

Report by Finance and Capital Committee (A) 04-02-2020

Washington Metropolitan Area Transit Authority

Board Action/Information Summary

Action Information

MEAD Number:
202165

Resolution:
 Yes No

TITLE:

Adopt FY2021 Operating Budget and FY2021-2026 CIP

PRESENTATION SUMMARY:

Staff will review feedback received from the public and equity analysis on the FY2021 Proposed Budget and request approval of the Public Outreach and Input Report and approval of the FY2021 Operating Budget and FY2021-2026 Capital Improvement Program (CIP).

PURPOSE:

The purpose of this item is to seek Board acceptance and approval of the Public Outreach and Input Report, the Title VI equity analysis and the FY2021 Operating Budget and FY2021-2026 CIP.

DESCRIPTION:

Identification of Parties with an interest in Metro's FY2021 Budget:

The following vendors are Metro's top non-personnel multi-year contractors through FY2020 and to date (\$500M). The vendors have contracts spanning through FY2021 as well.

- C3M Power Systems, LLC
- Gannett Fleming-Parsons Joint Venture II
- Kawasaki Rail Car Inc
- Kiewit Infrastructure Company
- Motorola Solutions Inc.
- Mott MacDonald I&E, LLC
- Mythics, Inc.
- New Flyer of America, Inc.
- Potomac Yard Constructors
- Transdev Services, Inc.

A full list of 2020 Procurement Awards is available at:

<https://www.wmata.com/business/procurement/solicitations/index.cfm#main-content>

Metro has labor agreements with the following collective bargaining units:

- Fraternal Order of Police/Metro Transit Police Labor Committee, Inc. (FOP)
- The Office and Professional Employees International Union Local No.2, AFL- CIO (Local 2)
- Local 639, International Brotherhood of Teamsters Law Enforcement Division (Local 639)

- Local Union 689 of the Amalgamated Transit Union, AFL-CIO (Local 689)
- Local 922, International Brotherhood of Teamsters (Local 922)

Key Highlights:

- The FY2021 Budget totals \$3.9 billion, including \$2.1 billion of operating expenses and \$1.8 billion of capital investment spending in FY2021
- The six-year capital plan of \$9.7 billion builds on demonstrated progress in rehabilitating, replacing and modernizing our system to meet the needs of customers
- The base operating budget is balanced within the three percent subsidy growth cap. The legislative exclusions include funding for Silver Line Phase 2, with revenue service beginning April 1, 2021
- During Metro’s outreach program on the budget proposal, more than 17,000 responses were received from the public, elected officials and other stakeholders
- Fare and service proposals were adjusted to incorporate feedback received during public outreach, as well as recommendations from Finance and Capital Committee members and comply with the equity requirements of Title VI
- Staff seeks Board adoption, acceptance, and approval of the Public Outreach and Input Report, the Title VI equity analysis, and the final proposed FY2021 Operating Budget and FY2021-2026 CIP

Background and History:

In November 2019, the GM/CEO presented a Proposed FY2021 Operating Budget and FY2021-2026 CIP for Board consideration based on the following priorities for FY2021:

Capital Improvement Plan Priorities:

- Focus on state of good repair and customer experience
- Maximize project coordination for major system repairs and upgrades
- Leverage dedicated revenue to renew and modernize the system

Operating Budget Priorities:

- Improve service and customer experience
- Simplify and improve fare options to continue to grow ridership
- Limit subsidy growth to mandated level

The Capital and Operating Budgets are designed to work together to strengthen Metro to better serve the region.

Following presentation of the GM/CEO’s Proposed FY2021 Budget, the Finance and Capital Committee convened work sessions in December and January to review the capital and operating budgets in greater detail. Following Board approval of the public hearing docket in January, staff implemented an outreach program (as outlined in the Board-adopted Public Participation Plan) on the proposed operating and capital budgets and conducted Compact Public Hearings in the District of Columbia, Maryland and Virginia.

Discussion:

The recommended FY2021 Budget totals \$3.9 billion, including \$2.1 billion of operating expenses and \$1.8 billion in capital program spending in FY2021.

The FY2021 Capital Budget and FY2021-2026 CIP address longstanding challenges in customer safety, comfort, and service reliability through projects such as platform reconstruction, track rehabilitation, railcar procurement and bus garage construction. The recommended FY2021 Capital Budget of \$1.8 billion and six-year capital plan of \$9.7 billion builds on demonstrated progress in rehabilitating, replacing and modernizing our system to meet the needs of customers. The six-year plan includes \$283 million of reimbursable projects such as the Silver Line, the Potomac Yard station, and the Purple Line.

The recommended FY2021 Operating Budget totals \$2.1 billion. In compliance with budgetary restrictions per Maryland and Virginia dedicated funding legislations, the FY2021 Operating Budget is broken down as follows: a base budget reflects a three percent subsidy growth cap including customer satisfaction and ridership initiatives, as well as items legislatively excluded from the subsidy cap.

The total operating subsidy, including capped subsidy and legislative exclusions, is \$1.2 billion. The FY2021 base budget adheres to the legislatively mandated growth limit of three percent over FY2020 and includes \$87 million of legislatively excluded expenses supporting federally mandated activities and operations of Silver Line Phase 2, an 11.4-mile Metrorail track extension with six new stations and a rail yard facility.

- Safety mandate \$1.0M
- Paratransit services \$7.6M
- Silver Line Phase 2 \$78.4M

When Metrorail Silver Line Phase 2 begins revenue service, Loudoun County will become a funding member of the WMATA Compact.

Outreach Results

Metro received more than 17,000 responses to the proposed budget, including:

- More than 15,959 online surveys submitted
- 1,044 comments uploaded online or provided to Office of the Board Secretary
- 195 oral testimonies submitted across three Compact Public Hearings held in the District of Columbia, Maryland and Virginia

Between 75 and 85 percent of respondents supported the following service improvements and fare enhancements:

- Restoration of late-night Metrorail hours
- Increase to Sunday Metrorail service
- Metrorail weekend flat fare
- Full transfer discount

The least favorable proposed initiatives ranged from 50 to 95 percent opposition and included:

- Reduced overlapping and less productive Metrobus service
- Increase to peak max fare
- Surcharge for cash fare and cash loading on Metrobus

Full details are included in the attached draft Public Outreach and Input Report.

Operating Budget Initiatives:

Consistent with comments from the Finance and Capital Committee and public feedback received during outreach efforts, the final budget proposal to the Board includes the following service and fare changes:

Improving Service and Customer Experience

- Better Weekend Metrobus Service
- Improve MetroExtra Service
- Reduce Redundant and Less Productive Bus Service
- Better Weekend Metrorail Service
- Restore Late Night Metrorail Service
- Weekday Early Morning Metrorail Right-Sizing
- Metrobus Late Night LifeLine Service Reduction

Based on feedback collected during the public outreach process, the Reduce Redundant and Less Productive Bus Service initiative was adjusted to restore \$19 million in bus service.

Enhancing Fare Options

Metrorail

- Peak base and peak max fare increase to \$2.35 and \$6.50 respectively
- Simplification of mileage tiers
- Weekend flat fare of \$2.00

Metrobus

- Lower Price for the 7-Day Regional Bus Pass

Metrobus + Metrorail

- Transfer Discount of \$1.00

To fund the final recommended fare and service adjustments within the three percent cap, staff have identified a total of \$12 million in management actions to balance the budget.

Title VI Analysis:

In accordance with Federal Transit Administration (FTA) regulations, any major service change or any change in fares must undergo a Title VI equity analysis to evaluate the impacts of the proposed changes on minority and low-income populations. Based on the Title VI equity analysis, staff has determined that the proposed fare changes and most of the service changes do not result in a disparate impact (DI) for minority

populations or a disproportionate burden (DB) for low-income populations. The early morning Metrorail headways change does not violate Title VI, and is further mitigated by additional Metrorail service during late-night periods and on Sundays.

Budget Risks:

Risks to the capital budget include federal uncertainty of continued federal dedicated funding. Passenger Rail Investment and Improvement Act of 2008 (PRIIA) funding ends in Federal FY 2020 without continuation of the funding, Metro and the jurisdictions will need to identify nearly \$900 million in additional funding over six years to support Metro’s FY2021-2026 Capital Improvement Program. Therefore, federal legislation has been introduced in the House and Senate to reauthorize PRIIA funding for use in FY2021 and beyond, but it is unclear whether Congress will act this year.

The COVID-19 pandemic is causing significant unfavorability to Metro’s revenues and expenses in FY2020. The full extent and duration of the pandemic’s impacts to Metro and the region are unknown with significant uncertainty and potential to extend into FY2021. Additional potential impacts include federal government shutdowns, major weather disruptions and on-going market volatility. Also unknown is the full extent of federal relief, including duration and sources of funding that could mitigate the impact.

Other risks include Silver Line Phase 2 ridership and revenues and the growth in demand for MetroAccess as the region’s population ages while contracting cost for ADA paratransit service continues to grow.

FUNDING IMPACT:

Board action is required to approve the FY2021 Operating and FY2021-2026 Capital Improvement Plan.

TIMELINE:

<p>Previous Actions</p>	<p>November 2019 – GM/CEO FY2021 Budget proposal</p> <p>December 2019 – January 2020 – Budget work sessions</p> <p>January 2020 – Board authorization for Compact Public Hearings</p> <p>February 2020 - Public hearings conducted, comment period open through March 9</p>
<p>Anticipated actions after presentation</p>	<p>April 2020 - Transmit FTA grant applications for review</p> <p>Seek Board authorization of dedicated revenue bond resolution and issuance</p> <p>Staff to update the Committee on the financial impacts of COVID-19 pandemic as needed</p> <p>July 1, 2020 – FY2021 Begins</p>

RECOMMENDATION:

Management recommends Finance and Capital Committee and Board approval of a resolution approving the Public Outreach and Input Report, the Title VI Equity Analysis, and adoption of the FY2021 Budget and FY2021-FY2026 Capital Improvement Plan. Budget adoption enables timely submission of FTA grant applications and awards which help to ensure state of good repair capital projects proceed as scheduled and operations continue to serve Metro customers.

SUBJECT: APPROVAL OF FISCAL YEAR 2021 OPERATING BUDGET AND CAPITAL BUDGET, FARE AND SERVICE CHANGES AND PUBLIC PARTICIPATION REPORT

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

WHEREAS, Metro plays an especially critical role during this unprecedented national public health crisis, providing transportation to essential health workers, first responders, and many residents who are dependent on the continued operations of trains and buses for basic provisions; and

WHEREAS, In the face of global and domestic economic uncertainty, the Board wants to support residents with affordable services that are ready to serve returning customers, and attract more ridership by increasing frequent, reliable service; and

WHEREAS, Recognizing that the financial hardship of the crisis extends to customers and also the jurisdictions that support Metro as they are being called upon to provide emergency services and support during the pandemic; and

WHEREAS, Depending upon the scope of government imposed emergency measures, such as office and business closures and travel restrictions, and the **impact on Metro's** finances and ridership levels, the Board will review the approved fiscal year (FY) 2021 budget prior to its July 1, 2020, effective date, and the Board may need to consider the timing for the implementation of certain initiatives, including but not limited to, the Weekend Flat Fare and the increase to \$1.00 of the Metrorail-Metrobus transfer fee discount; and

WHEREAS, WMATA Compact Sections 23 and 24 require the Board of Directors to adopt a capital budget and an operating budget each year; and

WHEREAS, The Board has received and considered the General Manager/Chief Executive **Officer's (GM/CEO)** proposed FY 2021 Operating Budget and FY 2021-2026 Capital Improvement Program (CIP); and

WHEREAS, Pursuant to the Public Participation Plan, the Board held three public hearings on February 24, February 25 and February 26, 2020, on the proposed FY 2021 Operating

Budget, related service and fare proposals, and the FY 2021-2026 CIP, of which one was held in an area served by the Northern Virginia Transportation Commission; and

WHEREAS, The results of the public hearings and public participation are summarized in the Public Participation Report (Attachment A); and

WHEREAS, As required by the Federal Transit Administration (FTA) and under Board guidelines, staff conducted an equity analysis of the proposed fare and service changes (Attachment B) and determined that the proposed changes do not present a disproportionate burden on low-income customers nor a disparate impact on minority populations except for the reduced headway on Metrorail from 5:00 am to 6:00 am; and

WHEREAS, **The reduced headway does not violate Title VI, is supported by minority customers and is mitigated by additional late night and Sunday rail service;** and

WHEREAS, The WMATA Dedicated Funding Grant Agreement with the District of Columbia requires the Board to review and decide whether the most recent approved FTA Indirect Cost Rate is appropriate to apply to jurisdictional capital contributions; and

WHEREAS, The delay in opening Phase 2 of the Silver Line requires estimates of the revenues to be received from its operation during FY 2021; and

WHEREAS, Resolution 2012-29 established Metrorail headways; and

WHEREAS, WMATA's Metrorail hours of service currently are Monday-Thursday 5am-11:30 pm; Friday 5am-1am; Saturday 7am-1am; and Sunday 8 am-11 pm; and

WHEREAS, Resolution 2010-31, adopted a $\frac{3}{4}$ mile zone from fixed route service for the provision of MetroAccess Service; and

WHEREAS, Resolution 2019-09, which adopted the Keeping Metro Safe, Reliable & Affordable Plan (KMSRA), and certain dedicated funding statutes require WMATA to keep jurisdictional operating subsidy growth at 3% annually, which further requires changes to previous policy resolutions, including Resolutions 79-39, 99-24 and 2003-50 on Operating Subsidy Interest, Audit Adjustments, and Operating Reserve Fund, respectively; and

WHEREAS, Resolution 2016-01, established the Claims Liability Fund to be continually funded at amounts specified therein; and

WHEREAS, Resolution 2019-09, approved a one-time capital funding contribution to support operating revenue losses caused by service disruptions associated with major capital projects; and

NOW, THEREFORE, be it

RESOLVED, That the Board approves the Public Participation Report on the proposed FY 2021 Operating Budget and FY 2021-2026 CIP, as detailed in Attachment A, and the Title VI equity analysis detailed in Attachment B; and be it further

RESOLVED, That the Board approves and adopts the FY 2021 Operating Budget (inclusive of all Operating Reimbursable projects) of \$2.078 billion, with revenues, expenses, subsidies and statutory exemptions from subsidy calculation detailed in Attachments C and D computed by: (1) taking the FY 2020 subsidy allocations and adding three percent **to each Signatory's allocation**; (2) **allocating the Signatory amounts** by calculating the **jurisdiction's percentage share of the applicable Signatory's amount using the Board-approved subsidy formulae**; and (3) applying the Board-approved subsidy formulae to the legislative exclusions to the 3% subsidy increase limitation; and be it further

RESOLVED, That Resolution 2012-29 relating to Metrorail headways is amended by this Resolution and Resolution 2019-06 as to Metrorail hours of service hours for station closing and related supplemental bus service are superseded and the Board adopts the headway and service schedule and fares as detailed in Attachments E and F; and be it further

RESOLVED, That the Board authorizes the GM/CEO to continue the Rush Hour Promise program through June 30, 2021, with terms and conditions established by the GM/CEO; and be it further

RESOLVED, That as part of Attachment D, the Board adopts the regional estimate of Silver Line Phase 2 operating revenues with any shortfall in those revenues received and the estimated amount to be paid to WMATA by Regional Partners in FY 2022; and be it further

RESOLVED, That if: (1) any **jurisdiction's paratransit expenses** are less than such **jurisdiction's budgeted paratransit amount** due to a reduction in the number of MetroAccess trips attributable to that jurisdiction; and (2) **WMATA's net expenses on Metrorail, Metrobus, and MetroAccess being favorable to WMATA's FY 2021 Operating Budget**, the GM/CEO and Chief Financial Officer (CFO) are authorized to provide credits to such jurisdiction not to **exceed the actual savings from such jurisdiction's budgeted paratransit amount** on a schedule to be determined by the GM/CEO or CFO where credits are based on the per trip rate used by the innovative paratransit program; and be it further

RESOLVED, That Resolution 2010-31 is suspended until July 1, 2021 in regards to the $\frac{3}{4}$ mile service area limitation and freezing the existing paratransit service area as it exists to allow staff to evaluate the impact of Metrobus service changes on paratransit service and to report to the Board by or before June 30, 2021, with MetroAccess service

recommendations based on a review of (a) available fixed route service, (b) the availability of subsidized alternatives to the MetroAccess service, and (c) demand for paratransit service; and be it further

RESOLVED, That the Board reserves the right, as part of this public hearing process, to revise fare and service changes approved in this Resolution prior to July 1, 2020 based on the expected budgetary impacts relating to the Coronavirus pandemic; and be it further

RESOLVED, That Resolution 79-39 is amended to delete the subsection titled "Fourth Quarter Adjustment" in its entirety and insert "Reserved" at subsection G; and be it further

RESOLVED, That Resolutions 99-24 and 2003-50, are rescinded in their entirety; and the Board authorizes the GM/CEO and CFO or their designee to establish an Operating Reserve within the 3% cap on operating subsidy growth for the purposes of managing operating surpluses and deficits; and be it further

RESOLVED, That the Board rescinds the ninth and tenth RESOLVED clauses of Resolution 2016-01; directs that the Operating Budget shall be prepared using an assumption of the actuarially forecasted claims payment in an amount that the GM/CEO deems appropriate; and authorizes the GM/CEO or his designee to fund the Claims Liability Fund in an amount deemed appropriate for FY 2021 and each fiscal year thereafter; and be it further

RESOLVED, That the Board authorizes the GM/CEO to fund the OPEB trust in FY 2021 and subsequent fiscal years in an amount deemed appropriate and to establish an Obsolescence Reserve to be funded in an amount each fiscal year deemed appropriate for the purpose of recording the costs associated with disposal of unusable and unsaleable items, and be it further

RESOLVED, That the Board approves and adopts the FY 2021 Capital Budget of \$1.786 billion (exclusive of all Capital Reimbursable projects in the amount of \$89.000 million) and the FY 2021-2026 CIP of \$10.113 billion (exclusive of \$283.000 million Capital Reimbursable projects) as summarized in Attachments F and G and be it further

RESOLVED, That the Board approves the use of FTA grant and local matching funds in the amount of \$60.000 million for eligible preventive maintenance expenditures through the FY 2021 Capital Budget; and be it further

RESOLVED, That the Board has considered the use of the most recent FTA-approved Indirect Cost Rate attached as Attachment H and determines that it is appropriate to apply that rate to projects funded by jurisdictional capital contributions in the FY 2021 Capital Budget; and be it further

RESOLVED, That the Board approves a capital funding contribution of up to \$17.000 million in capital funds to support operating revenue losses caused by service disruptions associated with major capital projects and efforts to prepare those projects for revenue service with any unused funds returned to the capital budget; and be it further

RESOLVED, That the Board authorizes the GM/CEO to reprogram within the capital budget any unused FY 2020 funds related to capital funding provided to support operating revenue losses caused by service disruptions associated with major capital projects; and

RESOLVED, That \$72.156 million of debt service payments resulting from the issuance of Series 2017A, 2017B, and 2018 bonds are due from and allocated to the participating jurisdictions as detailed in Attachment D; and be it further

RESOLVED, That, in order to implement the FY 2021 Capital Budget or the FY 2021 Operating Budget, the GM/CEO, the CFO, or their designees are authorized to: (1) file and execute grant applications and accept grants on behalf of WMATA for funds from the federal government and any other public or private entity regardless of whether a local match is required without further Board action, so long as the acceptance of such grant does not result in the increase in expenditures above the approved FY 2021-2026 CIP or the approved FY 2021 Operating Budget; (2) conduct public hearings at any time during FY 2021 in furtherance of the implementation of the FY 2021-2026 CIP; and (3) execute and file the annual FTA Certifications and Assurances as a prerequisite to the submission of federal grant applications; and be it further

RESOLVED, That the Board authorizes the GM/CEO to accept grant funding, above amounts listed in the FY 2020 Operating Budget and FY 2020-2025 CIP, without further Board action so long as there is no increase in the total annual expense budget authorization; and be it further

RESOLVED, That during FY 2021 the GM/CEO shall report to the Board all unbudgeted grant funds received on a quarterly basis; and be it further

RESOLVED, That the Board acknowledges that, in accordance with the terms of the Capital Funding Agreement (CFA), if any projects are started during the term of the CFA or any bonds or other financial instruments are issued pursuant to the CFA, the Contributing Jurisdictions have agreed to continue to make their Allocated Contributions for those projects or debt service until the conclusion of the projects or the final maturity of the bonds or other financial instruments; and be it finally

RESOLVED, That, to **allow staff to timely apply for the coming FY's grants**, this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,

/s/ Patricia Y. Lee

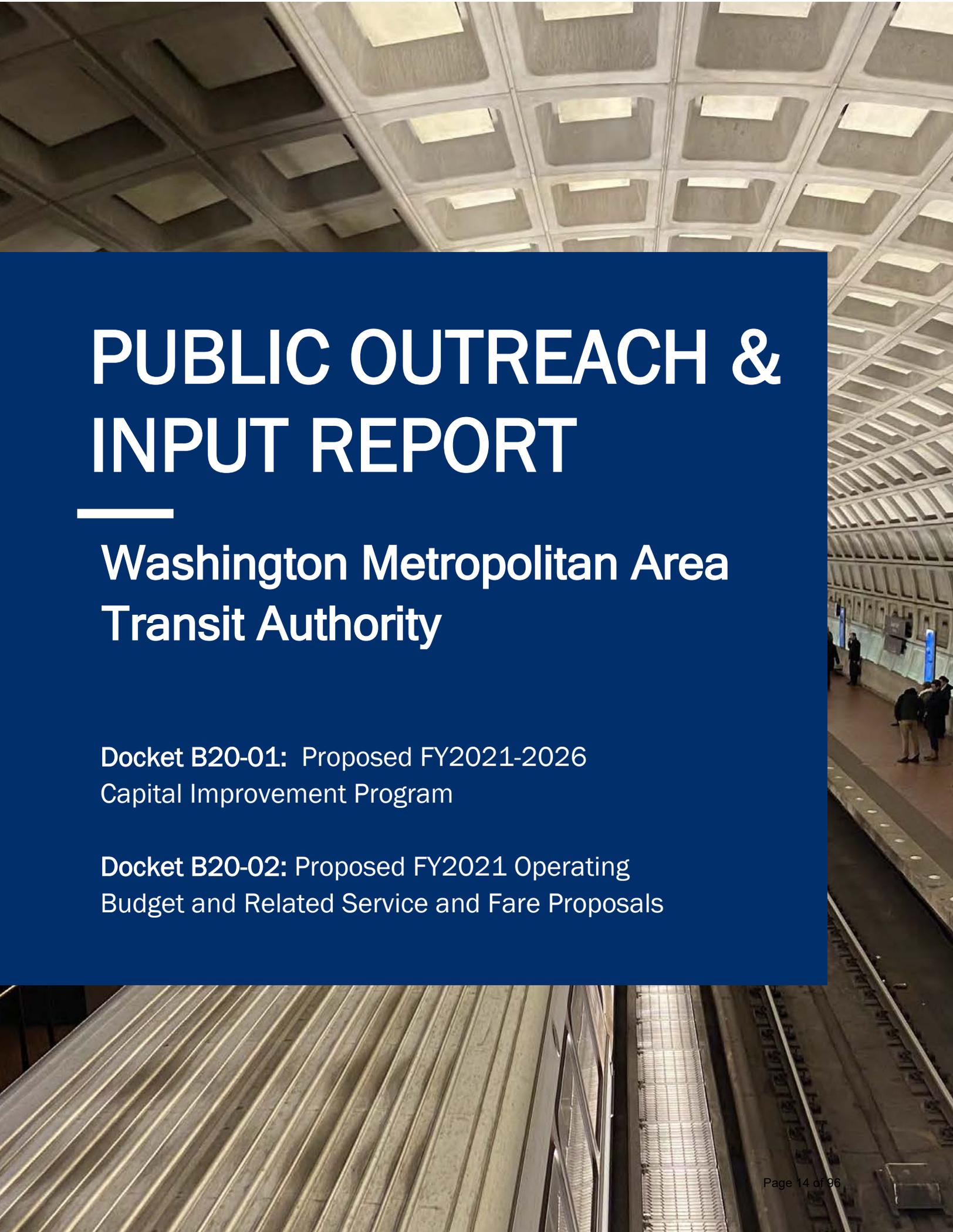
Patricia Y. Lee
General Counsel

WMATA File Structure Nos.:

2.7 Delegation of Authority

4.2.2 Fiscal Year Budgets

9.12.9 Tariff/WMATA Fare Structure



PUBLIC OUTREACH & INPUT REPORT

Washington Metropolitan Area Transit Authority

Docket B20-01: Proposed FY2021-2026
Capital Improvement Program

Docket B20-02: Proposed FY2021 Operating
Budget and Related Service and Fare Proposals

Introduction



Metro’s proposed budget, beginning July 1, 2020, was developed to improve the customer experience and fare option, and manage costs. Several fare and service changes were proposed as part of the budget, summarized below:

Proposed Fare Changes

Metrorail

- Increase peak fares
- Adjust Senior/Disabled fares to half of peak and off-peak fares
- Charge peak fare process after midnight
- Change a flat fare on weekends
- Simplify “mileage tiers”
- Add a surcharge at Dulles Airport Metrorail Station

Metrobus

- Lower the price of the 7-Day Regional Bus Pass
- Add a 25¢ surcharge for cash use
- Increase the fare on *MetroExtra* routes

Metrorail + Metrobus

- Increase the transfer discount between Metrorail and Metrobus
- Add new Short-Trip and Weekend Passes

Proposed Service Changes

Metrorail

- Restore late night hours
- Improve Sunday train frequency to match Saturday service
- Adjust weekday early morning service

Metrobus

- Improve weekend service on high-ridership routes
- Improve *MetroExtra* service
- Adjust frequency and hours of service
- Eliminate “lifeline” late night and early morning service if Metrorail hours change
- Restructure and eliminate service

Details about the proposed changes, as well as the proposed Capital Improvement Program budget, can be found in WMATA Dockets B20-01 and B20-02 on wmata.com under *About > Public Hearings & Meetings*.

