

Washington Metropolitan Area Transit Authority

## Board Action/Information Summary

☒ Action ☐ Information

MEAD Number:  
201857

Resolution:  
☒ Yes ☐ No

### TITLE:

Approval of FY18 Operating Budget and FY18-23 CIP

### PRESENTATION SUMMARY:

Staff will present the GM/CEO's amended revised FY2018 operating budget and FY2018-2023 Capital Improvement Program (CIP) for Board approval.

### PURPOSE:

Staff seeks Board approval of the FY2018 operating budget and FY2018-2023 CIP.

### DESCRIPTION:

#### Key Highlights:

- The amended revised FY2018 budget funds key safety improvements, improves train and track reliability, and enhances the customer experience. Balancing the FY2018 operating budget requires shared sacrifice. The revised budget closes the gap through a significant reduction in Metro employee headcount and other management actions; right-sizing of bus and rail service to current ridership levels; a fare increase; and an increase in funding from the jurisdictions.
- The service changes in the amended revised proposal are reduced from what was originally proposed in November and include the restoration of proposed cuts in off-peak Metrorail service and on many Metrobus routes. This reflects Metro's response to the feedback received from riders during the public hearing and outreach process.
- The proposed operating budget for FY2018 totals \$1.825 billion. The budget is funded with \$845 million of projected operating revenues, primarily from passenger fares, parking fees, and advertising revenues, and with \$980 million of jurisdictional subsidy. The jurisdictions will also contribute an additional \$21 million for Metro Matters (2009) debt service, for a total jurisdictional operating contribution of \$1.001 billion.
- The proposed \$1.25 billion FY2018 capital budget and \$7.2 billion FY2018-2023 six-year CIP focus Metro's capital investment on the safety, state of good repair, and reliability of Metrorail, Metrobus, and MetroAccess.

- Metro's rate of capital program investment continues to improve. Over \$1 billion was invested through the FY2016 CIP, and management forecasts that between \$1.1 and \$1.2 billion will be invested in FY2017.
- CIP investment priorities include the acquisition of new 7000 railcars, construction of infrastructure to support radio and wireless communications, replacement of old buses and paratransit vehicles, rehabilitation and maintenance of existing railcars and buses to improve and sustain safety and reliability, continued investment in rail and bus system infrastructure to improve safety and address state of good repair backlogs, and reinvestment in rail stations.

### **Background and History:**

The GM/CEO's original FY2018 budget proposal was presented to the Board and the public for consideration in November 2016. In December, the Board authorized the initiation of the public participation process for the budget, including a Compact public hearing. The Board also amended the GM/CEO's original proposal to include additional fare change possibilities and bus routes for consideration to be reduced or eliminated.

Public outreach – including in-person events at rail stations and major bus transfer locations, outreach to community-based organizations, and a rider survey – was initiated in mid-January, with the heaviest focus on the two-week period immediately following the Inauguration. The public hearing (which included a two-hour open house where members of the public could talk one-on-one with Metro staff about the budget) was held on January 30, 2017, at WMATA headquarters. The public comment period closed on February 6, 2017. This revised budget proposal reflects changes since November as well as adjustments to the proposal in response to the public comments.

### **Discussion:**

#### Overview

The General Manager's three priorities for Metro are safety, service reliability, and financial responsibility, with safety as the top priority. These priorities have guided the development of the FY2018 budget and informed every key decision. Metro must rebuild trust with both its riders and its funding jurisdictions, and this proposed budget provides the resources to achieve the priorities and continue the rebuilding effort.

At the same time, Metro faces a major financial challenge in FY2018 due to lower ridership that has significantly reduced fare revenues. The current ridership decline is partly due to service quality and reliability as well as the SafeTrack program. However, the ridership decline is also attributable to other factors that Metro cannot control, such as growth in telecommuting, the low price of gasoline, and the expansion of alternative transportation options.

