staff to present this issue at the Budget Committee. The Committee directed staff to provide to it a pro forma analysis on the potential benefits/future costs savings of removing seats from rail cars. Public input will be gathered in multiple ways, including through the formation of an Ad Hoc Passenger Committee, intercept surveys with passengers and other broader methods of receiving input. Recommended for approval by the Chairman of the Budget Committee. This topic will be brought forward later on this agenda as a Report by Budget Committee. Staff briefed the Planning and Development Committee on the proposed Land Value Capture Study and sought guidance on the scope of work. The Committee directed staff to provide a more clearly defined scope of work and funding for the Station Area Value Capture Initiative at a future Planning and Development Committee Meeting. Staff briefed the Planning and Development Committee on the bus program including capital funding for vehicles, facilities, and systems and identified a timeline of key decision points.

REPORT BY POLICY AND LEGISLATIVE COMMITTEE:

Mr. Kauffman reported the new Policy and Legislative Committee met for the first time on March 3, 2005. Seven separate initiatives were discussed in varying degrees of detail: 1) Riders Advisory Committee, 2) Summer Summit, 3) Town Hall Meetings - Three to be held this calendar year: in Virginia, Maryland, and D.C. The next meeting to be held on Tuesday, April 12 at George Mason Middle and High School in Falls Church, Virginia. 4) Public Comment Period at Board Meetings scheduled to start with the April 21, 2005 Board Meeting. 5) Electronic Posting of Materials for Committee and Board Meetings, 6) Simulcasting of all Committee and Board Meetings on Metro Web Site scheduled to launch June 16, 2005 Board Meeting, 7) Establishing a Contact Point for

Customers to Reach Metro Board Members Via E-Mail. The next Policy & Legislative Committee meeting is scheduled for May 5, 2005.

REPORT BY BUDGET COMMITTEE:

A. Approval of Metro Matters FY06 Annual Work Plan:

Mrs. Mack referred the Board to the request for approval of the FY06 Metro Matters annual work plan consisting of \$512.2M, as required by the Metro Matters funding agreement. The FY06 element of the plan is identical to the item included in the overall Metro Matters agreement as it was signed except that there is a net increase of \$5.5M in Federal funding. The proposed version of the FY06 work plan was previously sent to the jurisdictions for comment. Comments have been received and accepted. No revisions to the plan were necessary. The final adopted plan will be sent to the jurisdictions.

Mrs. Mack moved, seconded by Mr. Zimmerman, that the Board approve the Metro Matter FY06 Annual Work Plan. This motion was unanimously approved.

Ayes: 6 - Mr. Kauffman, Mrs. Mack, Mr. Deegan, Mr. Zimmerman, Mr. Smith, and Mr. Graham

A copy of the approved Resolution (2005-06) has been made a part of the official file.

B. Approval of Resolution to Conduct A Public Hearing for Market Based Pricing Parking at Morgan and Largo Stations:

Mrs. Mack referred the Board to the request for approval to hold a public hearing on a proposal to charge market rates (\$25 per day) at stations adjacent to Fed Ex Field for Redskins games and major events. Metrorail passengers would continue to pay the normal parking fee (free on weekends). The higher fee would be applied to those who do not show a rail trip on their SmartTrip cards.

Mrs. Mack moved, seconded by Mr. Deegan, that the Board approve the Resolution to conduct a Public Hearing for market-based pricing for parking at Morgan and Largo Stations. This motion was unanimously approved.

Ayes: 6 - Mr. Kauffman, Mrs. Mack, Mr. Deegan, Mr. Zimmerman, Mr. Smith, and Mr. Graham

A copy of the approved Resolution (2005-07) has been made a part of the official file.

C. Approval to Amend FY05 Budget to Establish A Technical Skills Training Program for D.C. High School Students:

Mrs. Mack referred the Board to the request to amend the FY05 operating budget to include a DC reimbursable project for a training program with Cardozo High School. The program will serve 18 students in FY06 and 38 in FY07. The program will provide foundation classes and training for students to enter WMATA's Technical Skills Program or other entry level technical fields. The anticipated expenses are \$32K in FY05, \$302K in FY06, and \$310K in FY07, fully reimbursed by the District of Columbia.