The following report includes an overview of the public participation plan that was followed as well as a summary of the public feedback received.

Communications & Outreach Overview

In order to encourage public feedback on the proposed budget, as well to fulfill the Board-approved Public Participation Plan, Metro tailored a communications and outreach plan that focused on impacted customers. The majority of the communications and outreach effort was concentrated within the official public comment time period, Saturday, February 8 through Monday, March 9. The final plan included the following efforts:

- **Outreach events** at stations, transit centers and bus stops
- **Stakeholder engagement**
- **Targeted marketing and media**
- **Open houses and Compact Public Hearings**

In order to best manage resources in the allotted amount of time, the majority of outreach efforts were focused on the proposed changes that would have the greatest impact on riders. A demographic overview of the impacted customers can be viewed in the Title VI equity analysis report.

Feedback was collected through the following sources during the public comment period:

- Online through the survey tool
- Oral and written testimony received at the Public Hearings
- Written comments received by the Board Secretary's Office

OUTREACH EVENTS

Outreach street teams, comprised of Metro staff and contractors, traveled to various Metrorail stations, bus stops, and transit centers around the region during the public comment period to notify customers about the proposals and encourage them to provide feedback. Locations aligned closely with jurisdictional station distribution and were chosen based on high average weekday, low-income and minority ridership, high rail-to-bus transfers, and locations with customers who were most impacted by the proposals. A complete list of the fifty shifts is listed in *Appendix A: Outreach Materials & Tools*.

Street teams wore yellow Metro aprons, and those who were bilingual wore large pins that identified them as speaking another language. At least half of all street teams were fluent in Spanish, and some teams also had Amharic, French and Korean speakers. Many teams included staff from the Office of Bus Planning who could speak in detail about the proposed bus service changes.

Teams had a wide variety of materials and tools with them to help speak to the proposals and encourage feedback:

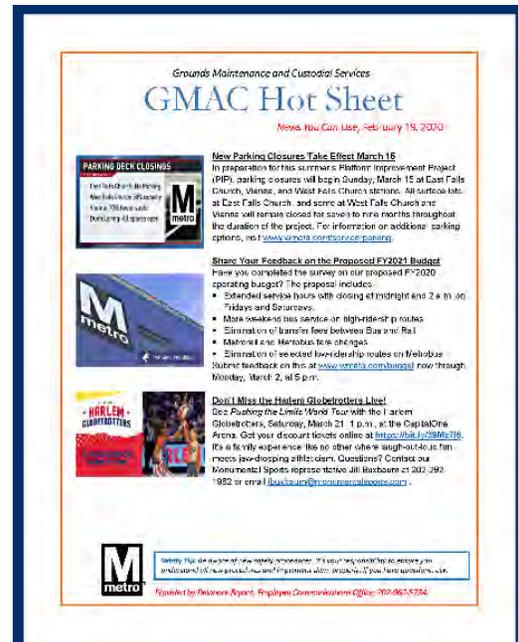
- **Over 106,400 brochures were distributed** during the two weeks of outreach events. The brochures summarized the fare and service proposals and highlighted the multiple ways to provide feedback. The brochure included language in both English and Spanish, and a statement in Amharic, Chinese, French, Korean and Vietnamese about how to receive information in their preferred language. It also included a QR code for customers to scan and automatically go to the survey from their own mobile device. A copy of the brochure is available in *Appendix A: Outreach Materials & Tools*.
- At locations where there were bus routes that had service proposals, teams had **printed proposal maps** to illustrate the proposed changes and the travel alternatives.
- Tablets were available and used by the team to:
 - Help customers understand the impact of the fare proposals to their typical trip using the **Fare Proposal Calculator** in both English and Spanish. This can be viewed in *Appendix A: Outreach Materials & Tools*.
 - **Push the survey link directly** to a customer via email or text. 130 customers opted to receive the survey link this way.
 - Provide an opportunity for customers to **take the survey**. Not surprisingly, only 17 customers opted to do this since the estimated timeframe to take the survey was at least 5-10 minutes.



STAKEHOLDER ENGAGEMENT

Local stakeholders were key in getting the word out to their constituents about the proposed budget. Staff engaged with stakeholders in a variety of ways:

- The **Accessibility Advisory Committee (AAC)** was briefed by WMATA staff about the budget proposal and discussed the budget at numerous meetings at WMATA headquarters on November 4, 2019; January 6, 13, and 30, 2020; February 3, 10, and 18, 2020.
- The **Riders' Advisory Council (RAC)** was briefed by WMATA staff about the budget on September 4, 2019 and February 5, 2020. They also discussed the budget proposals and recommendations at their January 8 and March 5, 2020 meetings.
- **Employees** were notified about the budget proposal and encouraged to participate in the process through emails from the General Manager on February 7 and February 28, 2020. All staff received a follow-up email on March 3, 2020 announcing that the public comment period had been extended. Information about the proposed budget was also included in Metrorail, Metrobus and Grounds Maintenance & Custodial Services "hot sheets", newsletters that are shared with operations staff.
- **Community Based Organizations (CBOs) and community partners** were notified about the budget proposal by WMATA staff via email on February 24, 2020, requesting their comments and feedback on the proposed Metro's FY2021 Budget. This list included 443 unique individuals, working at 268 Community Based Organizations, and Community Base-like functioning institutions. This message invited CBOs to meet with Metro representatives, if necessary, to provide additional feedback and also included links to the bilingual survey, information in languages other than English for those CBOs serving various linguistic minorities, and an invitation to attend the open house and public hearing. A second message was sent on March 6, 2020 to remind CBOs that were unable to attend the open house and public hearing about the extension of the public comment period and approaching deadline to provide feedback via Metro's online bilingual survey.



Dear Community Partner:

Metro is requesting your feedback on its proposed Fiscal Year 2021 budget, which aims to improve service and fare options, support ridership growth, and manage costs for the transit agency. Metro's [proposed FY21 budget](#) aims to continue that momentum while modernizing the system to continue to attract new riders.

Several key initiatives are being considered, including:

- **Extend service hours.** Metrorail would return to a midnight closing time Monday through Thursday and stay open until 2 a.m. on Fridays and Saturdays.
- **Bus service improvements.** More weekend service on high-ridership routes, improved service and frequency on several MetroExtra routes.
- **Elimination of transfer fees between Bus and Rail.** Today, riders pay for Bus and Rail trips separately and get a \$0.50 discount when transferring. Under this proposal, transfers between Metrorail and regular Metrobus services would be free. For example, today a Virginia customer traveling to L'Enfant Plaza might take a bus to the Pentagon and then transfer to Metrorail with a fare of \$3.50 off-peak (\$2 for bus + \$2 for Metrorail - \$0.50 discount). Under Metro's proposal, this same trip would cost \$2.
- **Metrorail fare changes.** Fares during peak periods would increase for the first time in three years, and mileage tiers would be simplified. Customers can avoid paying more by using passes, as pass prices are not increasing.
- **Metrobus fare changes.** Metrobus fare of \$2 would remain stable for the 94% of riders who use a loaded SmartTrip card to pay. Under the proposal, customers paying or loading their SmartTrip card with cash would pay \$0.25 more.
- **Weekend flat fare for Metrorail.** A simple, easy-to-remember price regardless of where you start and end your trip.
- **Metrobus changes to operate efficiently.** Including elimination of selected low-ridership routes in combination with service enhancements and restructuring on other routes.

Check on this new [fare calculator/calculadora de costo de viaje](#) to see how proposed changes would affect you. Additional information is also available in [Amharic](#), [Chinese](#), [French](#), [Korean](#), [Spanish](#), and [Vietnamese](#). Please visit Metro's website at [wmata.com/budget](#) to obtain additional information on these proposed changes.

Provide your feedback by 5 p.m. Monday, March 2—Here is how!

- Information about the budget proposal was sent via email to a **stakeholder list** through an email on February 18, 2020. This list includes 2,900+ contacts, including places of worship, event venues, business improvement districts, apartment and residences, schools, shopping areas, social services, CBOs and more.
- **Elected officials and agency staff at the local jurisdictions** were provided extensive information from WMATA staff about the budget proposal in numerous ways:
 - Multiple email notifications were sent to lists of elected officials and agencies in the District of Columbia, Maryland and Virginia to inform them of the budget docket and public comment period between February 8 and March 3, 2020. WMATA staff answered many information requests via email and phone from various constituents.
 - WMATA staff had multiple face-to-face meetings with various officials. Between February 11 and 25, 2020, staff conducted individual briefings on proposals for DC Councilmembers Mary Cheh, Robert White, Trayon White and Brandon Todd's staff. There were also General Manager Budget Briefings with key DC Councilmembers and Executive Branch between January 29 and February 11, 2020, including Councilmember Robert White, Chairman Mendelson, Councilmember Trayon White, Mayor Bowser and Councilmember Mary Cheh. WMATA staff also briefed the Northern Virginia Transportation Commission (NVTC) Management Advisory Committee (MAC) and participated in a Town Hall meeting on March 2, 2020 in Silver Spring convened by the Montgomery County Council's Transportation and Environment Committee.
 - The Joint Coordinating Committee (JCC), comprised of staff from regional jurisdictions, participated in two calls and a meeting to discuss the budget proposals with WMATA staff.
 - An Advisory Neighborhood Commission (ANC) Forum was hosted at Metro Headquarters on February 11, 2020, which allowed DC Commissioners to discuss proposals with WMATA staff. Twelve Commissioners attended.



TARGETED MARKETING AND MEDIA

Metro used targeted marketing and media strategies to increase awareness and encourage feedback on the proposed budget.

Website

The webpage wmata.com/budget was updated to reflect proposed FY2021 budget information:

- The wmata.com/budget webpages received over 42,750 view from over 34,500 unique viewers.
- The landing webpage included **information in multiple languages**, including a link at the top to a translated page in Spanish, wmata.com/budget_espansol and pdf flyers in Amharic, Chinese, French, Korean, and Vietnamese.
- Information about **how to provide feedback** was listed, including the link to the online survey and details about the open houses and Public Hearings.
- There was a **variety of content available** for review, including maps, the FY2021 Proposed Budget Book, bus service proposal details for DC, Maryland, Virginia and late-night, and the Notice of Public Hearing.
- A **new fare proposal calculator tool** was developed and linked from the webpage. Available in English and Spanish, the tool allowed a customer to enter in a trip to calculate their proposed fare vs their current fare. Different fare proposals could be toggled on and off, and the tool highlighted which pass products could help the customer save money. There were over 2,500 visits to the calculators from over 2,200 unique visitors. Screenshots of the calculators can be viewed in *Appendix A: Outreach Materials & Tools*.

Paid Advertisements

Advertisements were placed in newspapers throughout the region, including multi-lingual publications:

- *The Washington Post* (legal notice)- February 2 and 15, 2020
- *The Afro* - February 22, 2020
- *El Tiempo Latino* (Spanish) - February 14, 2020
- *Washington Hispanic* (Spanish) - February 21, 2020
- *Atref* (Amharic) - February 21, 2020
- *Epoch Times* (Chinese) - February 14, 2020
- *Doi Nay* (Vietnamese) - February 21, 2020
- *Korean Times* (Korean) - February 14, 2020

The screenshot shows the WMATA website's budget page. At the top, there's a navigation bar with 'Service', 'Schedules & Maps', 'Rider Guide', 'Fares', 'Initiatives', 'Business', and 'About'. The main heading is 'Balancing the Next Metro Budget to Reflect Your Priorities'. Below this, there are links for 'Notice of Public Hearing', 'Proposed FY 2021 Budget', and 'Provide your feedback online | Fare Proposal Calculator'. A 'SUBSCRIBE TO METRO NEWS RELEASES' button is prominent. A green box highlights a button that says 'Complete the survey and you could win a \$50 Smar Trip card!'. Below this, there are details about public hearings on Monday, February 24, 2020, and Tuesday, February 25, 2020, including locations like Hilton Arlington and Metro Points Hotel, and times for open houses and public hearings.

Print and Digital Sign Postings

Information about the proposed budget in English and Spanish was posted throughout the region. All printed signs included a QR code.

- Signs were posted in Metrorail station mezzanines.
- Brochures and signs were placed in Bus Information Centers onboard Metrobuses.
- Signs were posted in MetroAccess vehicles.
- Real-time arrival signs at 330 bus stops displayed information about the budget webpage.
- Over 130 signs listing specific proposals were posted at select bus stops of impacted routes.

Tell us what you think about Metro's proposed changes to fares and service by Monday, March 2, 2020 at 5 p.m.
 Queremos su opinión sobre los propuestos cambios en las tarifas y en los servicios de Metro antes de las 5 p.m., el lunes, 2 de marzo de 2020.

This year's budget includes fare and service proposals that may affect you. Find detailed information about these proposals as well as additional information about the proposed Capital Improvement Program budget at wmata.com/budget.
 El presupuesto de este año incluye propuestas de cambios en las tarifas y en los servicios que le pueden afectar. Para encontrar información detallada sobre estas propuestas, así como información adicional sobre el presupuesto del Programa de Mejora de Capital propuesto, visite wmata.com/budget.

Take the survey online at wmata.com/budget.
 Complete the survey about the proposed fare and service changes. Once you're done, you're eligible to enter into a drawing for a \$50 SmartTag® card!
 Realice la encuesta en línea en wmata.com/budget.

Attend an Open House and Public Hearing.
 Ask Metro about the proposed fare and service changes and submit your feedback at one of these events:
Asiste a una reunión abierta al público y una audiencia pública.
 Pregunta a Metro sobre los cambios propuestos en las tarifas y en los servicios de Metro y presenta tu comentario en uno de los siguientes eventos:

Monday, February 24, 2020 / Lunes, 24 de febrero de 2020
 Open House and Public Hearing
 Public Hearing 5:00 p.m. - 7:00 p.m.
 Metro Access Center
 4000 Reservoir Road, NW
 Washington, DC 20007
 Metro Access Center
 4000 Reservoir Road, NW
 Washington, DC 20007

Tuesday, February 25, 2020 / Martes, 25 de febrero de 2020
 Open House and Public Hearing
 Public Hearing 5:00 p.m. - 7:00 p.m.
 Metro Access Center
 4000 Reservoir Road, NW
 Washington, DC 20007

Wednesday, February 26, 2020 / Miércoles, 26 de febrero de 2020
 Public Hearing
 Public Hearing 5:00 p.m. - 7:00 p.m.
 Metro Access Center
 4000 Reservoir Road, NW
 Washington, DC 20007

Public hearings will be cancelled if Metro's Board of Directors (April 2020) suspends all transit services for an extended period of time. We will announce any changes to the schedule of public hearings on our website.

M
metro

Media Coverage

Besides the press releases that were published on February 14 and March 2, 2020, there was extensive media coverage around the proposed budget:

- There were over 150 stories in the local media from November 4 to March 9.
- The General Manager participated in one-on-one TV and radio interviews with WUSA9, ABC7, NBC4 and FOX5.
- The primary news organizations that covered the budget proposal were:
 - **Print:** *Washington Post, Washington Times, Washington Business Journal, Washington City Paper, Washingtonian, Springfield Connection*
 - **TV:** ABC7, WUSA9, NBC4, FOX5, WDVM, Telemundo, Montgomery Community Media
 - **Radio:** WAMU, WTOP, WMAL
 - **Online / Blogs / Student papers:** *DCist, Bethesda Beat, Curbed DC, Greater Greater Washington, Progressive Railroading, The DC Line, The DC Post, The Hoya, The Hatchet, Capital News Service*

Social Media Tactics

Multiple social media tactics were used to publicize the budget proposal and encourage feedback.

- Three MetroForward Facebook posts about the proposed budget reached 4,372 users and had 174 engagements.
- Six @wmata Twitter posts reached 113,237 users and received 967 engagements.
- Information posted on Nextdoor, a neighborhood social networking service, garnered 10,777 impressions.

Other Items

- Copies of the English and Spanish notices and dockets were sent to all jurisdictional libraries.
- The MetroAccess phone interactive voice response (IVR) was updated with announcements about the upcoming public hearings.

OPEN HOUSES + COMPACT PUBLIC HEARINGS

Metro hosted joint open houses and Compact Public Hearings for the proposed budget in the three Compact jurisdictions. Each location was ADA accessible and conveniently located next to a Metrorail station or bus line. Additional shuttle service was provided at the Maryland event. Materials and signage were available in English and Spanish.

Open Houses

The open houses provided the opportunity for attendees to speak one-on-one with Metro staff about the variety of proposals within the FY2021 budget. Subject matter experts in the following topic areas were available: Operating Budget, Capital Improvement Program, Fare Changes, Metrorail Service Changes, Metrobus Service Changes, and Customer Service. Tablets were also available for attendees to use the fare calculator tool or take the survey on-site.



Compact Public Hearings

The Public Hearings followed WMATA's standard Public Hearing procedures, beginning with a WMATA Board Member reading a prepared statement outlining the Public Hearing process, and a Metro executive presenting an overview of the proposal. Due to the large number of registered speakers at the Washington DC event, the hearing ran concurrently in two separate rooms.

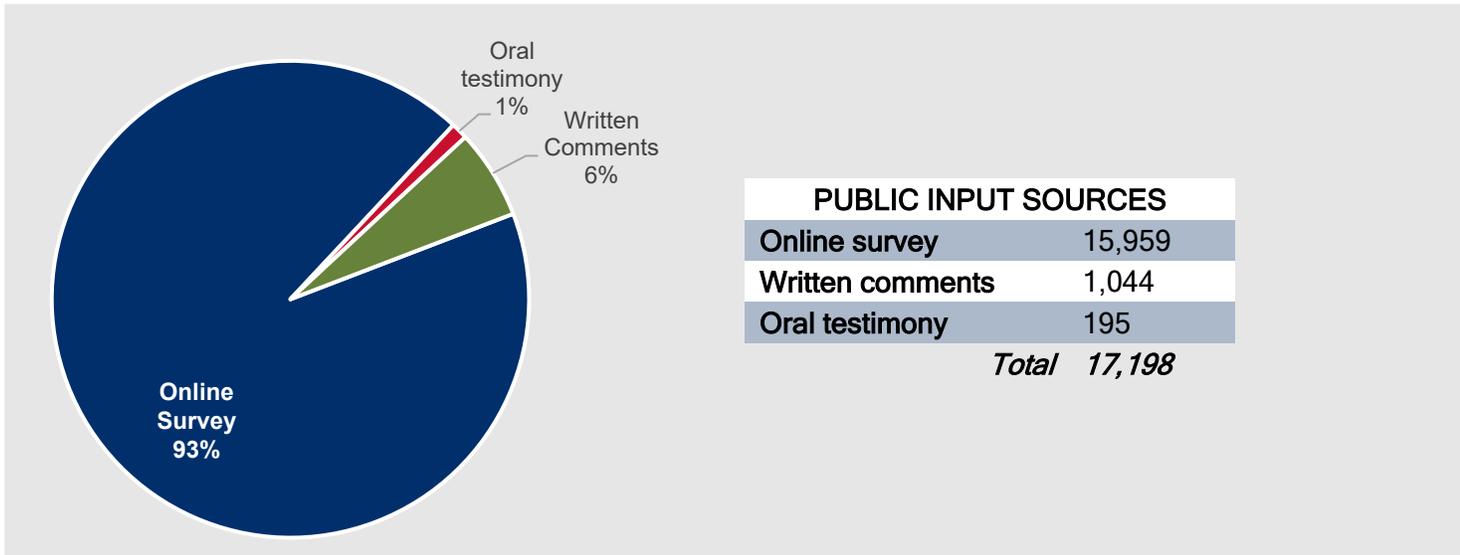


Event Dates & Locations	Open House Attendees	Public Hearing Speakers	Public Hearing Metro Board Member Representatives	Public Hearing Metro Executive Representatives
Monday, February 24, 2020 Hilton Arlington 950 N. Stafford Street Arlington, VA 22203 <i>Open House: 6:00 p.m.</i> <i>Public Hearing: 6:30 p.m.</i>	57	59	Paul Smedberg*	Dennis Anosike Jennifer Ellison
Tuesday, February 25, 2020 Metro Points Hotel 8500 Annapolis Road New Carrollton, MD 20784 <i>Open House: 6:00 p.m.</i> <i>Public Hearing: 6:30 p.m.</i>	49	30	Michael Goldman* Thomas Graham	Dennis Anosike Jennifer Ellison Tom Webster
Wednesday, February 26, 2020 Metro Headquarters Building 600 5 th St NW Washington, DC 20001 <i>Open House: 4:00 p.m.</i> <i>Public Hearing: 4:30 p.m.</i>	109	106	Stephanie Gidigbi* Jeff Marootian Tom Bulger	Dennis Anosike Jennifer Ellison* Tom Webster

* - denotes hearing officer

PUBLIC INPUT RESULTS

Metro collected public input through surveys, written comments (through the survey tool or letters sent to the Board Secretary's Office), and oral testimony at the public hearings during the public comment period from Saturday, February 8 through 9:00 a.m. Monday, March 9, 2020. **Metro received over 17,000 responses to the proposed budget.**



More than 93 percent of the input received came in using the survey tool. Analysis of public input collected through responses to survey questions can be found in *Appendix D: FY2021 Budget - Customer Feedback on Proposed Service Changes and Fare Options*. Another 6% of the input received was written comment, with nearly all being provided through the survey tool via the upload or “provide written comment only” choice. Written comments can be reviewed in *Appendix C: Written Comments*. Oral testimony at the public hearing accounted for about 1% and can be reviewed in *Appendix B: Public Hearing Oral Testimony*.