### Original FY2018 Operating Proposal (November)

The GM/CEO's original FY2018 operating budget proposal included four primary areas of focus:

- **Management & Labor Actions:** Current low ridership levels and constrained jurisdictional funding cannot support Metro's previous level of headcount. Earlier this year the GM/CEO directed that 500 positions be eliminated in FY2017. This action has already been completed, and the fiscal impact will be fully realized in FY2018. The FY2018 budget includes a reduction of an additional 200 positions in various management and administrative functions throughout the Authority. The proposed service reductions (described below) would also result in elimination of operations personnel (operators, mechanics, supervisors, and administration). In addition to reducing headcount, the GM/CEO has implemented changes to healthcare for non-represented employees that bring the benefits program in line with other public employees in the region; tighter controls on absenteeism and workers' compensation; and evaluation of other specific functions for potential outsourcing.
- **Fare Increases:** Metro's last broad-based fare increase occurred three years ago as part of the FY2015 budget. In the FY2018 proposed budget, the GM/CEO included a fare and fee increase. The proposal included a \$0.10 increase for peak rail fares; a \$0.25 increase for off-peak rail fares; a \$0.25 increase for bus fares; and a \$0.10 increase on daily parking fees. Altogether, after accounting for expected ridership loss, the fare proposal would increase net revenue by approximately \$21 million.
- **Rightsizing Rail and Bus Service:** Metrorail ridership has declined substantially from its peak in FY2009, allowing Metro to right-size its rail service and still remain within Board-approved standards for crowding as measured by average passengers per car (PPC) during the peak hour. The GM/CEO's November budget proposal included reductions in both peak rail service (increasing scheduled headways from six to eight minutes) and off-peak rail service (increasing midday, evening, and Saturday headways from 12 to 15 minutes). For Metrobus, the goal for FY2018 was to eliminate or transfer those least productive routes that require the highest subsidy per passenger. Fourteen of the least productive bus routes were identified for elimination. Altogether, after accounting for expected lost ridership and revenue, the total proposed rail and bus service right-sizing was expected to reduce required subsidy contributions by \$29 million.
- **FTA Grants for Maintenance:** The FY2018 budget proposal includes the use of \$60 million of FTA grant funds and matching funds for eligible preventive maintenance (PM) expenses, down from \$95 million in FY2017. The FTA grant funds will pay for a portion of the maintenance activities that are required to keep transit vehicles safe and reliable.

### Public Outreach Summary

The public comment period on the FY2018 budget was open from January 14

to February 6, 2017. Staff created a dedicated web page for the budget and hosted an online survey at [wmata.com](http://wmata.com). Advertisements regarding the budget proposal and the public hearing were placed in publications in multiple languages, and English/Spanish signage was posted systemwide. The public hearing was held on January 30, 2017, at Metro headquarters.

Metro also engaged bilingual outreach teams that visited 49 rail station and bus stop locations across all jurisdictions in the region. This outreach was targeted at high-ridership stations, low-income and minority riders, and potentially impacted bus customers. During this outreach, staff distributed informational brochures and paper surveys and answered rider questions. In total, almost 11,000 completed surveys were received (7032 online and 3792 paper). 83 comments were received at the public hearing, and 17 letters were delivered to the Board Secretary.

In the survey, more than half (54 percent) of respondents said the GM/CEO's proposed budget was "very" or "somewhat" fair. By a more than two-to-one margin, customers preferred fare increases to service reductions when asked to choose. This preference was even stronger among low-income and minority riders, though those riders were also more likely to say that the budget was less fair.

Among the various fare change proposals, the proposed increases to daily parking and to peak Metrorail fares were ranked as the most acceptable by riders (more than 50 percent), while the proposed increase to Metrobus fares was ranked as the least acceptable change (less than 33 percent). Among the service proposals, potential changes to off-peak Red and Silver Line service were ranked highest, along with improving peak Blue Line service headways from 12 to 8 minutes (all more than 50 percent), while reducing other peak service headways was ranked lowest (less than 33 percent). Proposed bus service changes in all three jurisdictions also had an acceptability rating of less than 33 percent.

#### Changes in the Revised Budget

In December 2016, the Metro Board approved changes to Metrorail's hours of service to ensure sufficient track access time for critical maintenance activities. This change in service hours had been anticipated and was included in the proposed FY2018 operating budget in November. However, the Board also approved the addition of new 'lifeline' late night bus service to replace some of the reduced rail service, which was not included in the proposal. The net added subsidy requirement for this bus service, which is set to begin at the start of FY2018, is \$2 million.

