



Finance and Capital Committee

Action Item II-B

September 13, 2018

Public Hearing on Peak Fares for Peak Service

Washington Metropolitan Area Transit Authority

Board Action/Information Summary

☒ Action ☐ Information

MEAD Number:
202016

Resolution:
☒ Yes ☐ No

TITLE:

Public Hearing on Peak Fares for Peak Service

PRESENTATION SUMMARY:

Metro plays a vital role in transporting riders during regional events. There are additional costs associated with supporting these events that must be recovered to Keep Metro Safe, Reliable, and Affordable (KMSRA).

PURPOSE:

Board authorization to conduct a Compact Public Hearing on changes to Metrorail fares during regional events.

DESCRIPTION:

Key Highlights:

- The region hosts several regional events each year and Metro incurs additional costs to support regional events.
- The use of peak-period fares would enable Metro to recover extraordinary costs associated with regional events, provide adequate staffing and support services for these events, and keep Metro safe, reliable, and affordable.

Background and History:

- Metro plays a vital role in transporting riders during regional events such as:
 - Independence Day
 - Presidential Inauguration
 - Papal Visit – September 2015
 - Women's March – January 2017
 - March for Our Lives – March 2018
- Ridership demand during regional events is strong, requiring peak service levels
- To accommodate the need Metro provides rush-hour service levels throughout the day for these events
- Peak service support also required – operations, customer service and transit police

Discussion:

- Metro needs to recover service delivery costs for regional events to stay within the Keep Metro Safe, Reliable, and Affordable (KMSRA) budget.
- Metro is proposing the use of the peak-period fare structure during regional events.
- Peak fares are currently in effect weekdays (except holidays) from opening to 9:30 am and 3-7 pm. With peak fares, the cost of a rail trip is \$2.25 rather than \$2.00 for short trips, while the cost of the longest trips would be \$6.00 rather than \$3.85.
- Metro seeks public input on its proposal to implement peak fares for regional event days, whether the day occurs on a weekday, weekend or holiday.
- With Board approval, staff will conduct a joint Compact Public Hearing on this proposal and related proposals on parking rates that were authorized for a Compact Public Hearing on July 12, 2018.

FUNDING IMPACT:

Peak fares for regional events would help Metro to recover some, but not all, additional costs associated with these events.

Project Manager:	Yetunde Olumide
Project Department/Office:	CFO/OMBS

TIMELINE:

Previous Actions	March 2018 - Region's jurisdictions (MD and VA) passed legislation that requires Metro to either limit subsidy growth or lose dedicated funding needed for capital improvements. March 2018 - Board of Directors adopted the FY2019 Operating Budget and FY2019-2024 Capital Improvement Program that limits subsidy growth as called for in the plan to Keep Metro Safe, Reliable and Affordable (KMSRA). July 2018 - Board approval to hold a Compact Public Hearing on Parking Programs
Anticipated actions after presentation	October 2018 - Staff will conduct a Compact Public Hearing. December 2018 - Board will review the Compact Public Hearing Staff Report and consider recommendations.

RECOMMENDATION:

- Board authorization to conduct a Compact Public Hearing to enable Metrorail peak fares during regional events.

Public Hearing on Peak Fares for Peak Service during Regional Events

Finance and Capital Committee

September 13, 2018



Purpose

- Board authorization to conduct a Compact Public Hearing on changes to Metrorail fares during regional events

Support for Regional Events

- Metro plays a vital role in transporting riders during regional events
- Ridership demand during regional events is strong, requiring peak service levels
- To accommodate the need, Metro provides rush-hour service levels throughout the day for these events
- Peak service support also required – operations, customer service and transit police

Regional Events

- Examples requiring peak service levels
 - ✓ Independence Day
 - ✓ Papal Visit – September 2015
 - ✓ Presidential Inauguration – January 2017*
 - ✓ Women's March – January 2017
 - ✓ March for Our Lives – March 2018
- Metro's capacity to provide support is impacted by mandated limits on annual regional subsidy contributions
- Without a Rainy Day Fund, Metro needs to recover costs of regional events services to stay within mandated subsidy limits

** Peak fares are currently in effect on Inauguration Day*

Peak Fares

- Metro could charge peak rail fares when Metro operates peak service levels to support regional events – Metrobus would remain at \$2.00
- Peak fares for peak service will enable Metro to reduce its reliance on the region for operating funding support
- A final program could include provisions for event sponsors to pay in lieu of Metro charging peak fares

Next Steps

- With Board approval, staff will conduct a joint Compact Public Hearing on this proposal and related parking revenue proposals (authorized in July 2018)
- Return to the Board with a Compact Public Hearing Report and Recommendation on adoption of the proposal

Recommendation

- Board authorization to conduct a Compact Public Hearing to enable Metrorail peak fares during regional events

SUBJECT: APPROVAL TO CONDUCT COMPACT PUBLIC HEARING(S) FOR FARE INCREASES DURING REGIONAL EVENTS

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

WHEREAS, Compact Section 62 requires the Washington Metropolitan Area Transit Authority (WMATA) Board of Directors to conduct a public hearing prior to raising fares; and

WHEREAS, In Resolution 2018-27, the Board of Directors delegated the General Manager/Chief Executive Officer (GM/CEO) the authority to establish the docket for a Compact public hearing(s) on new or increased parking rates or a range of rates for regional event parking for riders; and

WHEREAS, The Board of Directors wishes to consider raising Metrorail fares during regional events; NOW, THEREFORE, be it

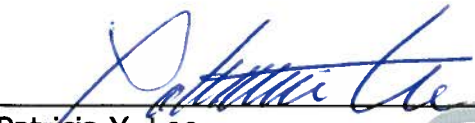
RESOLVED, That the Board of Directors delegates to the GM/CEO the authority to establish a docket for a Compact public hearing(s) on proposed Metrorail fare increases during regional events; and be it further

RESOLVED, That the GM/CEO may combine the Compact public hearing(s) authorized by this Resolution with the Compact public hearing(s) authorized by Resolution 2018-27; and be it further

RESOLVED, That, in accordance with Federal Transit Administration Title VI requirements, staff will report to the Board of Directors the results of all applicable equity analyses; and be it finally

RESOLVED, That to timely conduct the Compact public hearing(s) authorized herein, this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Patricia Y. Lee
General Counsel

WMATA File Structure No.:
9.12.9 Tariff (WMATA Fare Structure)

PROPOSED