Mrs. Mack moved, seconded by Mr. Deegan, that the Board approve the amendment to the FY05 budget to establish a technical skills training program for D.C. high school students. This motion was unanimously approved.

Ayes: 6 - Mr. Kauffman, Mrs. Mack, Mr. Deegan, Mr. Zimmerman, Mr. Smith, and Mr. Graham

D. Approval of Resolution for FY05 Budget Amendment to Provide Additional Service for Washington Nationals Baseball Games:

Mrs. Mack referred the Board to the request for approval to amend the FY05 operating budget of \$1.2M additional expense and \$1.2M revenue for expanded service for baseball games at RFK stadium. Based on historical experience staff anticipates that incremental revenues will cover incremental costs. The approval will also add \$2.5M expense and \$2.5M revenue to the proposed FY06 operating budget.

Mrs. Mack moved, seconded by Mr. Zimmerman, to amend the FY05 budget to provide additional service for Washington Nationals Baseball games. Mr. Smith made a friendly amendment to strike the statement in the third Whereas, *(which includes 13 additional positions)* and revised the first Resolved, *WMATA Staff shall adjust service as required without modification to either the FY05 or FY06 Budget, and shall report its first season experience to the Budget Committee for consideration at the November Budget Committee meeting.* The Resolution was accepted as amended. This motion was unanimously approved.

Ayes: 6 - Mr. Kauffman, Mrs. Mack, Mr. Deegan, Mr. Zimmerman, Mr. Smith, and Mr. Graham

A copy of the approved Resolution (2005-08) has been made a part of the official file.

E. Authorize Use of FY04 IRP Funding to Conduct Phase I of the Railcar Capacity Concepts Program:

Mrs. Mack referred the Board to the request to authorize the use \$260K in the FY04 IRP budget for railcar enhancement to initiate Phase I of a pilot program to study the impact of different seating configurations on boarding times and capacity. Phase I of the project would purchase the camera systems and fund the analytical work to establish the base line for analysis. On a parallel basis, staff will be bringing forward other concepts to optimize system throughputs, so that all of these concepts can be tested at the same time. Furthermore, staff has been directed to report back to the Budget Committee on the overall status of potentially available capital or operating budget funds.

Mrs. Mack moved, seconded by Mr. Zimmerman, that the Board authorize the use of FY04 IRP funding to conduct Phase I of the Railcar Capacity Concepts Program.

Ayes: 5 - Mr. Kauffman, Mrs. Mack, Mr. Deegan, Mr. Zimmerman, Mr. Smith
Nays: 1 - Mr. Graham

A copy of the approved Resolution (2005-09) has been made a part of the official file.

Mr. Graham requested that his comments from the Planning and Development Committee and Budget Committee be included in these Board minutes, which are summarized as follows:

Mr. Graham relayed that the public may view seating reconfiguration as a way to stockpile/warehouse passengers and remove comfort by taking out seats. He questioned the validity of spending \$750K on this pilot program.

Mr. Graham questioned the value of doing Phase I of the study without committing to Phase II, and suggested that the cost estimate for Phase II was too low. Mr. Graham opined that \$20K is not enough to retrofit each car during Phase II, and he predicted that the cost will increase considerably.

REPORT BY AUDIT COMMITTEE:

A. Approval of Resolution for FY04 External Audit Deliverables:

Mrs. Mack reported on March 10, 2005 the Audit Committee received the deliverables of the external auditors. The financial audit provided an unqualified opinion and it was consistent with previous years. Staff concurs with the recommendations. The committee agreed with the external audit deliverables received from KPMG, LLP, F.S. Taylor, but since there was not a

quorum present at the end of the presentation, the members present agreed to forward the deliverables to the Board for acceptance.

Mrs. Mack moved, seconded by Mr. Smith, that the Board approve the external auditor's deliverables including staff responses be accepted by the Board.