APPENDIX A

Outreach Materials & Tools



Appendix A: Outreach Materials & Tools

This appendix includes copies of various materials and tools that were used to promote the proposed budget and help customer understand the various fare and service proposals.

The following pages include:

- **Outreach Event Schedule - pg 3-4.** More details about these events can be found in the *Public Outreach & Input Report*.
- **FY2021 Budget Brochure - pg 5-32.** Over 235,000 brochures were distributed using various methods throughout the public comment period, such as outreach events, stakeholder meetings, open houses, on buses, at Metro sales offices, and at Metrorail station manager kiosks.
- **Fare Proposal Calculator Tool - pg 33-34.** More details about this tool can be found in the *Public Outreach & Input Report*.

OUTREACH EVENT SCHEDULE

Date	Shift Time	Station
Tuesday, February 11, 2020	5:30 a.m.-10:30 a.m.	Shady Grove Friendship Heights Dupont Circle Farragut North
	3:00-8:00 p.m.	Glenmont Wheaton Silver Spring Takoma Langley Crossroads Transit Center
Wednesday, February 12, 2020	5:30 a.m.-10:30 a.m.	McPherson Sq Farragut West Rosslyn
	3:00-8:00 p.m.	Vienna Wiehle-Reston East Ballston-MU East Falls Church
Thursday, February 13, 2020	5:30 a.m.-10:30 a.m.	Minnesota Ave Potomac Ave Capitol Heights
	3:00-8:00 p.m.	Anacostia Congress Heights Southern Ave Branch Ave
Tuesday, February 18, 2020	5:30 a.m.-10:30 a.m.	Rhode Island Ave Union Station Metro Center
	3:00-8:00 p.m.	Fort Totten West Hyattsville Greenbelt New Carrollton
Wednesday, February 19, 2020	5:30 a.m.-10:30 a.m.	Columbia Heights Gallery Place L'Enfant Plaza
	3:00-8:00 p.m.	Pentagon King St-Old Town Franconia-Springfield Seven Corners Transit Center
Friday, February 21, 2020	9:30 p.m.-1:00 a.m.	Gallery Place Dupont Circle Foggy Bottom



Saturday, February 22, 2020	10:00 a.m.-4:00 p.m.	Metro Center Gallery Place Smithsonian Pentagon City
	9:30 p.m.-1:00 a.m.	Metro Center U St Union Station
Sunday, February 23, 2020	10:00 a.m.-4:00 p.m.	Union Station Columbia Heights Dupont Circle Foggy Bottom



Outreach street teams, along with numerous WMATA staff, participated in a 2-hour training at WMATA headquarters.

Appendix D: FY2021 Budget – Customer Feedback on Proposed Service Changes and Fare Options

Summary Results of Survey Responses
Collected from Metrorail and Metrobus Riders
through Public Outreach Efforts

Office of Customer Research
Document Date: 3/16/2020



FY2021 Budget Feedback: PPP Outreach

- WMATA's Office of Customer Research worked with the Budget Project Team and External Relations to collect feedback from Metrorail and Metrobus customers on the following:

Proposed Service Changes

- Restore some late night Metrorail hours
- Improve Sunday train frequency to match Saturday service
- Adjust weekday early morning Metrorail service from eight-minute headways to every 12 minutes
- Improve weekend Metrobus service on high-ridership routes
- Improve *MetroExtra* service
- Various Metrobus proposals seeking to improve efficiency, adjust frequency and hours of service, eliminate low-ridership lines, and restructure routes to reduce service redundancy

Fare Changes

Metrorail

- Increase peak fares by increasing the base fare up to 25¢ to \$2.50 and increasing the maximum fare up to \$1 to \$7
- Adjust Senior/Disabled fares to half of peak and off-peak fares
- Charge peak fares after midnight
- Charge a flat fare on weekends up to \$2.75
- Simplify "mileage tiers" to charge 33¢ per mile during peak hours and 22¢ per mile during off-peak hours.
- Add a \$1 surcharge at Dulles Airport Metrorail Station

FY2021 Budget Feedback: PPP Outreach

Fare Changes Continued

Metrobus

- Lower the price of the 7-Day Regional Bus Pass from \$15 to \$12
- Add a 25¢ surcharge for cash fare payments and cash SmarTrip reloads on Metrobus
- Increase fares on *MetroExtra* limited-stop routes from \$2 to \$3

Metrorail and Metrobus

- Increase the transfer discount between Metrorail and Metrobus from 50¢ to \$2
- Add new one and three day Short-Trip passes and one and two day Weekend passes

- The survey was in field from February 8th to March 9th. During this time 15,959 online surveys were completed.
- Caveats:
 - This online questionnaire was a tool for collecting public input, not a survey instrument for a controlled scientific study. Since the survey link was an anonymous link, we could not prevent individuals from answering the survey multiple times (i.e., ballot-stuffing), thereby skewing results.
 - Public sentiment shifted against the bus proposals in the final week of the Public Comment period. Of the 49 proposals to change Metrobus service, 41 saw a decrease in support between February 25th and March 9th. The most pronounced shift occurred with respect to the G2 proposal. On February 25th, 255 responses had been collected with 50% of respondents against. However, on March 9th, 1,210 responses had been collected with 83% of respondents being against the proposal. This strong shift after a sizable sample of 255 completes is highly unusual – the change must have been caused by factors introduced to the political environment after the first week.

Executive Summary of Public Feedback

Fare Proposals

Most Popular

- \$2 Metrobus to Metrorail transfer discount – 85% of respondents in favor (65% strongly in favor, 20% moderately in favor).

Least Popular

- Raising the max fare to \$7 – 66% of respondents were against the proposal (45% strongly against, 22% moderately against).
- \$0.25 Surcharge for reloading SmarTrip Cards on Metrobus – 60% (45% strongly against, 15% moderately against).
- \$0.25 surcharge for paying fare with cash on Metrobus – 57% (43% strongly against, 14% moderately against).

Service Proposals

Metrorail

Most Popular

- Restoring some late-night Metrorail hours – 83% of respondents in favor (64% strongly in favor, 20% moderately in favor).
- Matching Sunday Metrorail service to Saturday service frequency – 82% of respondents in favor (60% strongly in favor, 22% moderately in favor).

Least Popular

- Right-sizing of early morning Metrorail service – 44% of respondents were in favor and 28% against.

Metrobus

Most popular

- Additional service on Route X2 – 68% of respondents in favor (42% strongly in favor, 26% moderately in favor)
- Improve weekend service on high-ridership routes – 57% of respondents in favor (33% strongly in favor, 24% moderately in favor)
- Improve *MetroExtra* service – 55% of respondents in favor (32% strongly in favor, 23% moderately in favor)

Remaining proposals

- For routes 32, 34, 36, 92, C4, K6, 16G, 16H, less than 50% of respondents were against the proposal and around 30% of respondents “neutral.”
- For the 43 other route specific bus proposals, between 50% and 95% of respondents were against the proposal.

- Responses to the various budget proposals are provided in more detailed tables on:
 - Slide 6 – General Service Changes
 - Slides 7-9 – Fare proposals
 - Slides 10-12 – Metrobus Service Proposals, grouped into the four categories used to describe the type of proposed change in the Docket: Efficiency, Frequency/Span, Low Ridership, and Redundancy.
- Reasons for being against specific bus proposals are summarized on Slides 15-37
- Demographics for Survey Respondents are reported on Slide 38.

General Service Proposals

	Response count	In favor	Against	Strongly in favor	Moderately in favor	Neutral	Moderately against	Strongly against	Don't know
Restore Some Late Night Metrorail Hours	12,738	83%	5%	64%	20%	11%	3%	2%	0%
Improve Weekend Metrorail Service on Sunday	12,771	82%	6%	60%	22%	11%	4%	3%	1%
Improve Weekend Metrobus Service on Some Routes	12,247	57%	5%	33%	24%	33%	2%	2%	5%
Improve <i>MetroExtra</i> Service	12,149	55%	4%	32%	23%	34%	2%	3%	7%
Adjust Weekday Early Morning Metrorail Service	12,653	44%	28%	19%	25%	26%	13%	15%	2%



Metrorail and Metrobus Fare Proposals

	Response count	In favor	Against	Strongly in favor	Moderately in favor	Neutral	Moderately against	Strongly against	Don't know
\$2 Transfer Discount Between Bus and Rail	12,243	85%	5%	65%	20%	9%	3%	2%	1%
\$5, 1 Day Weekend Pass	11,813	78%	5%	54%	25%	15%	3%	2%	2%
\$8, 2 Day Weekend Pass	11,776	77%	6%	53%	24%	15%	3%	3%	2%
\$18, 3 Day Short Trip Pass	11,882	68%	6%	41%	28%	23%	3%	3%	4%
\$8, 1 Day Short Trip Pass	11,904	68%	6%	39%	29%	23%	3%	3%	4%



Metrorail Fare Proposals

	Response count	In favor	Against	Strongly in favor	Moderately in favor	Neutral	Moderately against	Strongly against	Don't know
Adjust Senior/Disabled Fares to Half of Peak and Off-peak Fares	12,315	78%	7%	58%	20%	14%	3%	3%	2%
\$2 Flat Weekend Fare	9,669	75%	13%	57%	19%	11%	7%	6%	1%
\$2.50 Flat Weekend Fare	12,505	71%	16%	46%	24%	12%	9%	7%	2%
\$2.75 Flat Weekend Fare	12,378	69%	17%	50%	20%	12%	9%	8%	2%
\$1 Surcharge at Dulles Airport Metrorail Station	12,204	42%	39%	21%	22%	17%	13%	26%	2%
Charge Peak Fare Prices After Midnight	12,195	36%	48%	15%	21%	15%	16%	31%	1%
Simplify "Mileage Tiers"	11,870	36%	18%	12%	23%	32%	8%	10%	14%
Increase Base Fare to \$2.35	11,952	34%	46%	11%	23%	20%	17%	29%	1%
Increase Max Fare to \$6.50	11,951	27%	53%	9%	18%	19%	20%	33%	1%
Increase Base Fare to \$2.50	12,203	25%	57%	8%	18%	17%	20%	37%	0%
Increase Max Fare to \$7	12,200	18%	66%	6%	12%	15%	22%	45%	1%



Metrobus Fare Proposals

	Response count	In favor	Against	Strongly in favor	Moderately in favor	Neutral	Moderately against	Strongly against	Don't know
Lower Regional Bus Pass to \$12	12,199	61%	9%	43%	18%	27%	5%	4%	3%
25 cent Cash Fare Surcharge On Metrobus	12,085	33%	57%	17%	15%	10%	14%	43%	1%
25 cent Cash Reload Surcharge on Metrobus	12,084	29%	60%	15%	14%	10%	15%	45%	1%
Increase Fare on MetroExtra to \$3	12,109	20%	45%	8%	13%	28%	16%	29%	6%

Metrobus Service Proposals: Efficiency

Proposal Route(s)	Response Count	In favor	Against	Strongly in favor	Moderately in favor	Neutral	Moderately against	Strongly against	Don't know
W1, W2, W3, W4	395	21%	48%	7%	13%	27%	9%	39%	5%
M4	352	19%	56%	7%	12%	22%	12%	44%	3%
54, 59	1,277	19%	60%	6%	12%	19%	18%	43%	2%
A4, W5	424	13%	61%	5%	8%	21%	11%	50%	5%
D2	1,233	13%	74%	4%	9%	13%	14%	60%	1%
G2	1,210	9%	83%	2%	6%	8%	10%	73%	0%
E6	535	8%	85%	3%	5%	6%	8%	77%	0%
B8, B9	135	6%	80%	1%	4%	12%	7%	72%	2%

Metrobus Service Proposals: Frequency/Span of Service

Proposal Route(s)	Response Count	In favor	Against	Strongly in favor	Moderately in favor	Neutral	Moderately against	Strongly against	Don't know
J2	303	21%	52%	8%	13%	26%	18%	34%	1%
C4	217	19%	47%	7%	12%	31%	19%	28%	2%
K6	115	16%	48%	6%	10%	35%	16%	32%	1%
T2	112	16%	59%	10%	6%	26%	23%	36%	0%
L8	139	15%	56%	5%	10%	29%	16%	40%	1%
Y2	167	13%	58%	5%	8%	26%	16%	42%	3%
E2	193	12%	54%	4%	8%	30%	18%	36%	4%
D6	1243	12%	53%	4%	8%	34%	21%	32%	1%
D4	385	9%	57%	2%	7%	31%	20%	38%	2%

Metrobus Service Proposals: Low Ridership

Proposal Route(s)	Response Count	In favor	Against	Strongly in favor	Moderately in favor	Neutral	Moderately against	Strongly against	Don't know
S90, S91	132	6%	59%	1%	5%	30%	3%	56%	5%
C28	153	6%	87%	4%	2%	7%	5%	82%	0%
15K	143	6%	88%	3%	2%	5%	7%	81%	1%
B29	153	5%	84%	4%	1%	11%	12%	72%	1%
F12	94	4%	73%	2%	2%	18%	9%	64%	4%
3A	312	4%	88%	1%	3%	7%	6%	81%	2%
C11, C13	226	3%	93%	1%	2%	3%	3%	90%	0%
3T	323	2%	93%	1%	1%	4%	11%	83%	1%
29W	438	2%	95%	1%	0%	3%	2%	94%	0%
W14	134	1%	90%	1%	1%	6%	1%	90%	2%



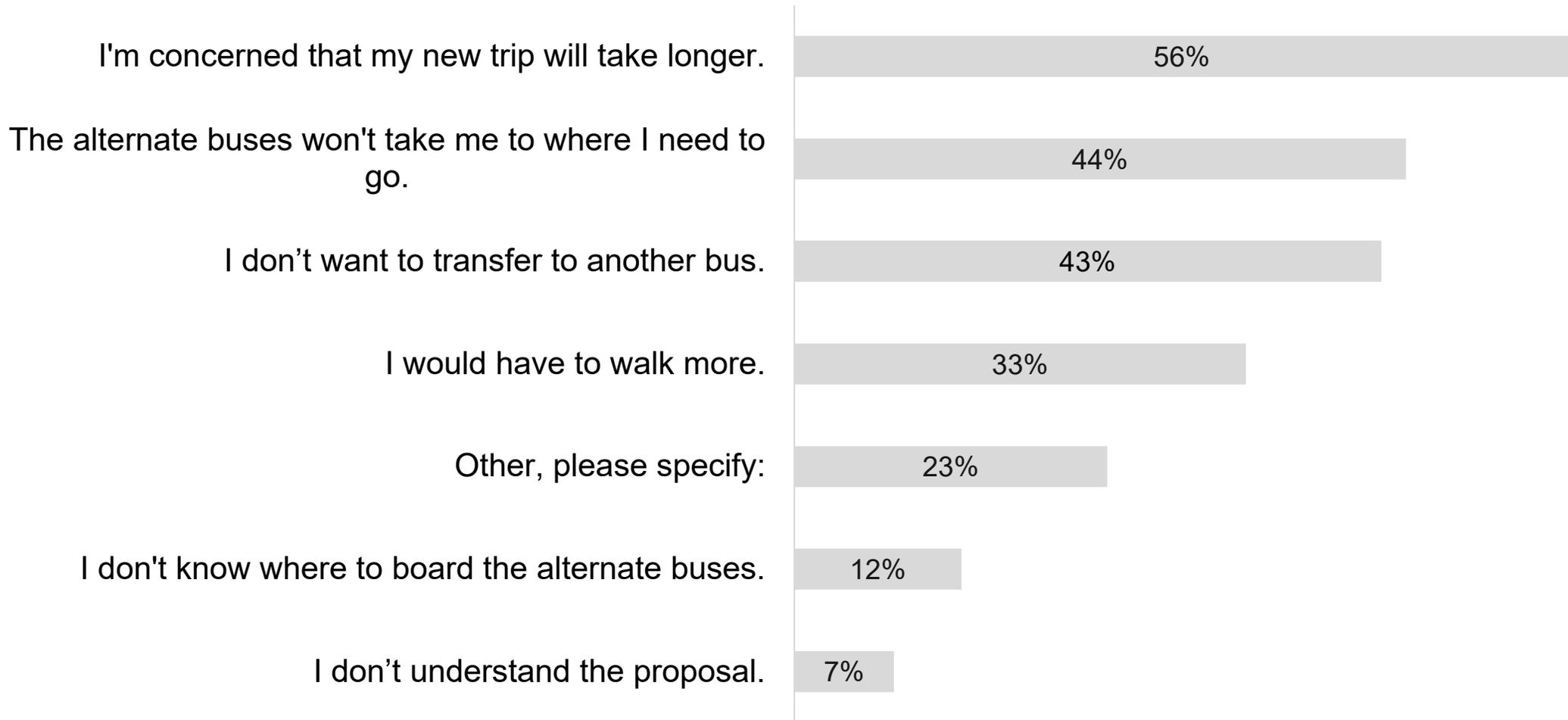
Metrobus Service Proposals: Redundancy

Proposal Route(s)	Response Count	In favor	Against	Strongly in favor	Moderately in favor	Neutral	Moderately against	Strongly against	Don't know
X2	854	68%	14%	42%	26%	16%	5%	9%	2%
32, 34, 36	1,047	27%	36%	7%	19%	34%	10%	26%	4%
16G, 16H	313	24%	43%	9%	15%	31%	15%	27%	2%
NH2	158	22%	52%	9%	13%	23%	13%	39%	3%
Q1, Q2, Q5, Q6	343	21%	60%	11%	10%	18%	13%	47%	0%
92	631	21%	45%	8%	12%	29%	17%	29%	4%
30N, 30S	2,291	18%	64%	6%	13%	15%	17%	47%	2%
Z6	251	18%	59%	10%	9%	19%	9%	50%	4%
10N	46	17%	59%	9%	9%	20%	20%	39%	4%
Z11	133	15%	73%	11%	4%	11%	9%	63%	2%
X1, X3, X8	489	14%	71%	4%	9%	13%	17%	54%	2%
5A	333	14%	79%	7%	6%	7%	16%	63%	1%
7Y	551	13%	75%	6%	7%	11%	12%	63%	1%
V1	100	13%	76%	6%	7%	11%	14%	62%	0%
Z8	286	13%	70%	7%	6%	14%	10%	60%	3%
16C	433	12%	79%	5%	7%	9%	12%	67%	0%
22A, 22C, 22F	646	10%	79%	3%	7%	10%	13%	66%	1%
37	546	7%	88%	3%	4%	4%	12%	76%	1%
D1	628	6%	84%	1%	5%	9%	11%	73%	0%
D5	375	5%	89%	2%	2%	6%	9%	80%	1%
B30	299	4%	90%	2%	3%	6%	8%	82%	0%
Z2	232	4%	85%	2%	2%	10%	9%	77%	1%

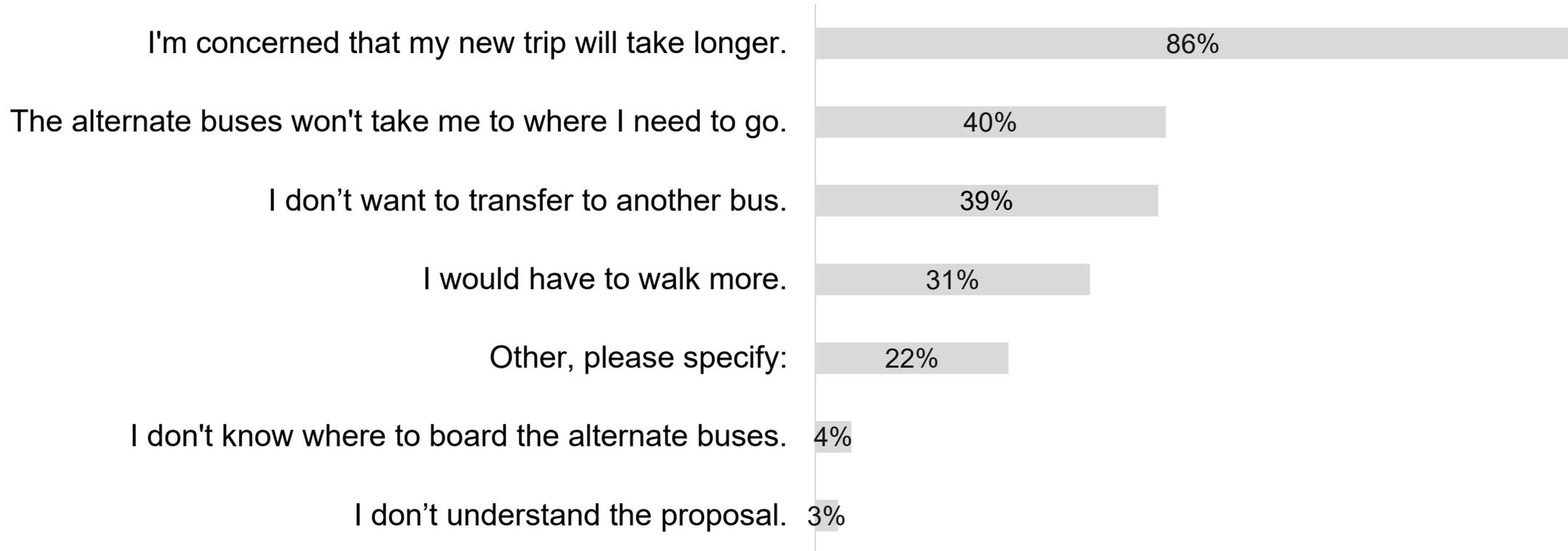


- For some bus proposals that were not simple eliminations, respondents were asked the follow up question, “Below are some possible reasons you may not support the proposal on the previous page. Please select the reason or reasons that best describe why you are **against** the proposal.” These responses are summarized by proposal on the following slides.
- Across all 23 proposals, *“I’m concerned that my new trip will take longer”* was the most popular or second most popular response.