The November operating budget proposal also included approximately \$23 million for parts necessary for railcar safety and reliability. These parts are used in the rehabilitation/overhaul of railcars and should normally be funded through the capital program. Metro has been charging these capital parts to the operating budget due to difficulties in complying with FTA procurement

requirements and a lack of available non-federal capital funding. Increased jurisdictional investment of non-federal capital funding in FY2018 allows these parts to be charged to the Railcar Maintenance/Overhaul program in the capital budget, thereby providing \$23 million of relief to the operating budget.

Taken together, these two changes create \$21 million of capacity within the operating budget to mitigate impacts on customers and to fund key safety needs while not increasing the total jurisdictional operating subsidy contribution. In response to the feedback received from the public during the budget outreach, and following discussions with the jurisdictions, the GM/CEO's revised budget uses the \$21 million of capacity as follows:

- Restore off-peak rail (\$7 million): The proposed Metrorail service reductions in the off-peak, including the headway increase from 12 to 15 minutes and the reduction in Red Line service beyond Grosvenor, are removed from the budget.
- Restore selected bus service (\$5.5 million): Service totaling approximately \$5.5 million of net subsidy is restored in the budget proposal, primarily in Virginia and Maryland. In addition, the original proposal has been modified so that fewer routes are completely eliminated – instead, service frequency is reduced and some routes now terminate at Metrorail stations rather than continuing into downtown. These changes also ensure that the service area for MetroAccess remains unchanged, so that no current paratransit user is left without service.
- Keep 7-day bus pass price unchanged (\$1.5 million): The 7-day unlimited bus pass is Metro's most popular pass product. The pass is convenient, easy to purchase, and important for many low-income riders across the region. By keeping the price of this pass the same (\$17.50), the impact of the base bus fare increase (from \$1.75 to \$2.00) is mitigated for many of Metro's most frequent bus customers.
- Invest in critical safety needs (\$7 million): The remaining capacity will be used for emerging critical safety requirements related to FTA-mandated training, fatigue management, and compliance.

The revised budget also incorporates the GM/CEO's recently announced initiatives to control absenteeism, worker's compensation costs, and overtime and advances a plan to begin to address Metro's unfunded liabilities for other post-employment benefits (OPEB), including retiree healthcare. Metro's current unfunded OPEB liability is approximately \$1.8 billion, and Metro has no funds set aside for these future expenses – all benefits are funded on a pay-as-you-go basis. The revised FY2018 budget authorizes the creation of an OPEB Trust for the pre-funding of benefits, to be funded in FY2018 by anticipated expense savings (up to \$3 million in FY2018) resulting from the GM/CEO's initiatives to control absenteeism, worker's compensation, and overtime. The OPEB Trust will be established by the fourth quarter of FY2018 if sufficient savings are achieved.

Finally, in February 2017, Arlington County requested that Metro implement additional peak period Metrobus service (improving headways from 15 minutes to 10 minutes) on Route 2A. The net subsidy cost of this change is approximately \$500,000 and is being funded by the Virginia Department of Transportation as part of the “Transform 66: Inside the Beltway” multimodal project. This change is included in the revised budget and is reflected as a net \$500,000 increase in the non-regional bus subsidy for Arlington County.

#### Impact of Finance Committee Amendments

At its March 9 meeting, the Finance Committee approved a series of amendments to the GM/CEO's revised proposed FY2018 operating budget. The amendments made additional restorations to bus services across the region that had been identified for reduction or elimination and increased the proposed regular fare on the 5A and B30 airport bus routes to \$7.50. The net additional jurisdictional contribution in FY2018 resulting from these amendments is \$3.3 million. The impacts of these amendments on expenses, revenues, and subsidy in FY2018, as well as on the Title VI equity analysis, are reflected in the updated materials for the full Board's consideration.

The original budget proposal included a total headcount reduction of 1000 positions -- 700 from two separate actions to reduce management and administrative staff and redundant positions, and 300 operations staff (operators, mechanics, etc.) as part of the bus and rail service reductions. With the modifications described above in both the GM/CEO's revised budget as well as the Finance Committee's amendments, the total number of operations staff reductions related to service changes in the amended revised budget is now 100, bringing the total headcount reduction to 800 positions.