Ayes: 6 - Mr. Kauffman, Mrs. Mack, Mr. Deegan, Mr. Zimmerman, Mr. Smith, and Mr. Graham

A copy of the approved Resolution (2005-10) has been made a part of the official file.

ADMINISTRATIVE ACTIONS:

OTHER ITEMS:

Mr. Kauffman referred the Board to nine Action Items:

1. Approval to Initiate & Award A Contract for Fluid Analysis Services:

Approval is requested to initiate and award a contract for Fluid Analysis services for a fifteen month base period and four one-year options. Exercise of the option years is subject to availability of funds for those years. Approval and award of this action will improve Bus Maintenance's component performance and reliability by identifying and analyzing fuel, oil, lubricants and other fluids to determine levels of fluid contamination and abnormal wear patterns.

2. Approval to Initiate & Award A Contract for the Purchase Installation of Cameras on Metrobuses:

Approval is requested to initiate and award a contract for the purchase and installation of camera systems on 125 buses in the existing WMATA fleet from Safety Vision on the GSA schedule. WMATA currently has 100 buses equipped with camera systems. These buses are deployed to areas of concern, but there are insufficient numbers to provide adequate coverage. Staff is recommending installing camera systems on 125 additional buses currently in service to assist in adding a deterrent to crime and the tool that can aid in identifying participants and prosecuting violators.

3. Approval to Initiate & Award A Contract for Advertising Agency Services:

Approval is requested to initiate and award a multi-year contract for advertising agency services. The selected advertising agency will aid WMATA's marketing staff in planning, developing and implementing targeted

marketing, advertising, research and sales promotion programs. It is anticipated that the contract will be for a three-year base period and two one-year options.

4. Approval to Modify A Contract to Exercise Option for Public Perceptions of Transit Tracking Survey:

Approval is requested to exercise the first of three one-year options for the Public Perceptions of Transit Tracking survey project. This study is critical in measuring the effect of changes in WMATA policy, services, and fares on consumer opinion.

5. Approval to Initiate & Award A Contract for On-Call Environmental Services:

Approval is requested to initiate and award a multi-year competitive procurement for on-call environmental services. This action will eliminate the need for multiple smaller contracts issued annually to perform various environmental related services.

6. Approval to Initiate & Award A Contract for FY05 Non-Revenue Vehicle Procurement:

Approval is requested to initiate and award consolidated Non-Revenue Vehicle Procurement for FY05. This action is for the procurement of 117 vehicles (113 replacement and 4 additional). The replacement vehicles are required to support the Department of Operations, Bus and Rail, other Authority Offices and the Metro Transit Police Department. One additional vehicle will support a new requirement for the Metro Transit Police and three additional vehicles will be added in support of the Largo extension.

Mr. Zimmerman moved, seconded by Mr. Smith, that the Board approve the six above-listed Action Items. This motion was unanimously approved.

Ayes: 6 - Mr. Kauffman, Mrs. Mack, Mr. Deegan, Mr. Zimmerman, Mr. Smith, and Mr. Graham

7. Approval to Modify - Paratransit Contract Extension And Changes:

Mr. Kauffman referred the Board to the request for approval to enter into a supplemental agreement with LogistiCare extending Contract C-93634 to January 14, 2006 and modifying certain contract provisions to improve service and better document the contractual performance goals.

Mrs. Mack moved, seconded by Mr. Smith, that the Board approve the modification to the Paratransit Contract Extension and Changes.

Mr. Zimmerman requested a staff summary.

Mr. White reported Contract C-93634 for paratransit service was approved by the Board on October 14, 1999 with a service start date of January 15, 2000 for the base four-year period ending January 14, 2004 and two one-year options. On October 22, 2004, the Board approved the exercise of the second option year of the contract with a start date of January 15, 2005 and an end date of January 14, 2006.