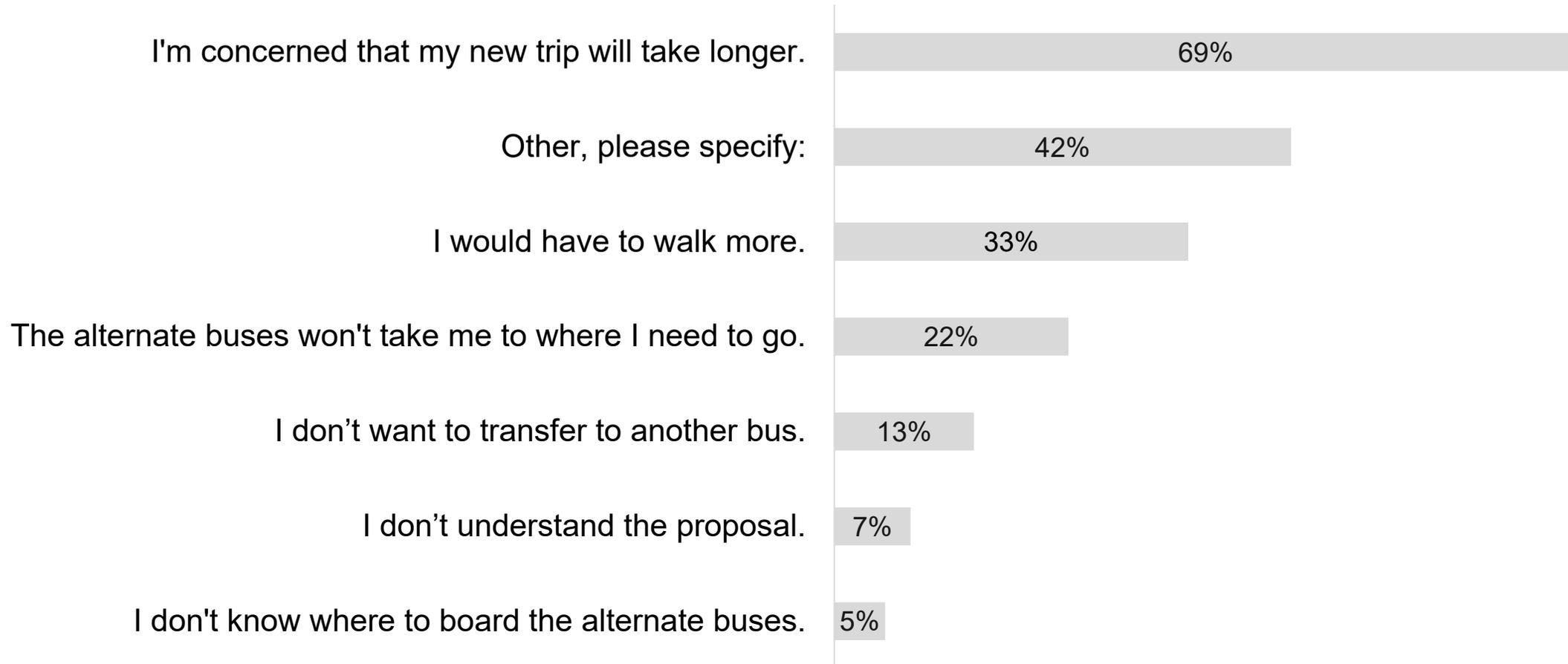
Routes 32, 34, 36: Reasons Against Proposal (n = 388)



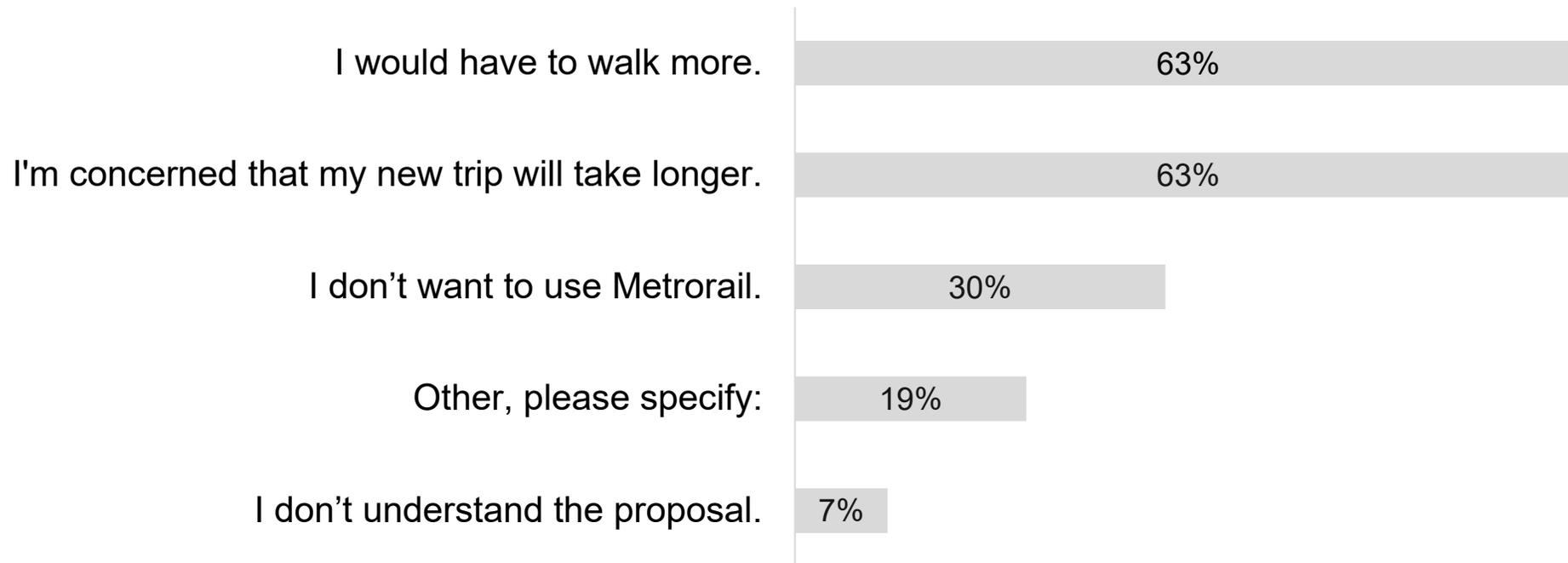
Route 37: Reasons Against Proposal (n = 465)



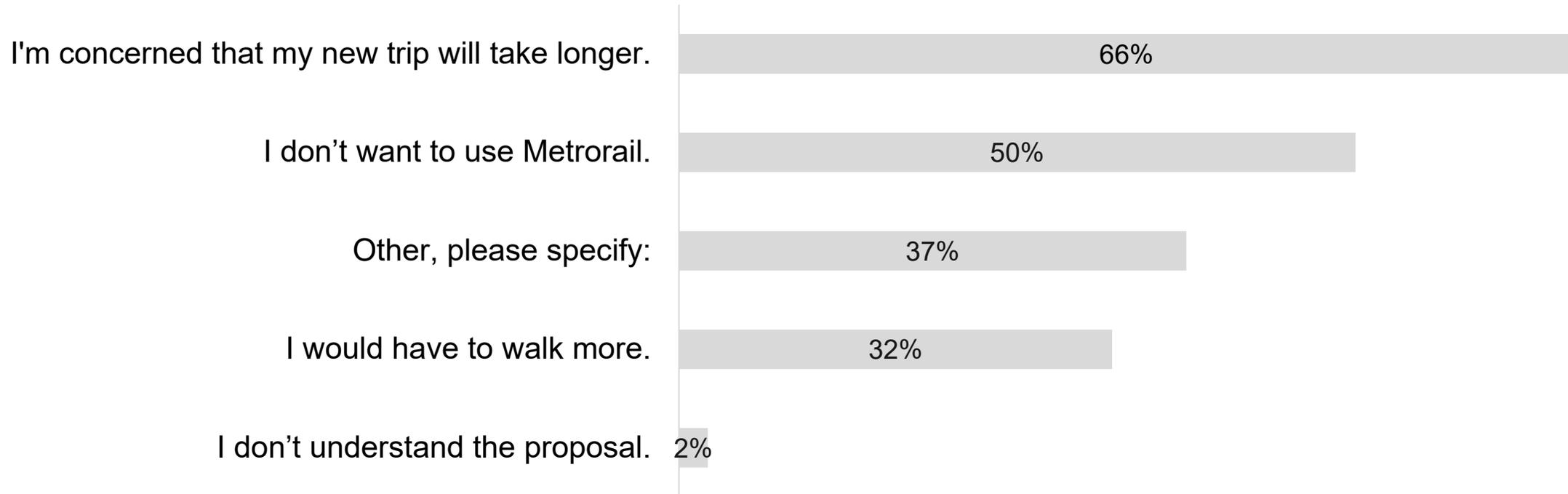
Routes 54, 59: Reasons Against Proposal (n = 765)



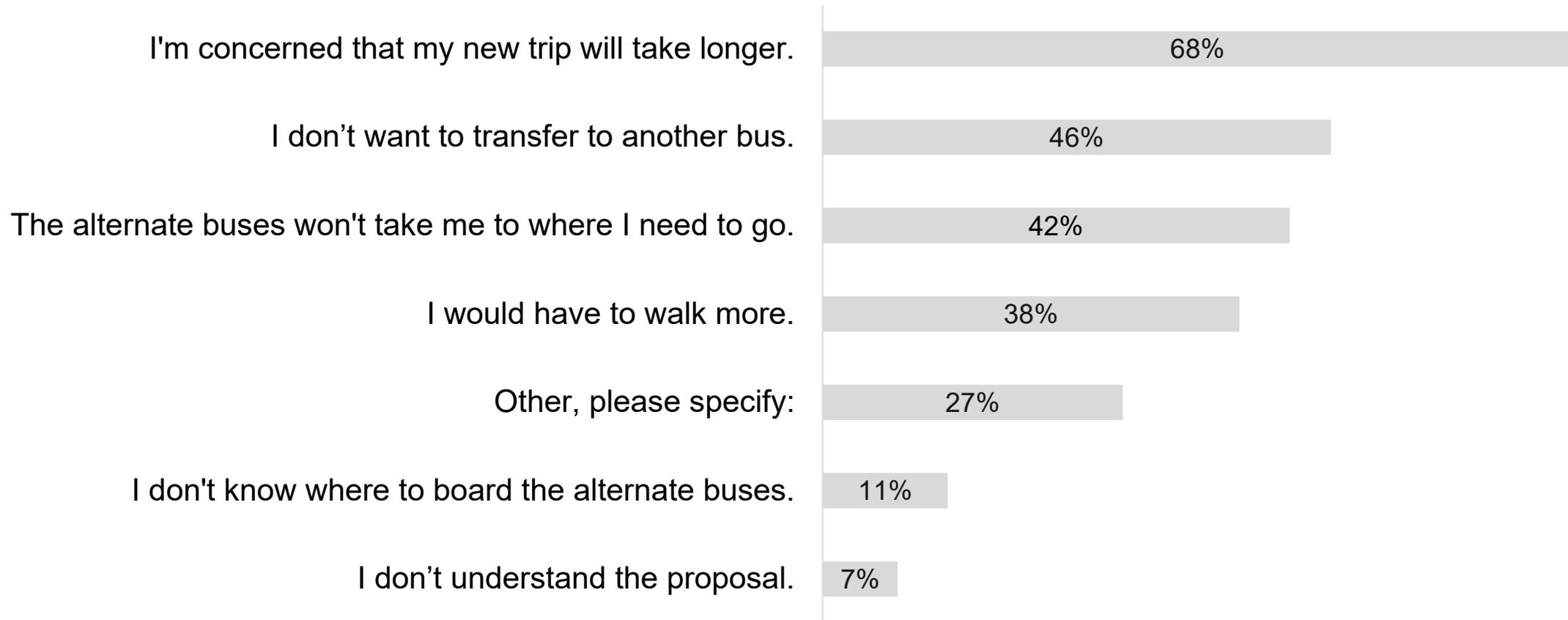
Route 10N: Reasons Against Proposal: (n = 27)



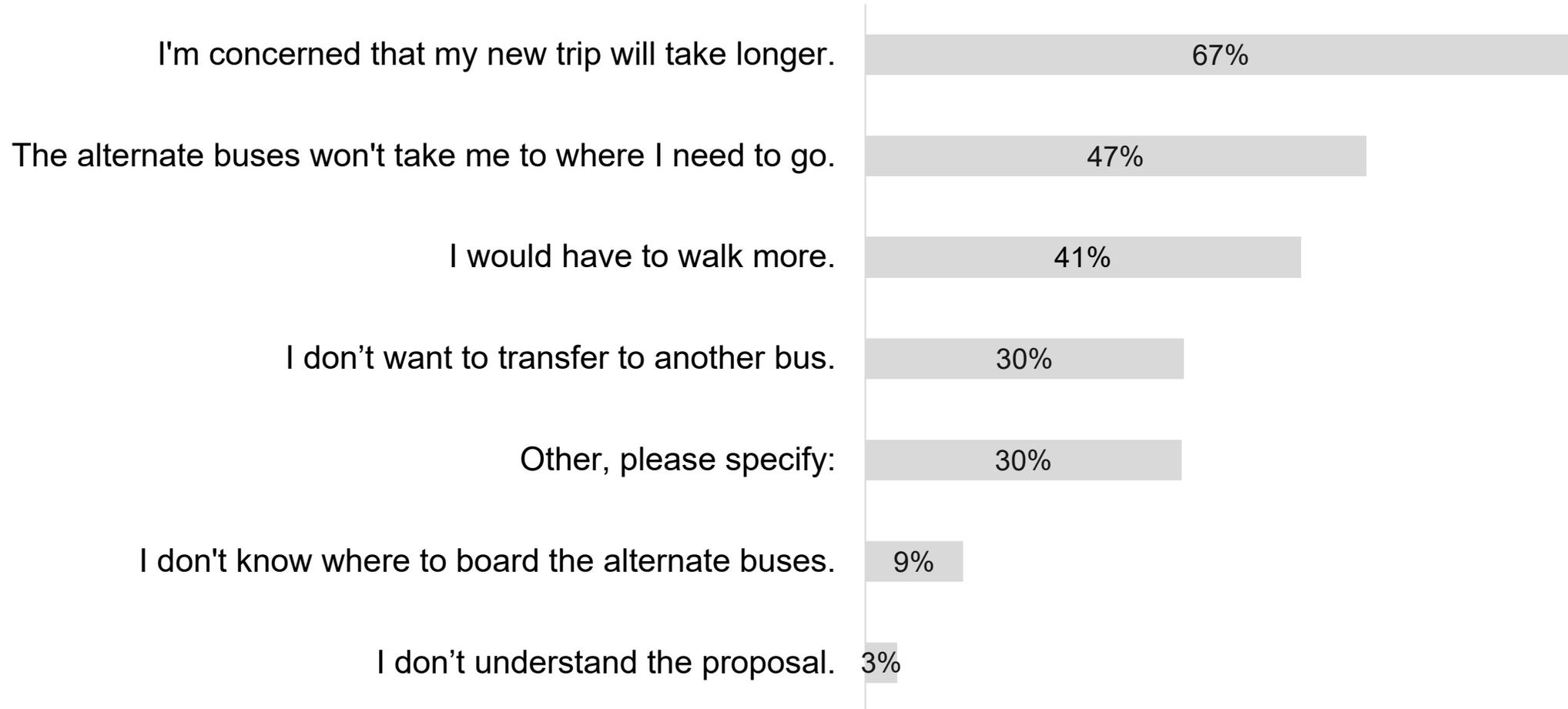
Route 16C: Reasons Against Proposal: (n = 331)



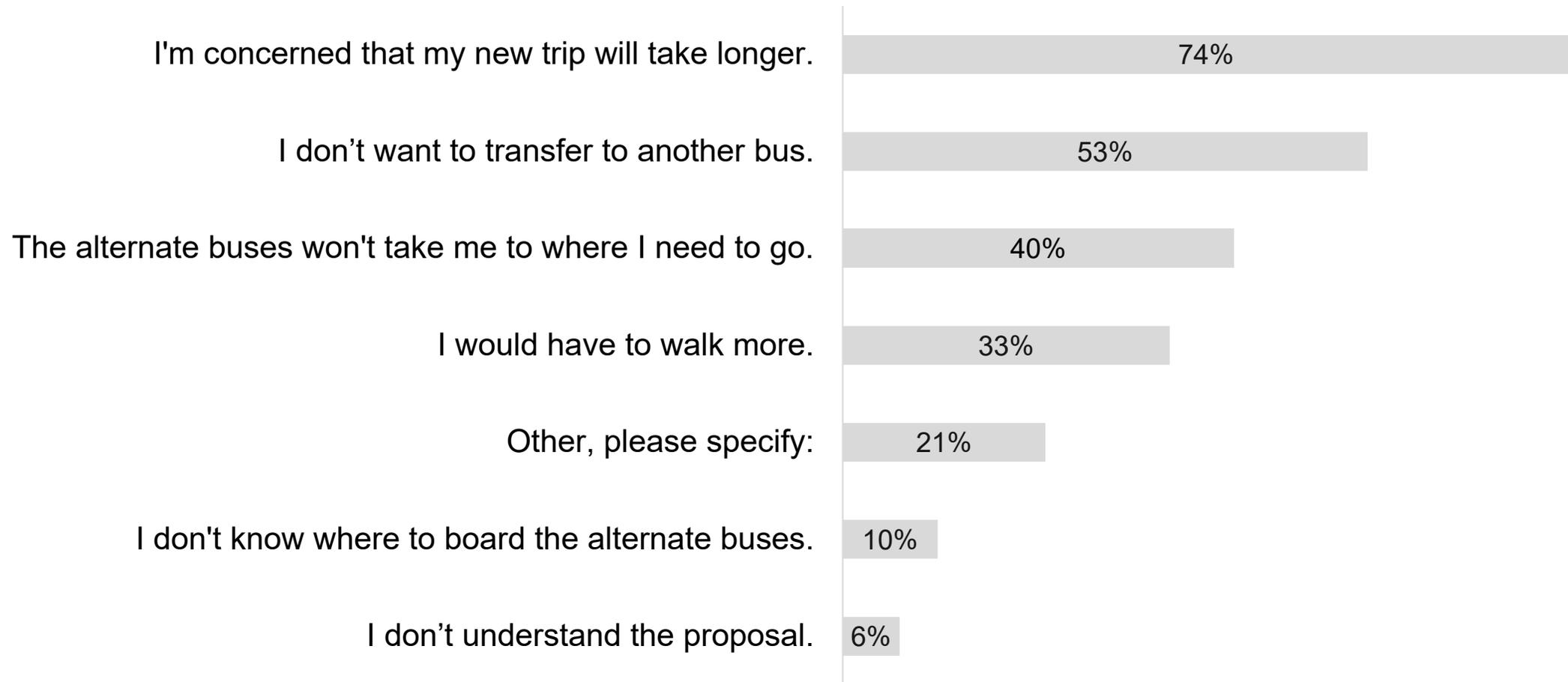
Routes 16G, 16H: Reasons Against Proposal (n = 132)



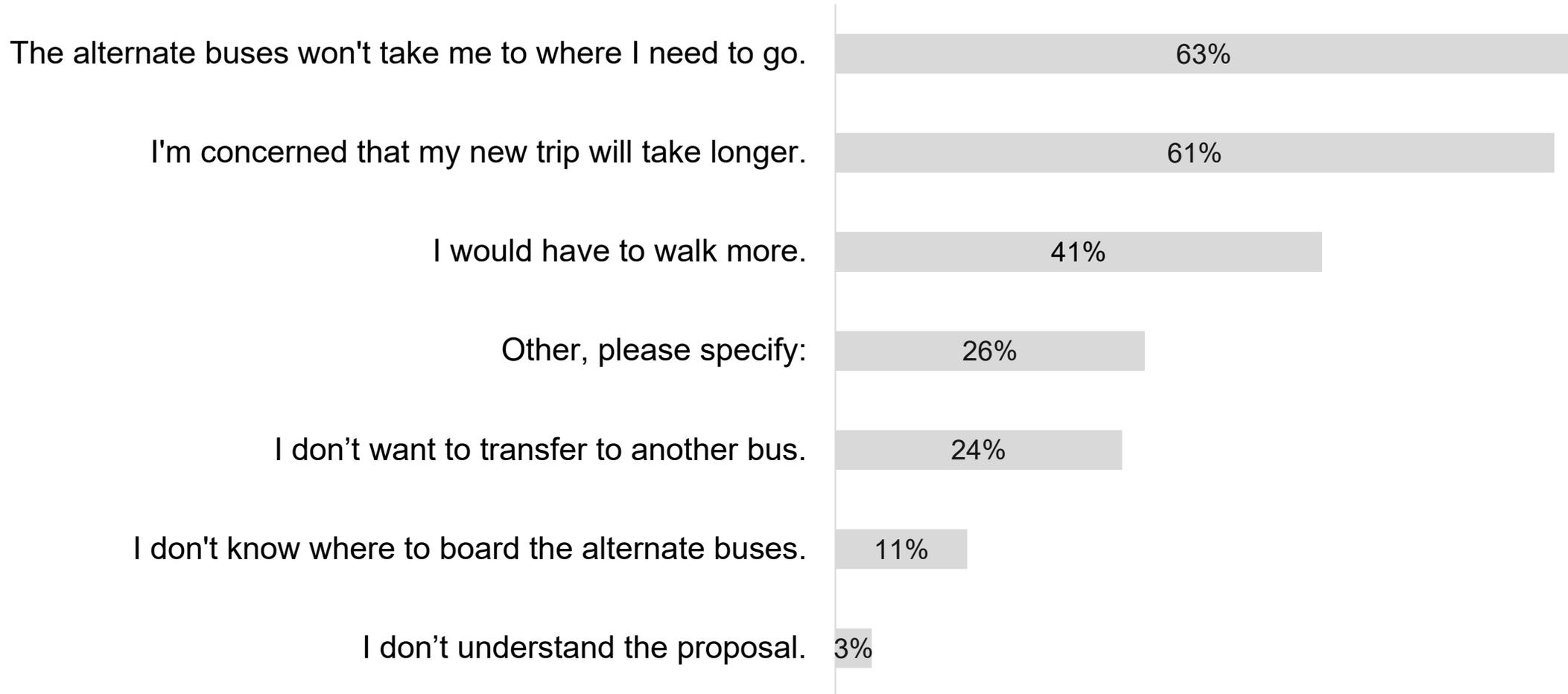
Routes 22A, 22C, 22F: Reasons Against Proposal (n = 498)