#### Title VI Analysis

In accordance with 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 updated staff analysis of the amended revised fare proposal (including maintaining the current price of the 7-day bus pass), it has been determined that the proposed fare and service changes would not result in a disparate impact (DI) on minority populations or a disproportionate burden (DB) on low income populations. The fare proposal does impact minority and low-income customers at a somewhat higher rate than their non-minority or non-low income counterparts. However, these differences fall below the Board-approved threshold for a DI or DB. Minority and low-income customers are adversely impacted by the service changes associated with the budget proposal at a rate lower than the corresponding system averages; therefore, there is not a DI or DB for the service changes.

For additional information, see the “FY 2018 Budget Proposal – Title VI Equity Analysis” included with the budget resolution.

### Amended Revised FY2018 Operating Budget Summary

The amended revised operating budget for FY2018, which supports the day-to-day operations of Metrobus, Metrorail, and MetroAccess, as well as operating reimbursable projects, is \$1.825 billion. These budgeted expenses are supported by \$845 million of projected operating revenues, primarily from passenger fares, parking fees, and advertising revenues, and with \$980 million of jurisdictional subsidy. The jurisdictions will also contribute \$21 million for Metro Matters (2009) debt service, for a total jurisdictional contribution of \$1.001 billion. The projected revenues and expenses by mode and major category, as well as each jurisdiction's contribution by mode, are included as attachments to the budget resolution.

### FY2018-2023 Proposed CIP

Through the CIP, Metro advances major capital projects and capital reinvestment programs to improve the safety, state of good repair and reliability of Metrorail, Metrobus, and MetroAccess. The proposed FY2018 capital budget and FY2018-2023 CIP are largely unchanged from the GM/CEO's December proposal. Capital investment forecasts by category and program have been updated to reflect current project schedules, while the overall planned investment totals remain at \$1.25 billion in FY2018 and \$7.2 billion for the six-year program.

The CIP is also updated to include the recently awarded \$1.9 million FTA Safety Research and Demonstration Program grant for the Track Inspector Location Awareness with Enhanced Track Worker Protection initiative. Through this effort Metro will explore a bidirectional wayside alert system that would notify the train operator of the presence of wayside workers, and the wayside workers of the presence of an oncoming train.

Metro's CIP is grouped into six major investment categories: Railcars, Rail Systems, Track & Structures, Stations & Passenger Facilities, Bus & Paratransit, and Business Support. The priorities and highlights of the proposed \$1.25 billion FY2018 budget and \$7.2 billion FY2018-2023 CIP are summarized below by major investment category. A table summarizing the CIP by category and program is also included as an attachment.

Railcars (FY2018 \$528 million; FY2018-2023 \$2.5 billion): Investment priorities include the acquisition of new 7000 series railcars (224 in FY2018) to replace the 1000, 4000, and 5000 series cars; preventive maintenance; repair and rehabilitation to improve and sustain the safety and reliability of the existing railcar fleet; and rehabilitation and repair of rail yard maintenance facilities and equipment.

Rail Systems (FY2018 \$127 million; FY2018-2023 \$858 million): Investment priorities include the construction and implementation of a new radio and wireless communication infrastructure for improved safety, security, efficiency, and customer convenience; safety, state of good repair and capacity improvements in rail propulsion power systems; and safety and state of good

repair rehabilitation and replacement of automatic train control equipment and systems.

Track & Structures (FY2018 \$113 million; FY2018-2023 \$760 million): Investment priorities include the safety and state of good repair of the Metrorail system track components (e.g. rail, crossties, fasteners, etc.) and structures (e.g. bridges, tunnels, etc.).

Stations & Passenger Facilities (FY2018 \$191 million; FY2018-2023 \$1.4 billion): Investment priorities include repair, rehabilitation and replacement of elevators and escalators; renewal of lighting in stations; rehabilitation and replacement of station cooling infrastructure and equipment; modernization of fare collection equipment and systems; and rehabilitation of parking garages.

Bus & Paratransit (FY2018 \$211 million; FY2018-2023 \$1.3 billion): Investment priorities include the acquisition of new buses and paratransit vans to replace vehicles that have reached the end of their useful life; repair and rehabilitation to improve and sustain the safety and reliability of the existing bus fleet; construction of new bus facilities at Cinder Bed Road and Andrews Federal Center to replace old facilities; and rehabilitation of existing bus maintenance facilities to improve safety and reliability.