During the fall of 2004, staff identified various changes to the Contract to improve service and improve verification and documentation of the contract performance goals, including on-time performance. The Authority and LogistiCare have negotiated a supplement agreement incorporating the following changes to the contractual provisions: 1) Realign the unit prices to correspond to completed trips; 2) On-Time performance incentive will be restructured; 3) The verification of on-time performance will be improved; 4) The definition on-time performance has been strengthened to count missed trips as late; and 5) To offset the increased fuel costs, the Authority has agreed to pay \$.05 per service mile for each dedicated vehicle. While this will be paid to LogistiCare as part of the monthly invoice, LogistiCare will pass-on the \$.05 per service mile to its dedicated subcontractors. This additional cost is forecasted to be \$525,000.

Staff recommends the Board approve the supplemental agreement with LogistiCare extending Contract C-93634 to January 14, 2006 and modifying certain contract provisions to improve service and better document the contractual performance goals.

Mr. Graham stated at Mr. Barry's request, he requests an amendment to the contract to be extended for 30 to 60 days maximum. Staff stated on October 22, 2004, the Board approved the exercise of the second option year of the contract with a start date of January 15, 2005 and an end date of January 14, 2006. Mr. Graham noted he voted no in October. Mr. Graham stated the contractor's performance does not warrant an extension.

Mr. Smith questioned contract provision subparagraph 5 of the MEAD 89790: "To offset the increased fuel costs, the Authority has agreed to pay \$.05 per service mile for each dedicated vehicle. While this will be paid to LogistiCare as part of the monthly invoice, LogistiCare will pass-on the \$.05 per service mile to its dedicated subcontractors. This additional cost is forecasted to be \$525,000." Mr. Smith questioned the difference between service mile and overall cost incurred and what method was used to determine the \$.05 per service mile. Mr. Smith questioned the feasibility of the contractor obtaining fuel from WMATA facilities and the average miles per gallon for each vehicle. Mr. Smith requests staff to insure the lowest possible cost is obtained relative to increased fuel cost and to issue a detail analysis report.

Ayes: 5 - Mr. Kauffman, Mrs. Mack, Mr. Deegan, Mr. Zimmerman, Mr. Smith
Nays: 1 - Mr. Tangherlini

8. Approval to Initiate & Award - Contract for Bomb-Resistant Trash Receptacles:

Mr. Kauffman referred the Board to the request for approval to procure through GSA schedule, bomb-resistant trash receptacles to be installed on Metrorail station platforms.

Mrs. Mack moved, seconded by Mr. Zimmerman, that the Board approve the procurement of bomb-resistant trash receptacles. This motion was unanimously approved.

Ayes: 6 - Mr. Kauffman, Mrs. Mack, Mr. Deegan, Mr. Zimmerman, Mr. Smith, and Mr. Tangherlini

9. DELETED

10. Approval to Modify Contract for Unleaded Gasoline for Use Within WMATA:

Mr. Kauffman referred the Board to the request for approval to modify contract C-04089 with Truman Arnold Company for unleaded gasoline truck transport deliveries by adding an additional \$400,000 to cover continuing costs incurred above contract amounts.

Mrs. Mack moved, seconded by Mr. Deegan, that the Board approve the modification for Unleaded Gasoline within WMATA. This motion was unanimously approved.

Ayes: 6 - Mr. Kauffman, Mrs. Mack, Mr. Deegan, Mr. Zimmerman, Mr. Smith, and Mr. Tangherlini

REPORT BY NVTC: No report given.

REPORT BY D.C.: No report given.

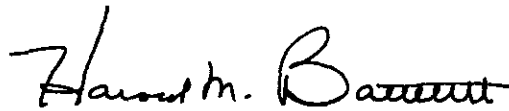
REPORT BY WSTC: No report given.

ADJOURNMENT:

Mr. Kauffman moved, seconded by Mr. Zimmerman, that the Board meet in Executive Session immediately following this meeting to discuss contractual and personnel matters. This motion was unanimously approved.

Ayes: 6 - Mr. Kauffman, Mrs. Mack, Mr. Deegan, Mr. Zimmerman, Mr. Smith and Mr. Tangherlini

This meeting was adjourned at 10:22 P.M.



Harold M. Bartlett, Secretary/Chief of Staff