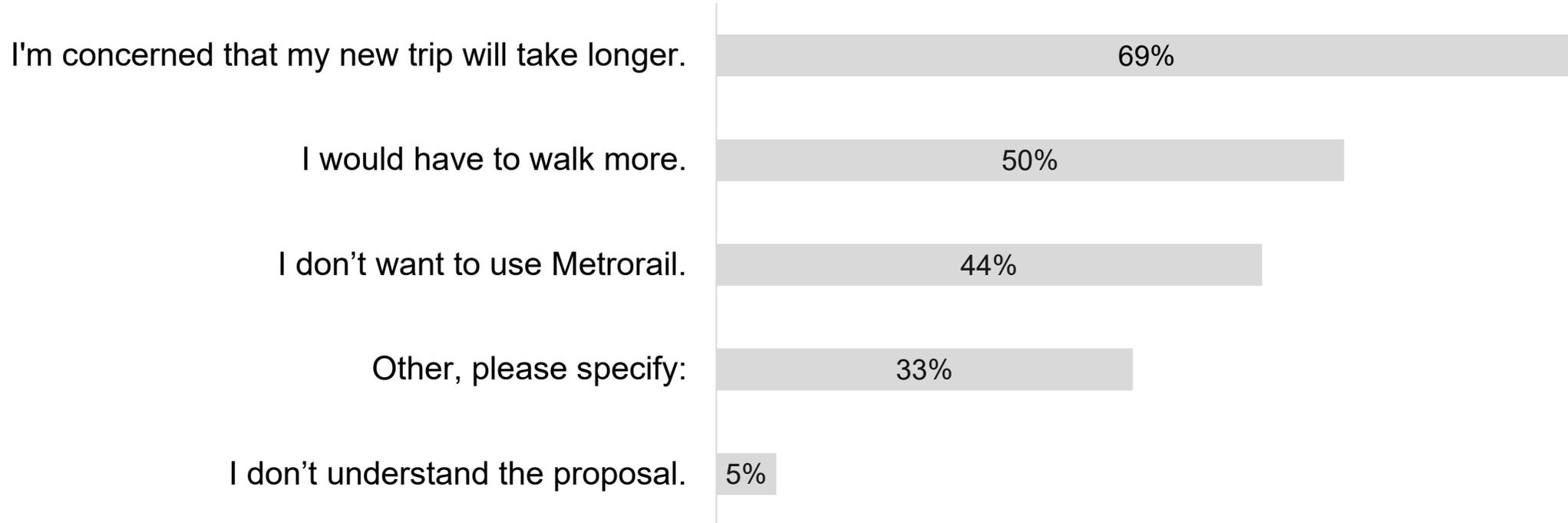
Routes 30N, 30S: Reasons Against Proposal (n = 1,471)



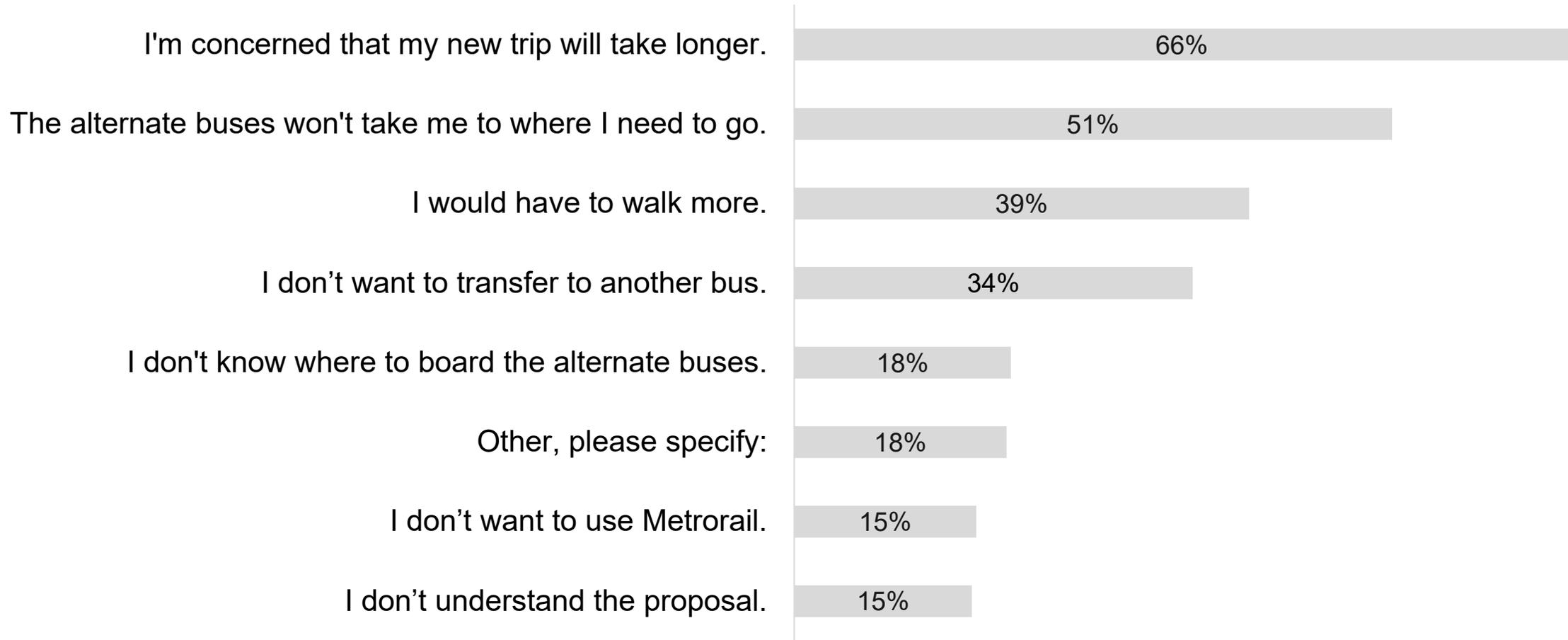
Route 3A: Reasons Against Proposal (n = 259)



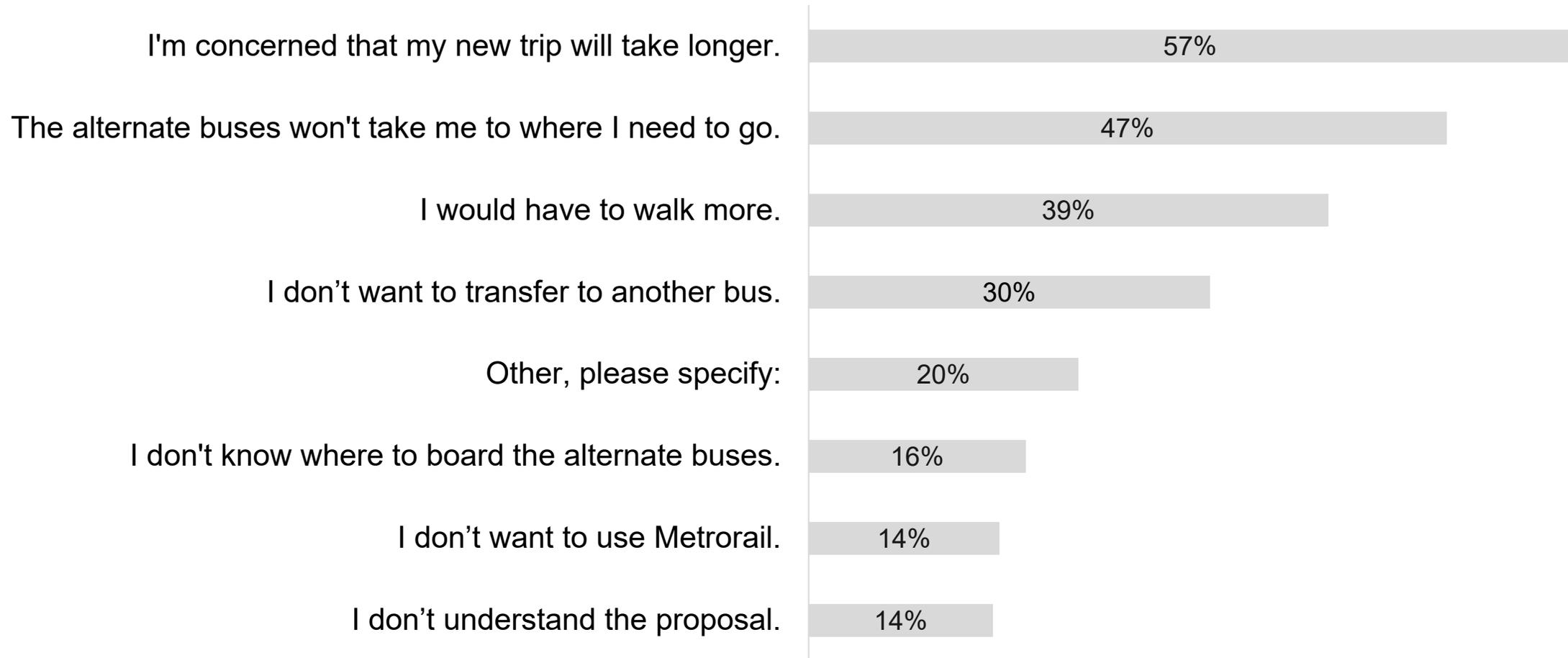
Route 7Y: Reasons Against Proposal (n = 395)



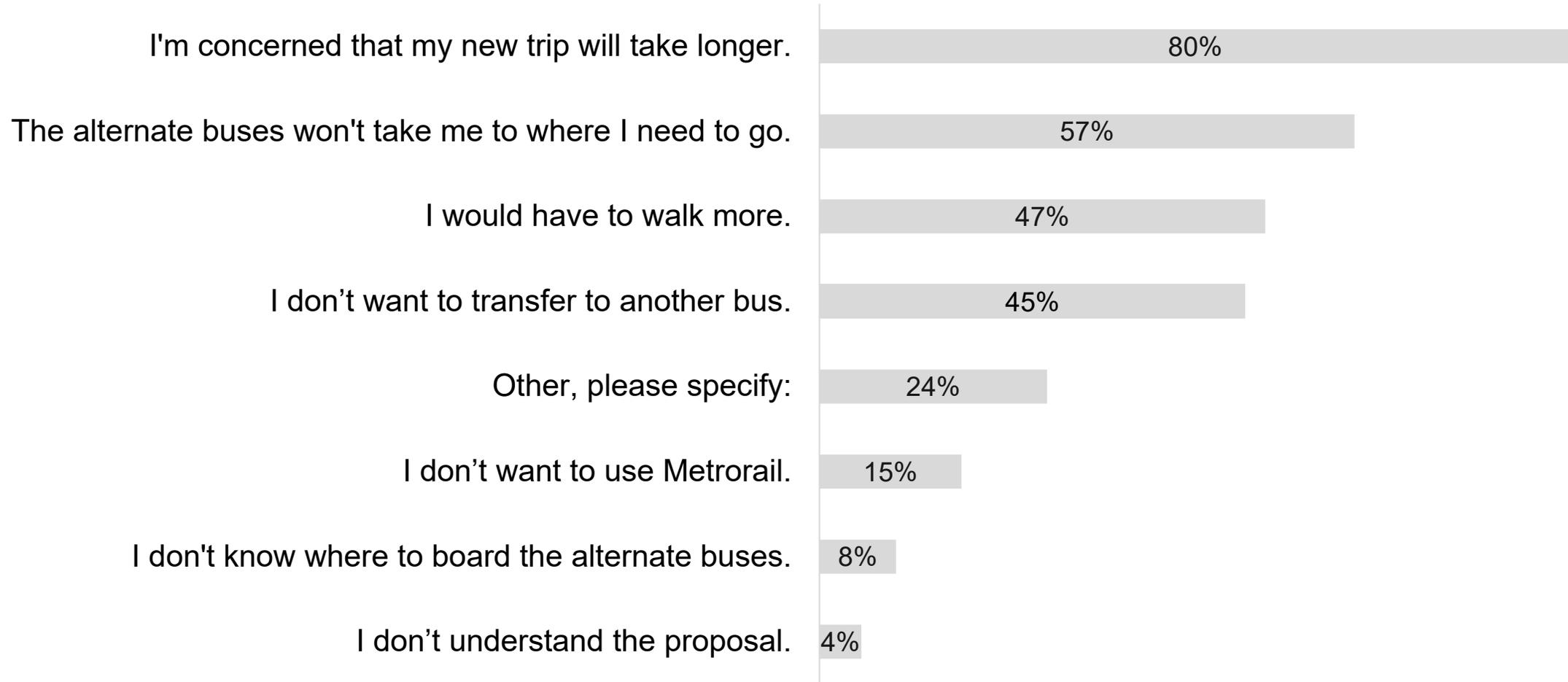
Routes A4, W5: Reasons Against Proposal (n = 272)



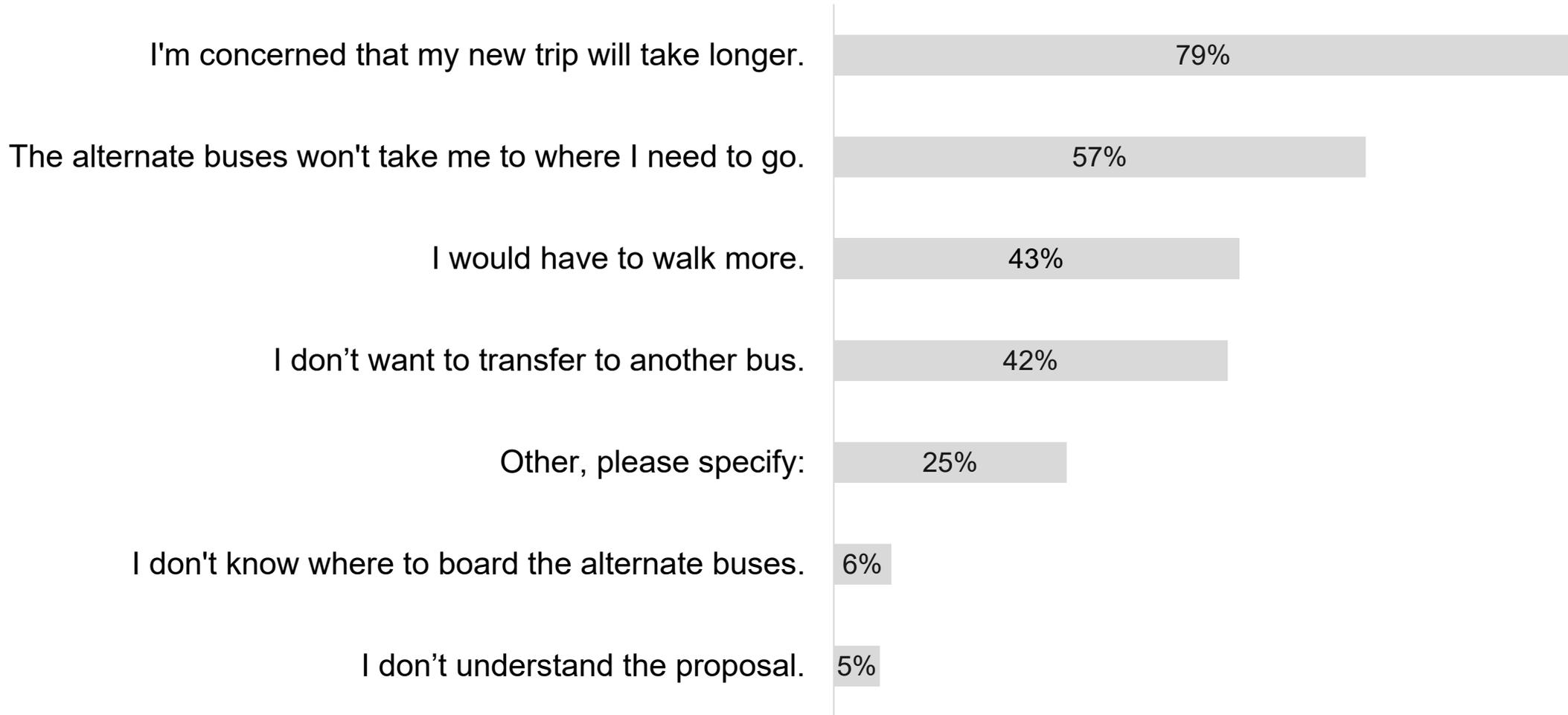
W1, W2, W3, W4: Reasons Against Proposal (n = 205)



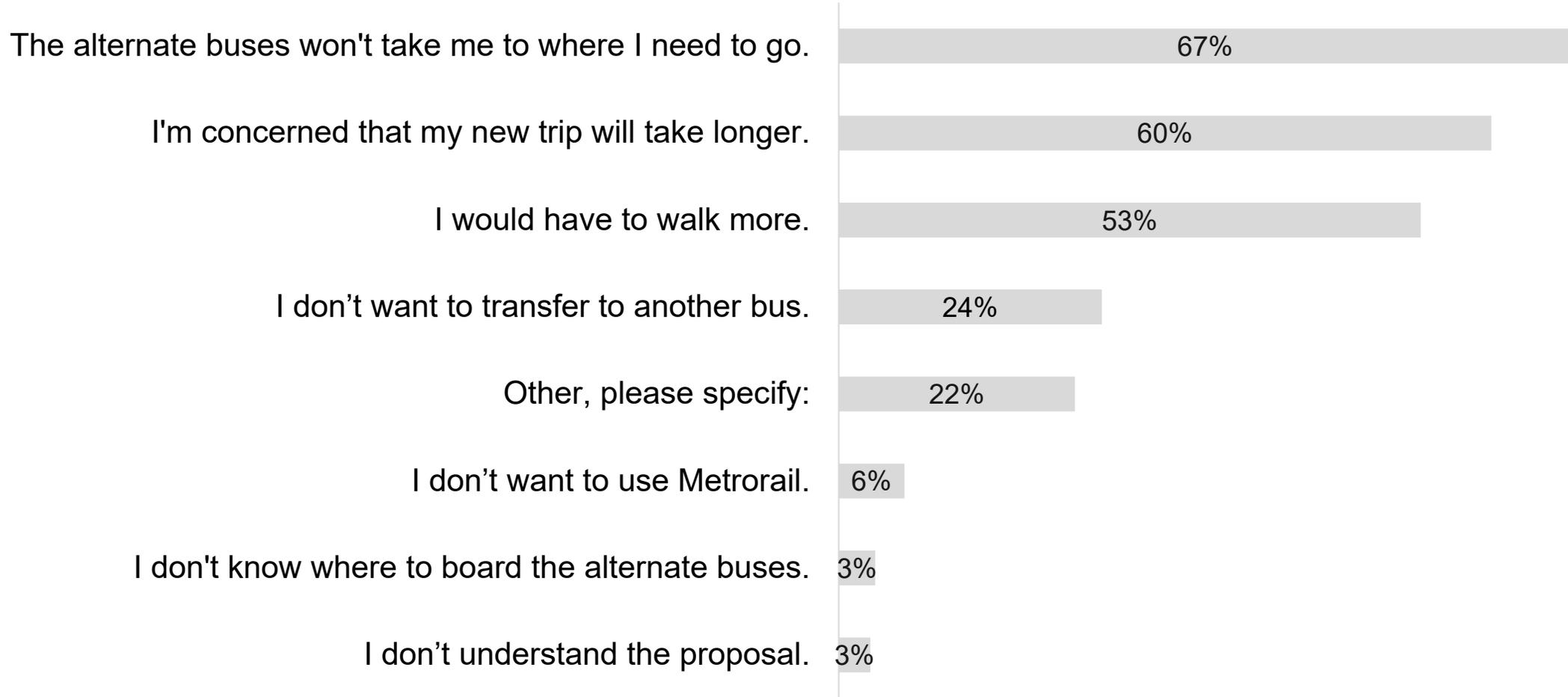
Route D1: Reasons Against Proposal (n = 518)



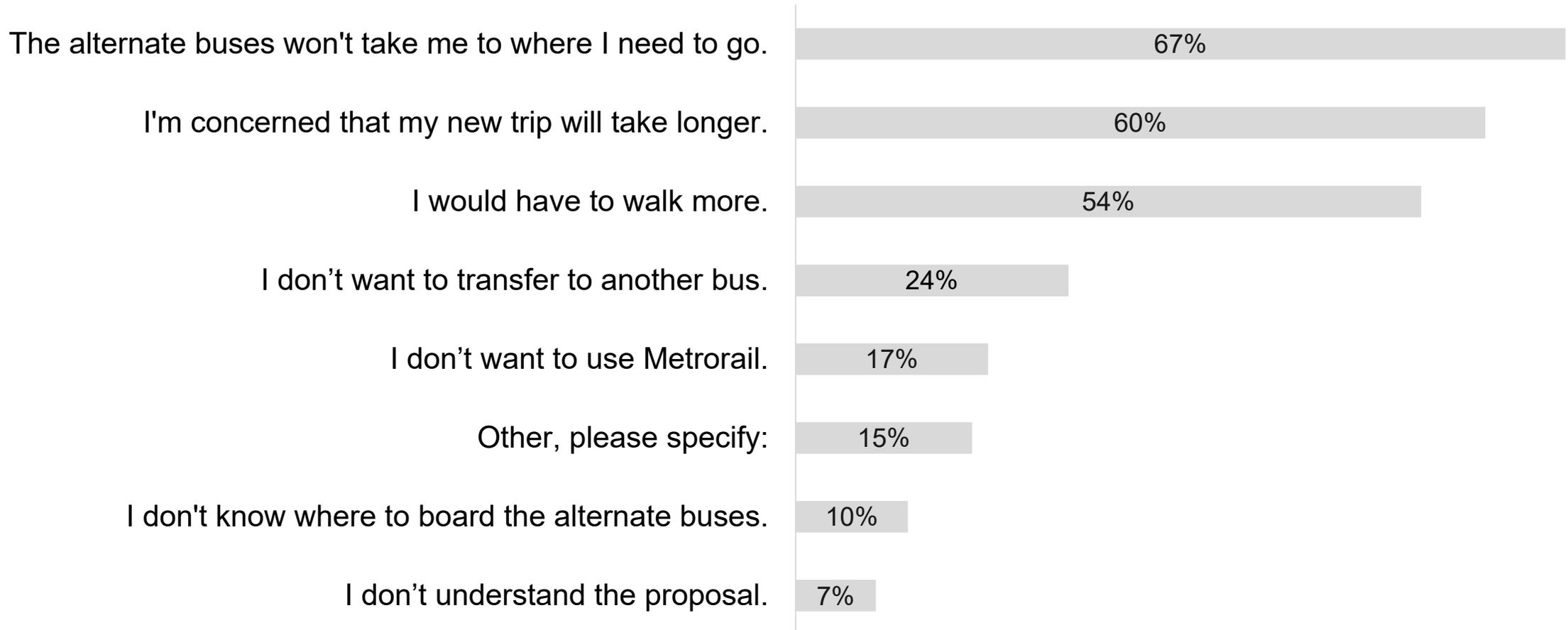
Route D5: Reasons Against Proposal (n=326)