Business Support (FY2018 \$81 million; FY2018-2023 \$336 million): Investment priorities include Metro Transit Police (MTPD) equipment for public safety and security; system-wide facility roof replacement; a project to provide WIFI in Metrorail stations; and information technology investments to support operations and business support needs and improve efficiency and effectiveness.

The budget also includes the establishment of a structured Development and Evaluation (D&E) program for major capital needs, including Red Line Water Remediation; 2000/3000 Series Railcar Replacement; Red Line Core Capacity; Tunnel Ventilation; Bladensburg/Northern Bus Garage Rebuild or Replacement; and Metro Office Facilities. Before major capital projects move to the construction or acquisition phase, it is critical that sufficient planning, development, and evaluation occur to ensure that capital investments are efficient and effective and that project risks are mitigated. The D&E program will ensure that projects have clearly defined scopes, schedules, and cost estimates and that appropriate consideration has been given to risks and alternative solutions.

Also beginning in FY2018, capital reimbursable projects will be included within the CIP, rather than as a separate program. Capital reimbursable projects are sponsored by jurisdictions and other entities in the region. Incorporating these projects into the CIP will improve awareness and oversight but will have no impact on regional funding requirements, as the projects are fully funded by the sponsoring entity. Current active jurisdictional projects include the Silver Line extension and the associated expansion railcars (MWAA), Potomac Yard



station (Alexandria), King Street Bus Loop (Alexandria), support for the Purple Line (Maryland), and the jurisdictional project development program.

#### Capital Funding

In FY2018 Metro expects to receive approximately \$461 million in federal grant funds, including \$313 million from federal formula grants and other smaller discretionary grant programs, as well as \$148.5 million from the Passenger Rail Investment and Improvement Act (PRIIA). The formula and discretionary grants generally require a 20 percent local match, while the PRIIA funds require a 50 percent match, so the total required match to federal grants in FY2018 will total approximately \$226 million.

In addition to providing the required match to federal grants, Metro's funding jurisdictions also contribute additional capital funds (referred to as system performance funds) and participate in Metro's long-term debt issuances. The proposed FY2018 capital budget includes \$650 million in total state and local investment and debt, not including long-term financing for FY2017 and prior year capital investments. In FY2018 Metro also anticipates receiving approximately \$118 million of funding from MWAA for new railcars that will support the addition of Silver Line Phase 2 to the Metrorail system as well as Silver Line Phase 2 project support. Metro will also receive a total of \$21 million in FY2018 for jurisdictional and other projects.

The FY2018-2023 CIP Financial Plan assumes continued federal grant funding at current levels (\$2.8 billion over the six-year period) and \$4.1 billion of jurisdictional investment and long-term financing.

#### Extension of Capital Funding Agreement

The current Capital Funding Agreement (CFA) among Metro and the funding jurisdictions expires on June 30, 2017. The CFA provides the framework for jurisdictional investment in the CIP, including match to federal formula and discretionary grants, additional state and local contributions, and Metro's short- and long-term debt strategies. Metro and the funding jurisdictions have agreed in principle on a one-year extension of the existing agreement that will fund the jurisdictions' share of the \$1.25 billion FY2018 capital budget and authorize the planned debt issuance to support the CIP. The funding jurisdictions will execute the one-year extension this spring (prior to July 1, 2017).

#### Unreimbursed FTA Grant Expenses

In December 2016, FTA restored Metro's ECHO reimbursement rights for grants awarded after July 1, 2015, following FTA's determination that Metro has made substantial progress in addressing the financial and procurement weakness identified in FTA's 2014 Financial Management Oversight review. Metro has drawn \$1.3 billion of FTA grant reimbursements since the ECHO restriction was imposed in March 2014. As of February 2017, the unreimbursed balance on the remaining ECHO-restricted grants (grants awarded prior to July 1, 2015) totals approximately \$280 million.

Substantial time and resources will be required for Metro to obtain the full remaining balance of the prior year grant funding from FTA due to the age, volume and complexity of the documentation FTA requires prior to reimbursement. In recognition of this challenge and the impacts on Metro's cash requirements, Metro and FTA staff agree that a faster and less costly course of action for Metro to receive the remaining cash from FTA would involve the substitution of safety-focused maintenance expenses for the expenses previously charged to the grants that have not yet been reimbursed. In order to obtain the unreimbursed FTA grant funds without further delay, the GM/CEO requests Board authorization to make any necessary budgetary or other financial adjustments, as long as the changes have no net impact on jurisdictional contributions to WMATA's budget and the changes are in compliance with applicable laws, regulations and accounting requirements. Significant budget or accounting changes that are implemented to obtain the reimbursements will be reported to the Finance Committee as part of management's quarterly financial updates.