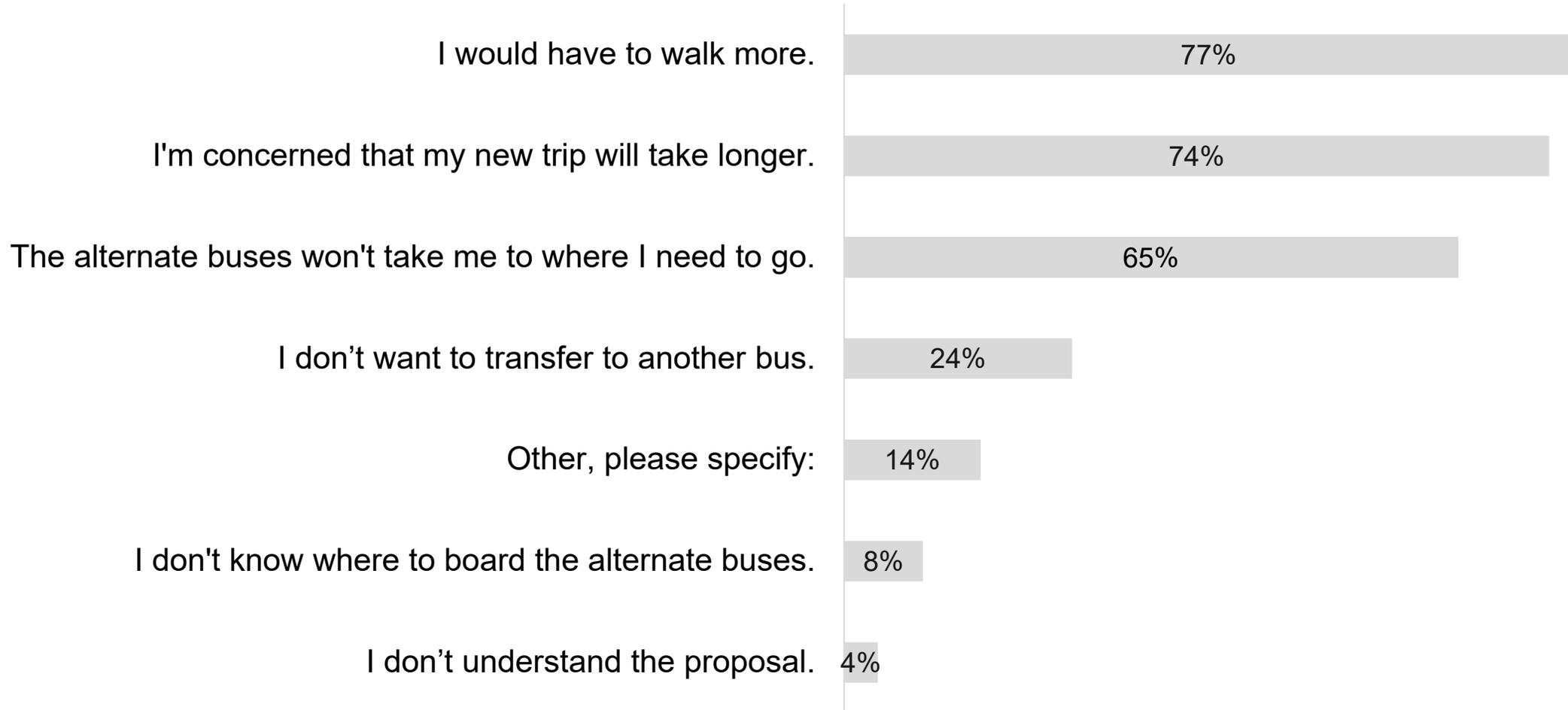
Route E6: Reasons Against Proposal (n = 448)



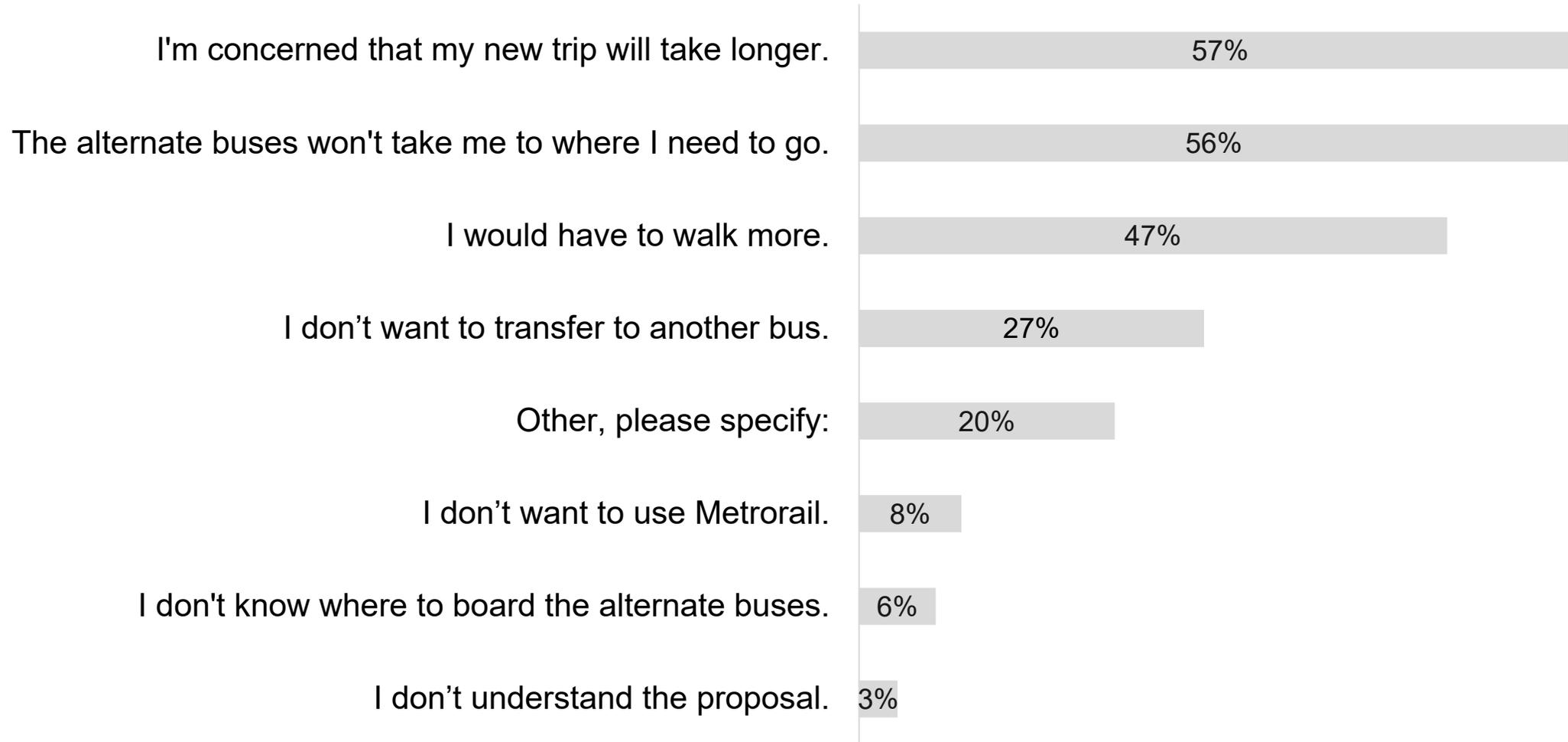
Route F12: Reasons Against Proposal (n = 72)



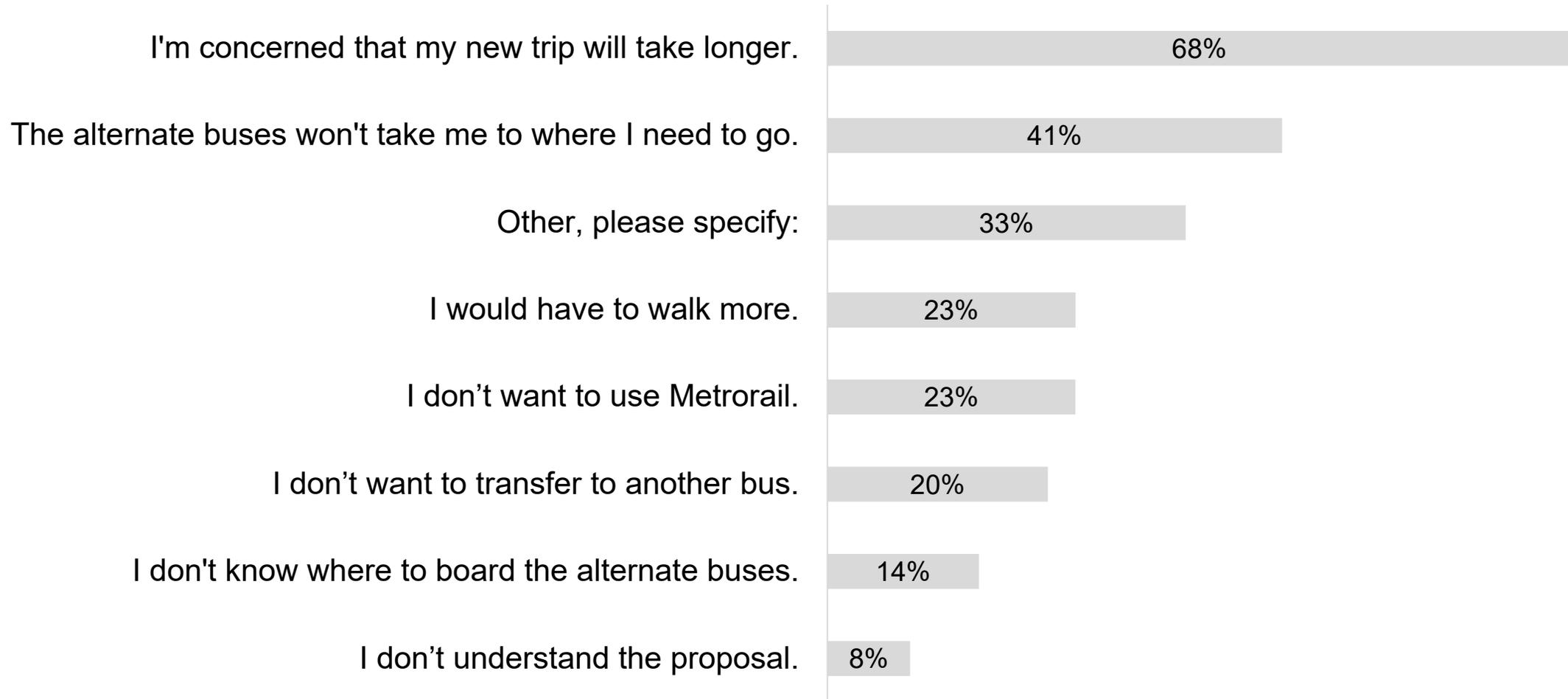
Route G2: Reasons Against Proposal (n = 988)



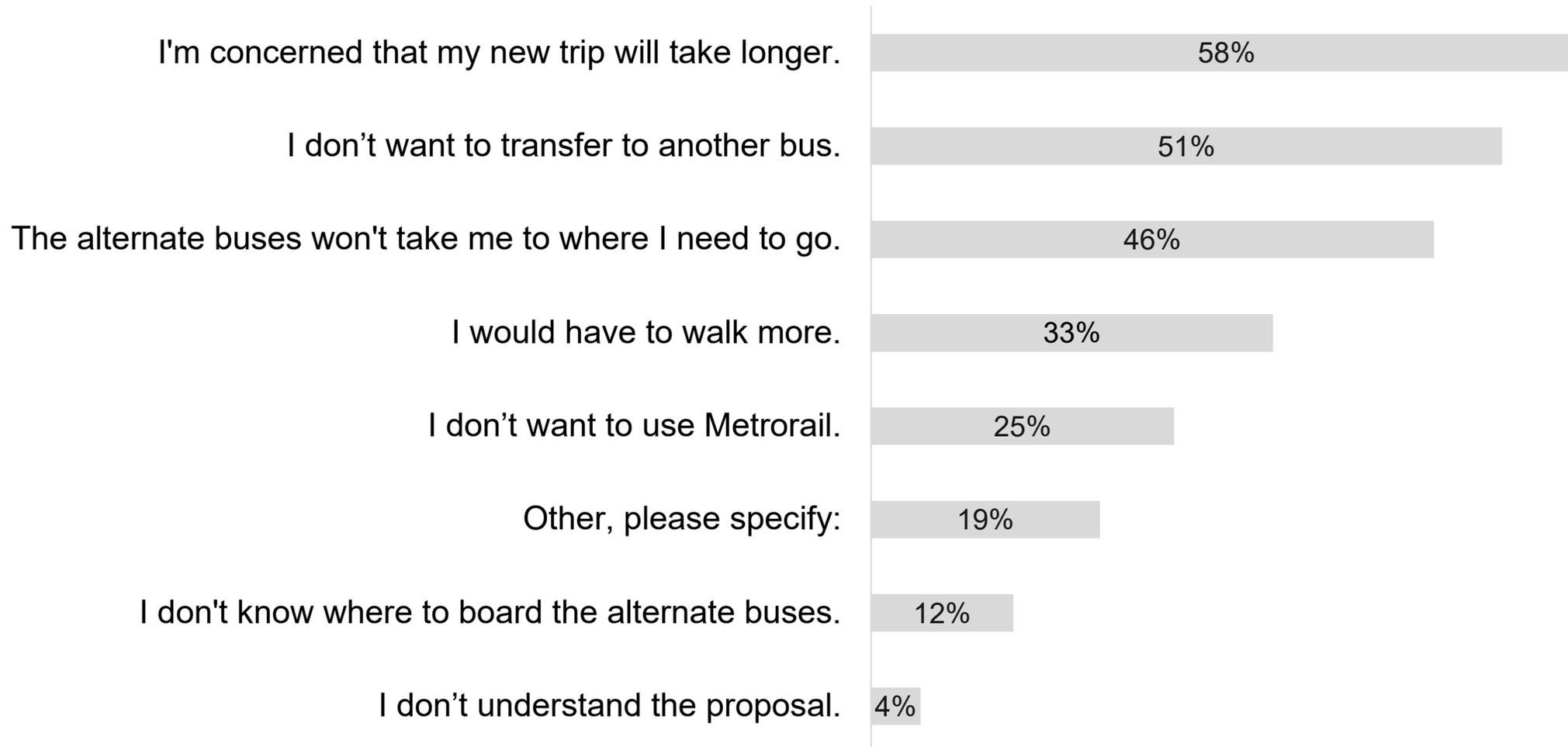
Route M4: Reasons Against Proposal (n = 197)



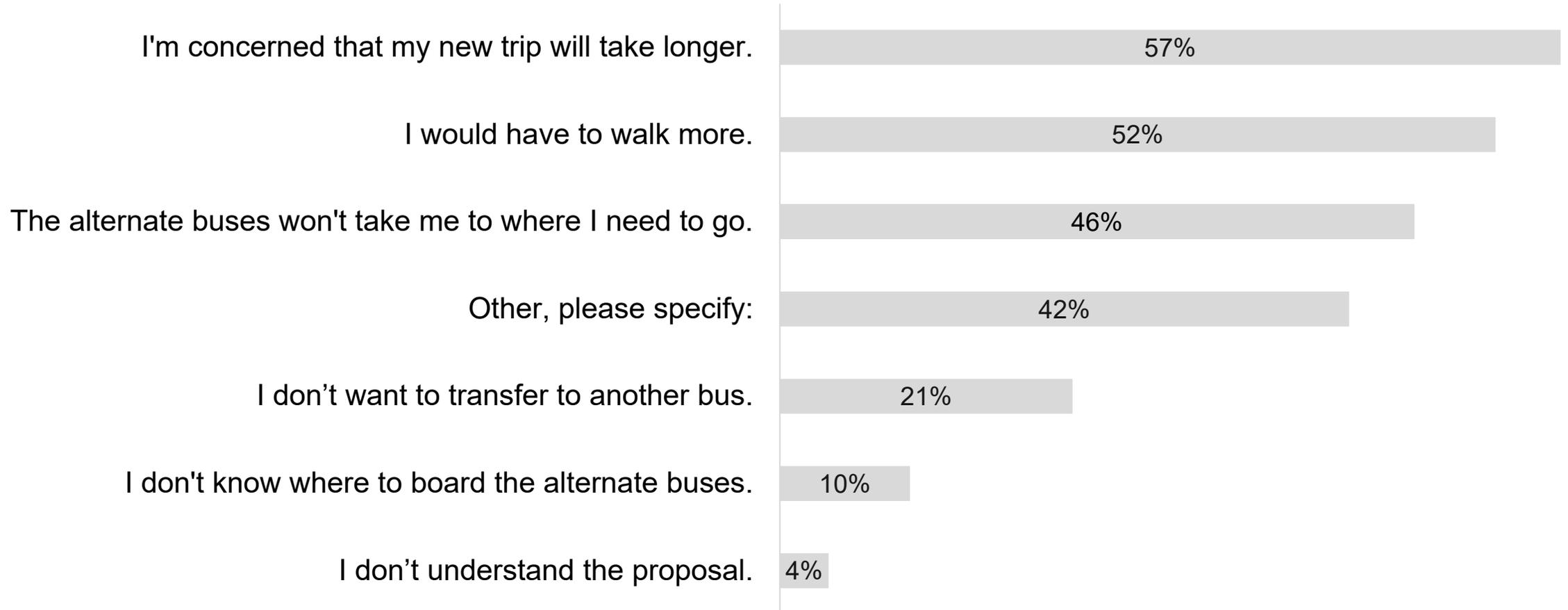
Route NH2: Reasons Against Proposal (n = 80)



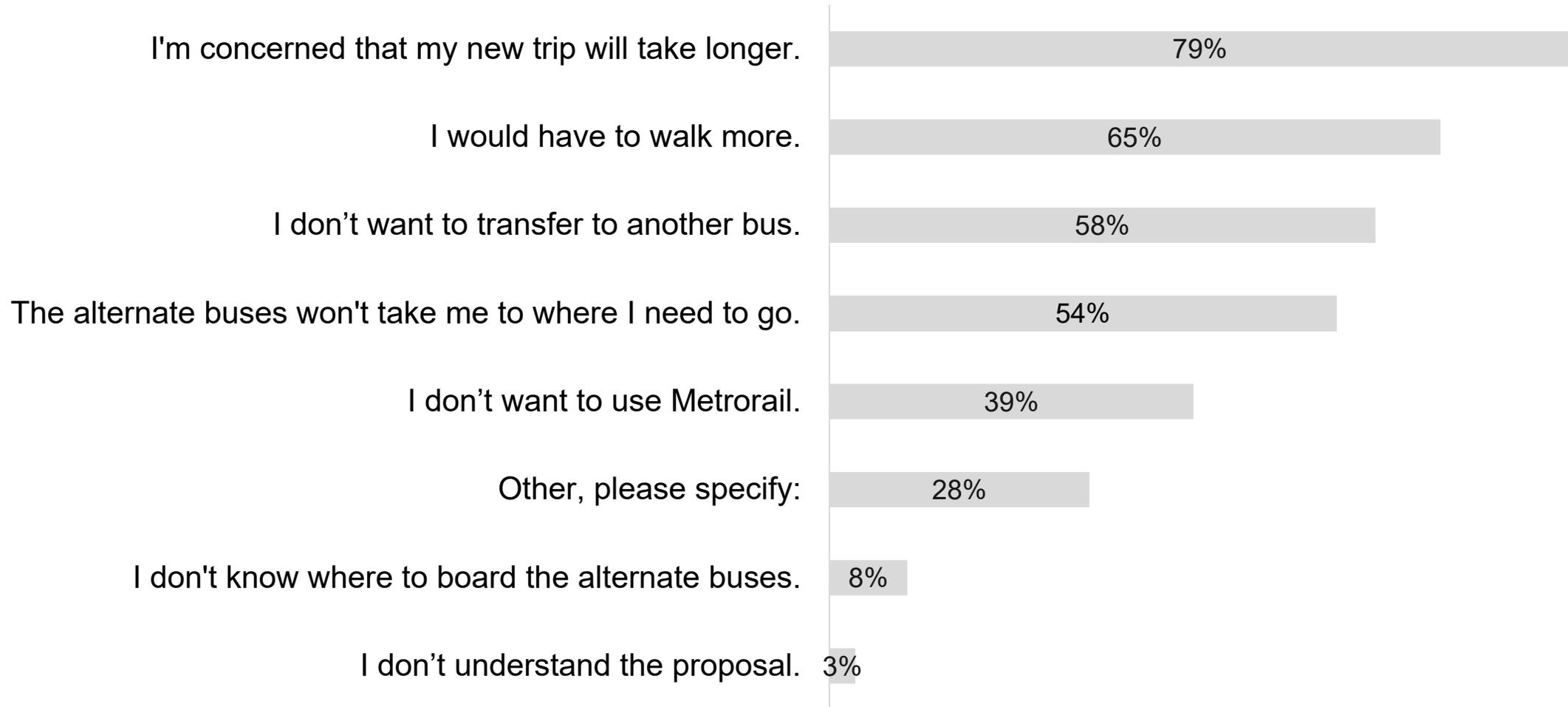
Routes Q1, Q2, Q5, Q6: Reasons Against Proposal (n = 200)



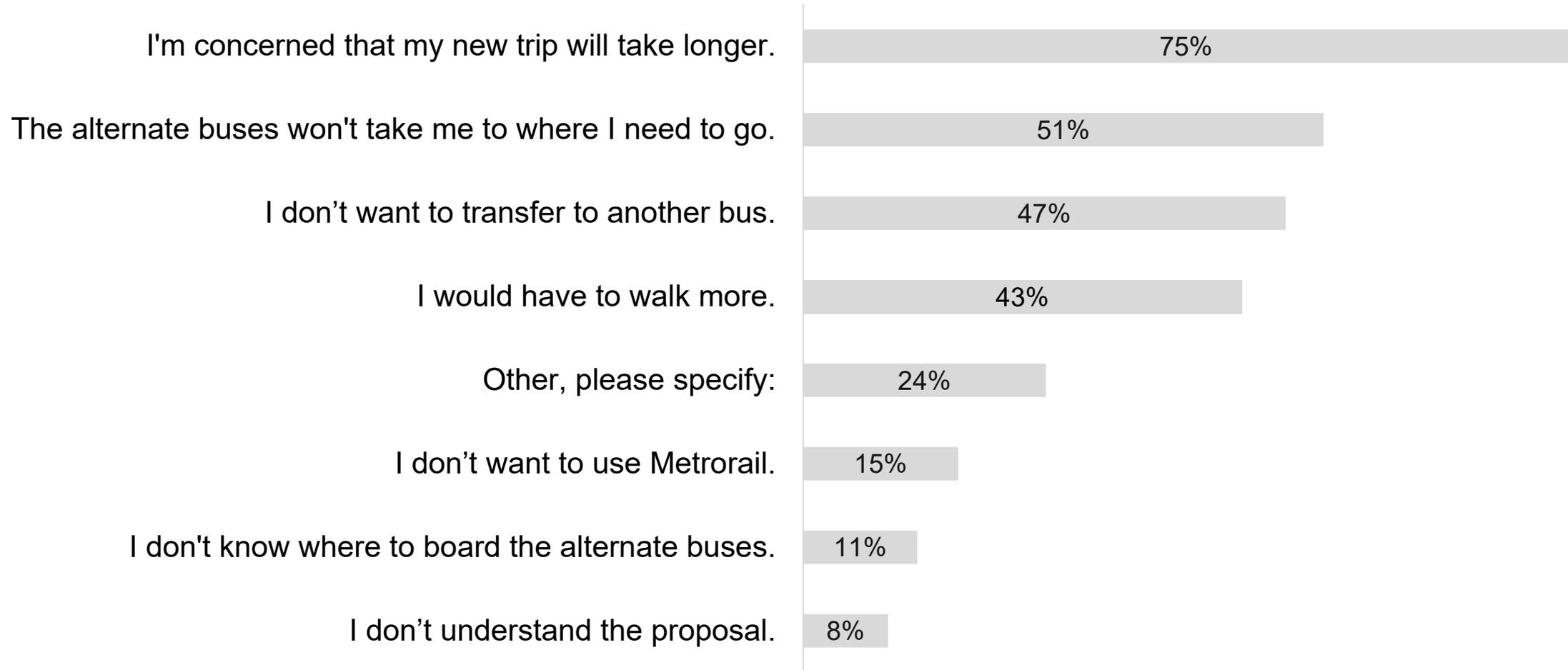
Route S90, S91: Reasons Against Proposal (n = 84)



Route V1: Reasons Against Proposal (n = 72)



Routes X1, X3, X8: Reasons Against Proposal (n = 348)



Overall Survey Demographics

	Responses	%
Household income		
Less than \$30,000	1,250	9%
More than \$30,000	12,395	91%
Latino or Hispanic Origin		
Yes	1,171	8%
No	13,837	92%
Race		
African American or Black	2,537	17%
American Indian or Alaska Native	189	1%
Asian	1,375	9%
Native Hawaiian or other Pacific Islander	105	1%
White	10,414	72%
Other	641	4%

Note: Our approach was to include the count of responses excluding nonresponses.

M E M O R A N D U M

SUBJECT: Title VI Equity Analysis: Service and Fare Changes, FY 2021 Budget

DATE: March 27, 2020



FROM: FAIR – Franklin Jones

THRU: IBOP – John Kuo

TO: GM/CEO – Paul J. Wiedefeld

This memorandum describes the methodology and findings of the Title VI equity analysis required for the fare changes and major service changes associated with the Fiscal Year 2021 Operating Budget.

Staff is seeking acceptance of the Title VI equity analysis required in order to change fares and service. This action item will be reviewed by the Finance and Capital Committee at the April 2 meeting.

I. Conclusion

Based on the Title VI equity analysis, staff has determined that the proposed fare changes and most of the service changes do not result in a disparate impact (DI) for minority populations or a disproportionate burden (DB) for low-income populations. The only exception is the change in headways during early morning hours (5:00 AM to 6:00 AM) on Metrorail, which results in a DI for minority customers. However, this change does not violate Title VI because Metro has a substantial legitimate justification for the proposed service change, and no less discriminatory alternative exists. It has support among minority customers, as 43 percent of minority customers surveyed during public outreach are in favor of the proposal compared to 33 percent against. Additionally, service during late-night periods and on Sundays acts as a mitigation to minority customers using Metro.

II. Fare and Service Change Proposals

In November 2019, the GM/CEO put forward a proposed FY2021 Operating Budget. Overall, the goals of the budget are to improve service and ridership through safe and on-time bus and rail services while ensuring that subsidies do not grow by more than three percent annually. Based on input from the public outreach process and consultations with the jurisdictions, the GM/CEO's revised budget proposal includes the following fare and service changes:

Table One: Major Policy Direction, Fares

Rail Distanced-Based Fares	\$0.10 Increase Peak Base, \$6.50 Max Peak Fare, Change in Mileage Tiers, Senior-Disabled Off-Peak Reduction
Rail Weekend	\$2.00 Flat Fare
Rail Passes	No Fare Change for Pass Customers
Bus To/From Rail Transfers	Raise Discount from \$0.50 to \$1.00
Bus Fares	No Increase to Fares. No \$0.25 Surcharge for Cash
Bus Passes	Reduce Cost of 7 Day Pass from \$15 to \$12

The budget proposal also includes a number of service changes focused on increasing ridership and efficiency of operations. They are summarized in Table Two.

Table Two: Major Service Changes

<p>Rail Service</p>	<p>Increase Headway* on Weekdays 5 AM to 6 AM from 8 to 12 minutes, Decrease Headways on Sundays to Match Saturdays, Extend Operating Hours by 30 Mins. Mon-Thurs, Extend Hours by 60 Mins. Friday and Saturday Late-Nights</p>
<p>Bus Service</p>	<p>Add Saturday and Sunday Service on Various Routes, Add Weekday Service on Four MetroExtra Routes, Eliminate service on routes with low ridership or redundant service including 5A, TAGS**, Z8, Z11,B29, and B30 Reduce frequency and span on certain routes including some late- night bus trips</p>

*A headway is the time between trains. Increasing the headway means trains come less frequently.

**TAGS: Transportation Association of Greater Springfield circulator bus (Metrobus Routes S80 and S91).

III. Title VI Analysis

When a transit agency proposes a fare change or a major service change, the Federal Transit Administration (FTA), in its Title VI Circular 4702.1B, requires that the agency conduct an equity analysis to determine whether the service or fare change will result in a disparate impact (DI) for minority riders or a disproportionate burden (DB) for low-income riders. In conducting this equity analysis, Metro used the following survey and operations data to determine which populations would be affected by the proposed fare and service changes:

- 2016 Travel Trends Rail Passenger Survey (Spring 2016)
- Supplemental Survey of Sunday Rail Ridership (Fall 2016)
- 2018 Metrobus Passenger Survey (Fall 2018)
- Metrorail and Metrobus ridership and revenue data (Fall 2019)
- Public Outreach Survey for FY 2021 Budget (Early 2020)

a. Fare Equity Analysis

In Resolution 2013-27, the Board approved Metro’s DI/DB thresholds. For fare changes, the DI/DB threshold is five percent, meaning that the average fare

increase or decrease for minority/low-income riders cannot exceed the average fare increase or decrease for non-minority/non-low-income riders by more than five percent.

To assess fare impacts, staff first calculated the average fare paid for bus and rail customers by demographic group on a typical weekday. To accomplish this, staff calculated the fare paid by each rail customer for each trip on rail by time of day (peak vs. off-peak) and by fare categories (regular fare, senior/disabled fare, passes) and divided that by the number of customers in each category to create an average fare paid per trip. The data is then merged with survey data for the same trips and/or fare categories to create an average fare paid by demographic group (minority vs. non-minority, low income vs. non-low income). On bus, the process is simpler, in that fares do not vary by time of day, only by the type of service (regular, express and airport) and by fare category (regular fare, senior/disabled fares, passes).

Future fares are calculated in the same way, except that the proposed fare policy changes are used in place of the current fares. The current average fare is then compared to the proposed average fare to determine the percentage change in fare by demographic group. The following tables summarize the results for each proposal currently under consideration:

Table Three: DI/DB Test, Fare Proposal

	Minority	Non-Minority	Low-Income	Non-Low-Income
Fare Change, Bus	-7.1%	-6.1%	-6.4%	-7.2%
Fare Change, Rail	-1.6%	0.7%	-7.5%	0.5%
System Average	-3.1%	0.2%	-7.0%	-0.3%
Difference	-3.3%		-6.7%	
DI/ DB	No		No	

As shown on Table Three, the fare proposal under consideration would reduce the average fare paid by minority and low-income customers more than the proposal would reduce the average fare for their non-minority and non-low-income counterparts. This is due in large part to the increase of the bus/rail transfer discount. Therefore, the proposal does not result in a DI for minority customers or in a DB for low-income customers.

b. Service Equity Analysis

When Metro proposes a major service change, the FTA requires that Metro conduct a Title VI equity analysis. This includes additions to service, like the current proposals to increase the operating hours and the train frequency increase on Sundays. When adding service, the equity analysis assesses whether the added service benefits minority and low-income customers in the

same way as all other customers, testing to see if there is a DI or DB.

To determine whether the proposed service changes would result in a DI for minority populations or a DB for low-income populations, staff used Metro’s Board-approved DI/DB thresholds adopted in Resolution 2013-27 (see Table Four).

Table Four: DI/DB Service Thresholds

Total Daily Riders Impacted	Threshold for Significant Disparity
Up to 10,000	8%
10,001 to 20,000	7%
20,001 to 40,000	6%
Over 40,000	5%

Metrorail Service Reductions

Using customer survey data, Metro staff calculated the percentage of minority and low-income customers impacted by the proposal to increase scheduled service headways from eight minutes to 12 minutes from 5:00 AM to 6:00 AM on weekdays. Because the proposed service change affects rail customers, Metro then compared that percentage to the system-wide profile for Metrorail (44.8 percent minority; 12.6 percent low-income). The number of daily riders impacted falls between 10,000 and 20,000. Therefore, the DI/DB threshold for this action is seven percent.

Table Five: DI/DB Test, Change in Rail Headways 5AM to 6AM

	Minority Impacted Trips	Low-Income Impacted Trips
Impacted Ratio	53.3%	10.1%
System Average	44.8%	12.6%
Difference	8.5%	-2.5%
Threshold	7.0%	7.0%
DI or DB	Yes	No

As shown in Table Five, the proposal impacts a higher proportion of minority customers than the system average. This difference exceeds the seven percent threshold; therefore, there is a DI. See the Title VI Discussion later in the document for additional details.

The proposal impacts a lower proportion of low-income customers than the system average. Therefore, there is not a DB for low-income customers.

Metrorail Service Increases

The proposal includes an increase in late-night service hours on weekdays, Fridays and Saturdays. The proposal also includes more frequent Sunday service. Since this proposal affects an entire service day, Sunday, the daily ridership impacted is over 40,000. Therefore, the DI/DB threshold is five percent.

Using survey data, Metro staff calculated the percentage of minority and low-income customers benefiting from the proposal. Because the proposed service change affects rail customers, Metro then compared that percentage to the system-wide profile for Metrorail (44.8 percent minority; 12.6 percent low-income).

Table Six: DI/DB Test, Late-Night and Sunday Metrorail Service Increases

	Minority Impacted Trips	Low-Income Impacted Trips
Impacted Ratio	61.4%	30.7%
System Average	44.8%	12.6%
Difference	16.6%	18.1%
Threshold	-5.0%	-5.0%
DI or DB	No	No

As shown in Table Six, the service proposal benefits a higher proportion of minority and low-income customers than the system average. Therefore, the proposal does not result in a DI for minority customers and does not result in a DB for low-income customers.

Metrobus Service Reductions

The proposal includes the elimination of some bus service to improve service efficiency. The proposal includes eliminations of service on some routes with low ridership or on routes that duplicate other service. The current proposal includes the following routes in this category: 5A, TAGS, Z11, Z8, B29, and the B30. Most customers affected by the changes on these routes have other travel options on transit.

The proposal also includes reductions in frequency or span on a select number of other routes. Overall, the proposal impacts approximately 3,000 customers each weekday. Therefore, the DI/DB threshold is eight percent.

Using Metrobus survey data, Metro staff calculated the percentage of minority and low-income customers impacted by the proposal. Because the proposed service change affects bus customers, Metro then compared that percentage to the system-wide profile for Metrobus (80.7 percent minority; 46.4 percent low-income).

Table Seven: DI/DB Test, Bus Service Reductions

	Minority Impacted Trips	Low-Income Impacted Trips
Impacted Ratio	80.9%	40.3%
System Average	80.7%	46.4%
Difference	0.2%	-6.1%
Threshold	8.0%	8.0%
DI or DB	No	No

As shown in Table Seven, the proposal impacts a slightly higher proportion of minority customers than the system average. However, this difference (of 0.2 percent) is below the 8.0 percent threshold. Therefore, there is not a DI for minority customers. The proposal impacts a lower proportion of low-income customers than the system average. Therefore, there is not a DB for low-income customers.

Metrobus Service Increases

The proposal includes additional weekend service on certain routes with high ridership, and additional weekday service on four MetroExtra routes. On any given service day, the number of benefiting customer trips is below 10,000; therefore, the DI/DB threshold is eight percent.

Using Metrobus survey data, Metro staff calculated the percentage of minority and low-income customers benefiting from the proposal. Because the proposed service change affects bus customers, Metro then compared that percentage to the system-wide profile for Metrobus (80.7 percent minority; 46.4 percent low-income).

Table Eight: DI/DB Test, Metrobus Service Increases

	Minority Impacted Trips	Low-Income Impacted Trips
Impacted Ratio	90.6%	57.6%
System Average	80.7%	46.4%
Difference	9.9%	11.2%
Threshold	-8.0%	-8.0%
DI or DB	No	No

As shown in Table Eight above, the service proposal benefits a higher proportion of minority and low-income customers than the system average. Therefore, the proposal does not result in a DI for minority customers and does not result in a DB for low-income customers.

Title VI Discussion – Disparate Impact

Pursuant to FTA Title VI Circular, Metro may implement a proposed service change that will result in a DI for minority populations if Metro:

- (1) has a substantial legitimate justification for the proposed change; and
- (2) can show that there are no alternatives that would have a less disparate impact on minority riders but would still accomplish Metro's legitimate program goals.

Although the proposal to reduce service levels on Metrorail between the hours of 5:00 AM and 6:00 AM results in a disparate impact, implementing this service change would not violate Title VI because: (1) Metro has a substantial legitimate justification for the proposed service change; and (2) no less discriminatory alternative exists. Furthermore, minority customers support the proposal, and additional service during late-night periods and on Sundays acts as a mitigation to minority customers using Metro.

Substantial Legitimate Justification: There is a substantial legitimate justification for this action as it helps Metro improve operations, offer more service and achieve more reliable service while resulting in a minimal impact to the customer. Specifically:

- The 12-minute headway helps Metro “ramp up” service over a full hour rather than immediately at system opening as under the current 8-minute headway, making it easier to clear overnight track work. This contributes to Metro's ability to offer more service hours and reduces disruptions that could occur with late track clearance, improving service reliability.
- The three percent cap mandates that Metro ensure that service is as efficient as possible to control operating costs, such as reducing service in low ridership periods.
- No one will be denied service by this action. Trains will still operate during this time period.
- At worst, the average change in wait time would only increase by two minutes (from four to six minutes). At stations served by multiple lines, the change in wait time would be even less.
- The proposal would not result in significant changes in crowding levels, as trains would continue to operate below guidelines for passenger load, with load factors below the 100 passengers per car guideline.

No Less Discriminatory Alternative: Metro has examined alternatives to reducing early morning service levels, including cutting service during peak periods or cutting service during mid-day. Cutting service during peak periods would impact too many customers. During mid-days, the Metrorail system

already operates at a 12-minute headway. Thus, cutting service during this time period would result in a significant loss of service to customers that already have longer wait times than early morning customers and is not practical.

Metro could elect to not modify the early morning service. However, the operational benefits contribute to Metro's ability to offer more service hours and resources saved by reducing service levels early in the morning are being used to provide more service during time periods that minority (and low-income) customers are far more likely to use Metro: late-nights and on Sundays. As discussed below, this is a far greater benefit to these customers overall.

Support among Minority Customers. Minority and other customers support the reduction in early morning service levels. According to customer survey data collected as part of FY2021 Budget Outreach, approximately 43 percent of all minority customers who responded on this topic are either strongly or moderately **in favor** of this service reduction. This is compared to 33 percent who are strongly or moderately against the service reduction. This trend is true for the general population as well as low-income customers.

Mitigation. The addition of late-night and Sunday service acts as a mitigation. As discussed in the prior section, 61 percent of those benefiting from the additional service are minority and 31 percent are low-income. This is well above the percentage of minority and low-income customers that are adversely impacted by reduction in service (53 percent minority and 10 percent low-income). In total, staff estimates that over 10 million customers will benefit from this new service, compared to the less than 3 million adversely impacted by the early morning reduction in service.

Public Outreach

In accordance with the Title VI Circular 4702.1B, staff conducted public outreach and considered public feedback on the proposed fare change. The full Public Outreach Report is attached to the Board Action Information Summary. Staff considered the results of the public outreach when conducting this analysis.



FY2021 OPERATING BUDGET

<i>(Dollars in Thousands)</i>	Total with Reimb	Subsidized Total	BUS	RAIL	ACCESS	REIMB
REVENUES						
Passenger	\$677,755	\$677,755	\$117,812	\$551,275	\$8,668	\$0
Parking	\$44,509	\$44,509	\$0	\$44,509	\$0	\$0
Advertising	\$35,800	\$35,800	\$8,940	\$26,860	\$0	\$0
Joint Development	\$17,750	\$14,644	\$0	\$14,644	\$0	\$3,106
Fiber Optics	\$19,460	\$18,777	\$0	\$18,777	\$0	\$684
Other	\$36,197	\$32,220	\$3,124	\$29,096	\$0	\$3,977
Total Revenues	\$831,472	\$823,706	\$129,876	\$685,162	\$8,668	\$7,766
EXPENSES						
Personnel	\$1,393,590	\$1,387,919	\$536,470	\$837,546	\$13,904	\$5,671
Services	\$388,915	\$387,245	\$66,975	\$150,909	\$169,361	\$1,671
Materials & Supplies	\$107,742	\$107,317	\$27,663	\$78,892	\$762	\$425
Fuel (Gas/Diesel/CNG)	\$31,939	\$31,939	\$22,553	\$3,684	\$5,702	\$0
Utilities & Propulsion	\$105,793	\$105,793	\$11,645	\$93,378	\$770	\$0
Casualty & Liability	\$32,260	\$32,260	\$8,786	\$22,890	\$584	\$0
Leases & Rentals	\$11,036	\$11,036	\$2,657	\$7,394	\$985	\$0
Miscellaneous	\$6,505	\$6,505	\$780	\$5,589	\$136	\$0
Total Expenses	\$2,077,781	\$2,070,015	\$677,529	\$1,200,282	\$192,204	\$7,766
NetSubsidy	\$1,246,310	\$1,246,310	\$547,654	\$515,120	\$183,536	\$0
Cost Recovery Ratio¹		39.8%	19.2%	57.1%	4.5%	

¹Total Revenues/ Total Expenses

ATTACHMENT D: FY2021 Summary of State/Local Operating Requirements

	FY2020 Base	FY2021 Capped	Change %	Legislative Exclusions	Change %	Silver Line Phase 2	FY2021 Total Subsidy	Total Change %	Debt Service	Jurisdictional Contribution
District of Columbia	\$407,765,902	\$419,998,879	3.0%	\$2,079,419	0.5%	\$25,892,842	\$447,971,141	9.9%	\$33,267,125	\$481,238,266
Montgomery County	\$189,124,318	\$190,358,776	0.7%	\$1,622,723	0.9%	\$13,748,799	\$205,730,298	8.8%	\$15,406,871	\$221,137,169
Prince George's County	\$242,610,897	\$254,328,496	4.8%	\$3,476,973	1.4%	\$12,340,775	\$270,146,243	11.3%	\$15,806,488	\$285,952,731
Maryland Subtotal	\$431,735,215	\$444,687,272	3.0%	\$5,099,696	1.2%	\$26,089,573	\$475,876,541	10.2%	\$31,213,359	\$507,089,900
City of Alexandria	\$45,835,235	\$45,775,956	(0.1%)	\$112,636	0.2%	\$3,657,319	\$49,545,911	8.1%	\$1,774,830	\$51,320,740
Arlington County	\$78,160,432	\$75,166,731	(3.8%)	\$150,169	0.2%	\$7,321,818	\$82,638,718	5.7%	\$0	\$82,638,718
City of Fairfax	\$2,486,758	\$2,604,526	4.7%	\$26,195	1.1%	\$238,364	\$2,869,085	15.4%	\$111,451	\$2,980,535
Fairfax County	\$156,043,184	\$155,138,874	(0.6%)	\$1,123,321	0.7%	\$12,732,683	\$168,994,878	8.3%	\$5,613,058	\$174,607,936
City of Falls Church	\$3,449,375	\$3,188,498	(7.6%)	\$11,266	0.3%	\$196,824	\$3,396,587	(1.5%)	\$176,178	\$3,572,765
Loudoun County	\$0	\$12,679,649	100.0%	\$20,252	100.0%	\$2,316,758	\$15,016,659	100.0%	\$0	\$15,016,659
Virginia Subtotal	\$285,974,984	\$294,554,233	3.0%	\$1,443,839	0.5%	\$26,463,765	\$322,461,837	12.8%	\$7,675,516	\$330,137,353
Total Contribution	\$1,125,476,101	\$1,159,240,384	3.0%	\$8,622,954	0.8%	\$78,446,181	\$1,246,309,519	10.7%	\$72,156,000	\$1,318,465,519

ATTACHMENT E: SERVICE CHANGES

Metrorail Service Changes

1 Better Weekend Metrorail Service: Operate Saturday Headways on Sundays

Reduce Orange/Silver/Yellow/Green/Blue Line Sunday daytime headway from 15 minutes to 12 minutes. Reduce Red Line Sunday daytime headways from 8 minutes to 6 minutes.

2 Restore Rail Late Night Hours: Add Four Hours of Service Per Week

Trains would operate an additional four hours per week; staying open 30 additional minutes Monday through Thursday (until midnight) and one additional hour on Fridays and Saturdays (until 2:00 a.m.).

3 Weekday Early Morning Right-sizing: Widen Weekday Headway before 6 a.m.

Increase weekday headways on all lines before 6:00 a.m. from 8 minutes to 12 minutes.

Metrobus Service Changes

Weekend Service Improvements				
Route	Name	Day(s)	Proposed Service Change(s)	Jurisdictions Served
80	North Capitol Street	Sat / Sun	Increase frequency from 30 minutes to 20 minutes	DC
83,86	College Park	Sat / Sun	Increase frequency from 60 minutes to 30 minutes (15 minutes in combined section)	DC, PG
A12	Martin Luther King Jr. Highway	Sun	Increase frequency to match Saturday (every 45 minutes)	PG
C29	Central Avenue	Sat / Sun	Increase frequency from 60 minutes to 30 minutes	PG
E4	Military Road-Crosstown	Sat / Sun	Increase frequency from every 24 minutes on Saturday and every 30 minutes on Sunday to every 20 minutes	DC
F4	New Carrollton-Silver Spring	Sat / Sun	Increase frequency from every 24 minutes on Saturday and every 30 minutes on Sunday to every 20 minutes	MG, PG
P6	Anacostia-Eckington	Sat / Sun	Increase frequency from every 35 minutes to every 20 minutes	DC
P12	Eastover-Addison Road	Sun	Increase frequency to match Saturday (every 20 minutes)	DC, PG
S2	16 th Street	Sun	Increase frequency to match Saturday (every 20 minutes)	DC, MG
S9	16 th Street Limited	Sun	Increase frequency to match Saturday (every 20 minutes)	DC, MG
Y2, Y8	Georgia Avenue-MD	Sat / Sun	Increase frequency from every 24 minutes to every 20 minutes	MG
7A,7F	Lincolnia-North Fairlington	Sun	Increase frequency to match Saturday (every 30 minutes)	AR, AX
23B, 23T	McLean-Crystal City	Sun	Increase frequency from 60 minutes to 30 minutes (15 minutes in combined section)	AR, AX, FX
28A	Leesburg Pike	Sun	Increase frequency to match Saturday (every 20 minutes)	AX, FX

MetroExtra Improvements				
Route	Name	Day(s)	Proposed Service Change(s)	Jurisdictions Served
79	Georgia Avenue Limited	Mon-Fri	Extend PM service 3 hours to 10 PM	DC, MG
X9	Benning Road-H Street Limited	Mon-Fri	Add additional peak period trips. Extend PM peak period 1 hour to 7:45 PM	DC, PG
K9	New Hampshire Avenue Limited	Mon-Fri	Add midday service	DC, MG, PG
16Y	Columbia Pike-Farragut Square	Mon-Fri	Extend AM peak period 1 hour to 10:00 AM. Extend PM peak period 1 hour to 8:15 PM	DC, AR

PROPOSED

Efficiencies and Restructuring				
Route	Name	Category	Proposed Service Change(s)	Jurisdictions Served
92	U Street - Garfield	Redundancy	Eliminate short trips ending at Eastern Market.	DC
D4	Ivy City – Franklin Square	Frequency / Span	Eliminate service after 10 PM	DC
D6	Sibley Hospital – Stadium Armory	Frequency / Span	Eliminate certain late-night trips on weekdays and Saturday	DC
E2	Ivy City – Fort Totten	Frequency / Span	Eliminate service after 10 PM	DC
B29	Crofton-New Carrollton	Low Ridership	Eliminate entire line	PG, AA
B30	Greenbelt-BWI Airport Express	Redundancy	Eliminate entire line	PG, AA
C4	Greenbelt-Twinbrook	Frequency / Span	Reduce late-night span on weekdays	MG, PG
J2	Bethesda-Silver Spring	Frequency / Span	Reduce late-night span on weekdays	MG
K6	New Hampshire Ave.-MD	Frequency / Span	Reduce late-night span on weekdays	DC, MG, PG
L8	Connecticut Ave.-MD	Frequency / Span	Reduce early morning and evening span on weekdays	DC, MG
NH2	National Harbor-Alexandria	Redundancy	Eliminate route segment from King St.-Old Town to Huntington. Reduce frequency.	PG, AX, FX
T2	River Road	Frequency / Span	Reduce early morning and evening span on weekdays	DC, MG
Y2	Georgia Ave.-MD	Frequency/Span	Reduce late-night span on weekdays	MG
Z6	Calverton-Westfarm	Redundancy	Extend service to Greencastle to replace part of the Z8 line. Add additional frequency to replace Z8 trips. Eliminate service to Burtonsville.	MG
Z8	Fairland	Redundancy	Eliminate entire line	MG
Z11	Burtonsville-Greencastle Express	Redundancy	Eliminate entire line	MG
3T	Pimmit Hills	Low Ridership	Eliminate segment between West Falls Church and East Falls Church when current grant funding expires in December 2020	FC, FX
5A	DC-Dulles	Redundancy	Eliminate entire line when Silver Line Extension opens for revenue service	DC, AR, FX
S80, S91	Springfield Circulator-Metro Park Shuttle	Low Ridership	Eliminate entire line in December 2020	FX

Bus Lifeline Service Adjustment				
Route	Name	Day(s)	Proposed Service Change(s)	Jurisdiction Served
30N, 30S	Friendship Heights-Southeast	Weekday Sat / Sun	Eliminate the last trip each direction on Route 30N weekday, Saturday and Sunday and the last trip each direction on Route 30S on weekdays and Saturdays	DC, PG
80	North Capitol Street	Fri / Sat / Sun	Eliminate the last 2 trips each direction	DC
96	East Capitol Street-Cardoza	Fri / Sat	Eliminate the last westbound trip on Fridays and the last eastbound trip on Fridays and Saturdays. The remaining last trip on Saturdays will terminate at U & 14 th Sts. NW	DC, PG
G8	Rhode Island Avenue	Fri / Sat	Eliminate all trips operating to/from Rhode Island Avenue Station	DC, PG
H4	Crosstown	Fri / Sat / Sun	Eliminate the last trip each direction	DC
P6	Anacostia-Eckington	Weekday Sat / Sun	Eliminate service between 2 am and 4 am	DC
W4	Deanwood – Alabama Avenue	Weekday Sat / Sun	Eliminate the last northbound trip on weekdays, Saturday and Sunday. Eliminate the last southbound trip on Saturday and Sunday.	DC
2A	Washington Blvd.-Dunn Loring	Fri / Sat	Eliminate the last trip each direction	AR, FC, FX
10A, 10N	Alexandria-Pentagon	Fri / Sat / Sun	Eliminate the last 10A trip each direction. Eliminate the entire Route 10N.	AR, AX
16E	Columbia Pike	Sun	Eliminate AM service between Pentagon and Franklin Square	DC, AR, FX

ATTACHMENT F: FARE CHANGES

Metrorail Fares	CURRENT Fares/Fees	FY2021 Proposed Fare Options
Peak Fares¹		
1 · Boarding charge (up to 3 miles)	\$2.25	\$2.35
2 · Composite miles between 3 and 6 miles	\$0.326	no change
3 · Composite miles over 6 miles	\$0.288	\$0.326
4 · Maximum peak fare	\$6.00	\$6.50
5 · Charge for senior/disabled is one-half peak fare	\$1.10 - \$3.00	\$1.15 - \$3.25
Off-Peak Fares²		
6 · Boarding charge (up to 3 miles)	\$2.00	no change
7 · Composite miles between 3 and 6 miles	\$0.244	\$0.216
8 · Composite miles over 6 miles	\$0.216	no change
9 · Maximum off-peak fare	\$3.85	no change
10 · Weekend Flat Fare ³	\$2.00 - \$3.85	\$2.00
11 · Charge for senior/disabled is one-half the fare during off-peak	\$1.10 - \$3.00	\$1.00 - \$1.90
Unlimited Combo Passes		
12 · Monthly unlimited passes ⁴	varies	no change
13 · 1-day unlimited pass	\$13.00	no change
14 · 3-day unlimited pass	\$28.00	no change
15 · 7-day short-trip unlimited pass	\$38.00	no change
16 · 7-day unlimited pass	\$58.00	no change
Other Rail Fares		
17 · Bus-to-rail transfer utilizing SmarTrip® card	\$0.50 discount	\$1.00 discount
18 · Monthly TransitLink Card on MARC and VRE ⁵	\$114.00	no change
19 · Monthly TransitLink Card on MTA ⁵	\$176.00	no change
20 · Surcharge on Entry/Exit for station improvements, two stations per Compact jurisdiction ⁶	\$0.05	no change
Metrobus Fares		
Regular Fares		
21 · Cash boarding charge for local bus	\$2.00	no change
22 · Cash boarding charge for express bus	\$4.25	no change
23 · Cash boarding charge for designated airport routes	\$7.50	no change
24 · SmarTrip® boarding charge for local bus	\$2.00	no change
25 · SmarTrip® boarding charge for express bus	\$4.25	no change
26 · SmarTrip® boarding charge for designated airport routes	\$7.50	no change
Senior/Disabled: One-Half Regular Fares		
27 · Cash boarding charge for local bus	\$1.00	no change
28 · Cash boarding charge for express bus	\$2.10	no change
29 · Cash boarding charge for designated airport routes	\$3.75	no change
30 · SmarTrip® boarding charge for local bus	\$1.00	no change
31 · SmarTrip® boarding charge for express bus	\$2.10	no change
32 · SmarTrip® boarding charge for designated airport routes	\$3.75	no change
Cash Upload to SmarTrip®		
33 · Surcharge for cash upload to SmarTrip® on board bus	\$0.00	no change

Bus Transfers utilizing SmarTrip® card

34 · Local to local bus	free	no change
35 · Local to express bus	\$2.00 discount	no change
36 · Local to designated airport routes	\$2.00 discount	no change
37 · Rail-to-bus transfer	\$0.50 discount	\$1.00 discount
38 · Transfer from MARC, VRE, & MTA with weekly/monthly pass	free	no change
39 · Transfer from regional bus partners	varies	varies

Bus Passes

40 · 7-Day Regional Bus Pass	\$15.00	\$12.00
41 · 7-Day Regional Senior/Disabled Bus Pass	\$7.50	\$6.00

Other Fare Media

42 · Package of 10 tokens, available to organizations	\$20.00	no change
43 · DC student tokens - 10 trips per pack	\$10.00	no change

MetroAccess Fares⁷

44 · MetroAccess fare (within ADA 3/4 mile service corridor)	varies	varies
45 · Maximum fare	\$6.50	no change

Parking Fees⁸

46 · District of Columbia	\$4.45 - \$4.95	no change
47 · Montgomery County	\$4.45 - \$5.20	no change
48 · Prince George's County	\$3.00 - \$5.20	no change
49 · Virginia	\$3.00 - \$4.95	no change
50 · Monthly reserved parking fee	\$45.00 - \$65.00	no change
51 · Parking meters \$1.00/60 minutes	\$1.00	no change
52 · Prince George's parking garage at New Carrollton (monthly)	\$85.00	no change
53 · Non-Metro rider parking fees	\$7.50 - \$15.00	no change
54 · Special event parking fees	up to \$25.00	no change

Other Fees

55 · Bicycle locker rental	\$120.00 (annual)	no change
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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.

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

³ Weekend flat fares are in effect from Saturday opening until Sunday closing.

⁴ The Monthly Unlimited Pass, as originally approved in Resolution 2015-67 and updated to include both rail and bus for FY2020, charges customers a monthly rate equal to 36 times a customer's self-selected price point for a one-way peak-period rail trip. Customers purchasing the Monthly Unlimited Pass will continue to pay a monthly rate equal to 36 times the self-selected one-way peak rail trip, but this trip cost shall be based on FY2020 peak period rail trip pricing. For trips that exceed the distance included in the self-selected monthly rate, the difference in fare shall be charged at the FY2021 approved fare rates. Said promotional pricing shall remain in effect until otherwise stated.

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

⁶ A \$0.05 surcharge on entry and exit at up to two stations in each jurisdiction in the Compact Transit Zone to fund station-specific capital improvements to Metro facilities at the station(s) where the surcharge is levied may be imposed with further Board approval.

⁷ MetroAccess fare is twice the equivalent fixed route SmarTrip® fare based on fastest trip.

⁸ Parking fees consist of Metro's base fee plus jurisdiction surcharge, if any.

Financial Plan by Investment Category

Capital Investment Categories (\$M)	FY2021 Budget	FY2022 Plan	FY2023 Plan	FY2024 Plan	FY2025 Plan	FY2026 Plan	6 Year Total
Railcar	\$280	\$257	\$333	\$347	\$454	\$565	\$2,236
Rail Systems	\$165	\$131	\$163	\$153	\$147	\$132	\$891
Track and Structure Rehabilitation	\$148	\$176	\$166	\$193	\$161	\$170	\$1,014
Stations and Passenger Facilities	\$546	\$526	\$391	\$252	\$192	\$179	\$2,085
Bus and Paratransit	\$208	\$225	\$293	\$313	\$284	\$216	\$1,539
Business Support	\$475	\$550	\$218	\$236	\$243	\$227	\$1,949
Total Capital Investments	\$1,821	\$1,865	\$1,563	\$1,493	\$1,481	\$1,490	\$9,714
Revenue Loss from Capital Projects	\$23	\$24	\$25	\$25	\$26	\$27	\$149
Debt Service - Dedicated Funding	\$31	\$52	\$84	\$104	\$121	\$140	\$533
Total Capital Program Cost	\$1,875	\$1,941	\$1,672	\$1,623	\$1,628	\$1,657	\$10,396

PROPOSAL

Financial Plan - Allocation of State & Local Contributions

	FY2021 Budget	FY2022 Plan	FY2023 Plan	FY2024 Plan	FY2025 Plan	FY2026 Plan	6 Year Total
Federal Funding							
Federal Formula Programs	\$321,106,774	\$321,106,774	\$321,106,774	\$321,106,774	\$321,106,774	\$321,106,774	\$1,926,640,644
Federal PRIIA	\$148,500,000	\$0	\$0	\$0	\$0	\$0	\$148,500,000
Other Federal Grants	\$19,964,914	\$4,428,532	\$2,800,000	\$2,960,000	\$2,840,000	\$2,840,000	\$35,833,446
Total - Federal Grants	\$489,571,688	\$325,535,306	\$323,906,774	\$324,066,774	\$323,946,774	\$323,946,774	\$2,110,974,090
State & Local Funding Contributions							
District of Columbia							
Formula Match & System Performance	\$95,116,884	\$99,240,193	\$101,357,944	\$105,205,060	\$107,436,033	\$108,760,022	\$617,116,136
PRIIA	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$297,000,000
Dedicated Funding	\$178,500,000	\$178,500,000	\$178,500,000	\$178,500,000	\$178,500,000	\$178,500,000	\$1,071,000,000
Subtotal - District of Columbia	\$323,116,884	\$327,240,193	\$329,357,944	\$333,205,060	\$335,436,033	\$336,760,022	\$1,985,116,136
State of Maryland							
Montgomery County	\$45,005,174	\$45,864,257	\$47,564,988	\$48,676,827	\$50,496,360	\$52,746,682	\$290,354,288
Prince George's County	\$45,181,684	\$46,915,584	\$48,154,482	\$49,877,126	\$51,081,137	\$52,036,091	\$293,246,104
MD PRIIA	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$297,000,000
MD Dedicated Funding	\$167,000,000	\$167,000,000	\$167,000,000	\$167,000,000	\$167,000,000	\$167,000,000	\$1,002,000,000
Subtotal - Maryland	\$306,686,858	\$309,279,841	\$312,219,470	\$315,053,953	\$318,077,497	\$321,282,773	\$1,882,600,392
Commonwealth of Virginia							
City of Alexandria	\$12,401,646	\$12,773,528	\$13,146,057	\$13,535,690	\$13,943,924	\$14,363,906	\$80,164,751
Arlington County	\$22,641,546	\$23,012,708	\$23,880,758	\$24,388,260	\$25,350,214	\$26,575,529	\$145,849,016
City of Fairfax	\$715,612	\$717,184	\$751,711	\$761,431	\$798,856	\$852,639	\$4,597,433
Fairfax County	\$40,760,743	\$41,487,654	\$43,046,454	\$44,013,681	\$45,699,476	\$47,814,951	\$262,822,959
City of Falls Church	\$757,037	\$792,724	\$807,605	\$840,022	\$855,791	\$862,074	\$4,915,253
Loudoun County	\$5,797,066	\$5,624,882	\$6,011,578	\$5,965,127	\$6,399,330	\$7,111,061	\$36,909,044
VA PRIIA	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$297,000,000
VA Dedicated Funding	\$154,500,000	\$154,500,000	\$154,500,000	\$154,500,000	\$154,500,000	\$154,500,000	\$927,000,000
CMAQ	\$877,153	\$903,467	\$930,571	\$958,488	\$987,243	\$1,016,860	\$5,673,783
Subtotal - Virginia	\$287,950,804	\$289,312,148	\$292,574,734	\$294,462,699	\$298,034,834	\$302,597,020	\$1,764,932,238
Jurisdiction Planning Projects	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$18,000,000
Silver Line (MWAA)	\$26,556,000	\$17,747,000	\$0	\$0	\$0	\$0	\$44,303,000
Potomac Yard (Alexandria)	\$59,050,000	\$88,900,000	\$33,870,000	\$38,580,000	\$0	\$0	\$220,400,000
Purple Line (MDOT)	\$89,000	\$194,000	\$0	\$0	\$0	\$0	\$283,000
Subtotal - Jurisdictional Reimbursable	\$88,695,000	\$109,841,000	\$36,870,000	\$41,580,000	\$3,000,000	\$3,000,000	\$282,986,000
Total - State & Local	\$1,006,449,546	\$1,035,673,182	\$971,022,148	\$984,301,712	\$954,548,364	\$963,639,814	\$5,915,634,766
Debt	\$379,346,720	\$580,141,220	\$376,817,384	\$314,501,415	\$349,140,047	\$368,938,324	\$2,368,885,110
Grand Total Funding *	\$1,875,367,954	\$1,941,349,709	\$1,671,746,306	\$1,622,869,901	\$1,627,635,184	\$1,656,524,913	\$10,395,493,966

* Total funding requirement includes capital program expenditures, debt service, and estimated revenue loss from major shutdowns

Note: Does not assume reauthorization of Federal PRIIA



U.S. Department
of Transportation

**Federal Transit
Administration**

REGION III
Delaware, District of
Columbia, Maryland,
Pennsylvania, Virginia,
West Virginia

1835 Market Street
Suite 1910
Philadelphia, PA 19103-2932
215-656-7100
215-656-7260 (fax)

November 27, 2019

Mr. Paul J. Wiedefeld
General Manager and CEO
Washington Metropolitan Area Transit Authority
600 5th Street, NW
Washington, DC 20001

Re: FY 2020 Indirect Cost Rate Proposal

Dear Mr. Wiedefeld:

The Federal Transit Administration (FTA) has reviewed the Washington Metropolitan Area Transit Authority's (WMATA) most recent indirect cost proposal, as requested. As the Cognizant Agency for Indirect Costs, FTA concurs with WMATA's use of a final average departmental rate of 59.10% for the period of July 1, 2019 to June 30, 2020. This concurrence supersedes FTA's authorization of June 7, 2019 for WMATA to apply the FY2019 indirect cost rate of 43.54% provisionally for FY2020, pending submission of WMATA's FY2020 ICRP for FTA review.

This fixed rate should be applied according to proposed departmental rates, with carryforward, as specified in Attachment A (enclosed). Review of future rates is based on the policies outlined in FTA's Circular 5010.1E. Please consult Circular 5010.1E for specific thresholds and guidance, including changes in accounting systems, methodologies, and increases of 20% from the most recently FTA approved indirect cost rate.

FTA's review and approval of WMATA's FY2019 ICRP on April 8, 2019 included an expectation that WMATA's use of carryforward costs would lead to an increase of its Indirect Cost Rate for several subsequent years.

FTA review of WMATA's FY2020 ICRP found that it was consistent with the methodology applied in FY2019. Although the FY2020 rate does exceed the FY2019 approved rate in excess of the 20% threshold, FTA did not conduct a formal review of the FY2020 ICRP, which would generate an official approval with accompanying approval report. Therefore, the most recent rate that should be considered "approved" shall remain the FY2019 approved rate of 43.54%. The FY2019 approved rate of 43.54% will be used as the baseline for calculating whether subsequent ICRPs exceed the 20% increase threshold.

FTA expects that WMATA will submit its FY2021 ICRP by the end of the calendar year.

Attachment A to this agreement is the indirect cost rate plan or proposal, formally concurred and incorporated herein. FTA has completed and signed the attached agreement forms. WMATA must sign both agreement forms and return one countersigned original to our office. The countersigned document serves as your organization's indirect costs concurrence and should be provided to FTA and other federal agencies to reflect the concurred rate, terms, and effective dates.

If you have any questions, please contact Andre Anderson at (202) 366-1953 or email at andre.anderson@dot.gov.

Sincerely,

A handwritten signature in blue ink that reads "Terry Garcia Crews". The signature is written in a cursive style with a large, looping "C" at the end.

Terry Garcia Crews
Regional Administrator

cc: Dennis Anosike
Yetunde Olumide
Lawrence Flint

Enclosure

**INDIRECT COST NEGOTIATION AGREEMENT
BETWEEN THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY
AND THE
FEDERAL TRANSIT ADMINISTRATION**

This agreement is made and entered into between Washington Metropolitan Area Transit Authority (WMATA) and the United States Department of Transportation, Federal Transit Administration (FTA), the cognizant Federal agency for indirect costs under government-wide Uniform Administrative Requirements and Cost Principles, 2 CFR 200.

The indirect cost rates concurred and contained herein are for use and may be charged to grant awards, cooperative agreements and contracts with the Federal Government, to which 2 CFR 200 Subpart E and Appendix VII applies, subject to the limitations contained in Section II.A of this agreement, as well as the grants management guidelines included in FTA's Circular 5010.1E.

The indirect cost rates were concurred by FTA in accordance with the authority contained in Appendix G of FTA Circular 5010.1E.

Section I: Rate

Type: Fixed Rate with Carry Forward

Effective Period: July 1, 2019 to June 30, 2020

Rate: As reflected below:

DEPARTMENT	Indirect Cost Rates with Carry-forward
Access Services, Mode 10 – Paratransit (ACCESS)	415.66%
Bus Services – Transportation, Mode 01 (BTRA)	31.39%
Bus Services – Vehicle Maintenance, Mode 01 (BMNT)	66.76%
Rail Transportation Administration, Mode 02 (RTRA)	51.24%
Railcar Maintenance, Mode 02 (CMNT)	52.40%
Rail Infrastructure and Facilities, Mode 02 (INFR)	62.04%
Metro Transit Police Department (MTPD)	0.00%
Customer Service, Communications, and Marketing (CSCM)	46.33%
Total	59.10%

Base: Approved direct cost base

Applicable To: All programs not specifically exempted, or limited by law, or otherwise not applicable because special operating factors necessitate special indirect cost rates.

Section II: General

A. Limitations

The rates contained in this agreement may be subject to statutory or administrative limitations and are reimbursable through grant, contract, or other agreement only to the extent that funds are available. Acceptance of these rates is predicated on these conditions: (1) Only costs incurred by WMATA were included in its indirect cost pool as finally accepted and are allowable under the governing cost principles; (2) The same costs that have been treated as indirect costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment, and (4) The information provided by WMATA which was used to establish the rates are not later found to be materially incomplete or inaccurate by the Federal Government. In such situations, the agreement will be subject to reopening, and the rates may be adjusted and refunds made if the proposal included unallowable costs.

B. Accounting Changes

This agreement is based on the accounting system to be in effect during the agreement period. Changes in the method of accounting for costs that affect the amount of reimbursement resulting from the use of these rates require prior concurrence of FTA. Such changes include, but are not limited to, changes in the charging of a particular type of cost from indirect to direct. Failure to obtain concurrence may result in cost disallowances.

C. Fixed Rate with Carry Forward

This agreement and concurrence is for fixed rate with carry forward indirect cost rates and is based on an estimate of the costs for the period covered by the rates. When the actual costs for this period are determined, an adjustment will be made to the rates for the subsequent Fiscal Years to compensate for the difference between the costs used to establish the fixed rates and actual costs as required under 2 CFR 200 Appendix VII.

D. Use by Other Federal Agencies

The rates in this Agreement were concurred in accordance with the authority in 2 CFR 200 Subpart E and Appendix (insert applicable Appendix from for entity type and approved plan), and should be applied to grants, contracts, and other agreements covered by this regulation, subject to any limitations in Section I or II A above. Copies of this document may be provided to other Federal Agencies as a means of notifying them of this agreement.

E. Other

If any Federal contract, grant, or other agreement is reimbursing indirect costs by means other than the concurred rates in this agreement, WMATA shall notify FTA.

Washington Metropolitan Area
Transit Authority

U. S. Department of Transportation
Federal Transit Administration

Dennis Anosike
Chief Financial Officer



Terry Garcia Crews
Regional Administrator

Date

11-27-19

Date