#### FTA Approval of Program of Projects

On March 17, 2017, FTA notified Metro of its approval of Metro's proposed Program of Projects to be funded with PRIIA and formula grants in FY2018. Following Board approval of the FY2018 capital budget, staff will transmit grant applications to FTA in April 2017 for review and approval.

#### **FUNDING IMPACT:**

|   |                   |
|---|-------------------|
| Board action will approve the FY2018 operating and capital budgets. |                   |
| Project Manager:  | Thomas J. Webster |
| Project Department/Office:  | CFO/OMBS          |

#### **TIMELINE:**

|   |   |
|---|---|
| <b>Previous Actions</b>                       | <ul style="list-style-type: none"> <li>• <b>Nov 2016:</b> GM/CEO FY2018 operating budget proposal</li> <li>• <b>Dec 2016:</b> GM/CEO FY2018-2023 capital improvement program (CIP) proposal and Board authorization for budget public hearing</li> <li>• <b>Dec 2016 &amp; Jan 2017:</b> Board budget work sessions</li> <li>• <b>Jan-Feb 2017:</b> Public comment period, including public hearing (Jan 30, 2017)</li> </ul> |
| <b>Anticipated actions after presentation</b> | <ul style="list-style-type: none"> <li>• <b>April 2017:</b> Transmit FTA grant applications for review and approval</li> </ul>  |

|  |   |
|--|---|
|  | <ul style="list-style-type: none"> <li>• <b>April-June 2017:</b> CFA approval by jurisdictions</li> <li>• <b>On or about July 1, 2017:</b> Service and fare changes begin for FY2018</li> <li>• <b>July 1, 2017:</b> FY2018 Begins</li> </ul> |
|--|---|

## **RECOMMENDATION:**

Staff recommends Finance Committee and Board approval of a resolution adopting the FY2018 budget and FY2018-2023 CIP and a resolution to approve a one year extension of the CFA.

Budget adoption in March 2017 will allow adequate time to: (1) implement fare and service changes on or about July 1, 2017 (the beginning of FY2018), (2) allow for the timely application and award of FTA grants, and (3) ensure critical safety, reliability, and state of good repair capital projects are not interrupted.

**Attachment to MEAD 201857:  
FY2018-2023 Capital Investment by Program**

| <b>Investment by Program</b>                 | <b>FY2018</b>    | <b>FY2019</b>    | <b>FY2020</b>    | <b>FY2021</b>    | <b>FY2022</b>    | <b>FY2023</b>    | <b>Total</b>     |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Railcar Acquisition                          | \$347.1          | \$377.2          | \$360.9          | \$398.4          | \$36.7           | \$47.3           | <b>\$1,567.5</b> |
| Railcar Maintenance/Overhaul                 | 138.0            | 116.3            | 109.5            | 110.1            | 109.9            | 114.1            | <b>698.0</b>     |
| Railcar Maintenance Facilities               | 42.7             | 29.0             | 33.0             | 39.8             | 60.6             | 63.9             | <b>269.0</b>     |
| <b>Railcars</b>                              | <b>527.8</b>     | <b>522.5</b>     | <b>503.4</b>     | <b>548.3</b>     | <b>207.2</b>     | <b>225.3</b>     | <b>2,534.5</b>   |
| Propulsion                                   | 38.7             | 58.1             | 53.8             | 55.1             | 50.7             | 50.6             | <b>307.0</b>     |
| Signals & Communications                     | 87.9             | 112.6            | 112.8            | 81.8             | 88.1             | 67.8             | <b>551.0</b>     |
| <b>Rail Systems</b>                          | <b>126.6</b>     | <b>170.7</b>     | <b>166.7</b>     | <b>136.9</b>     | <b>138.8</b>     | <b>118.3</b>     | <b>858.0</b>     |
| Fixed Rail                                   | 99.0             | 90.6             | 89.6             | 92.7             | 92.8             | 95.2             | <b>559.9</b>     |
| Structures                                   | 13.6             | 18.0             | 21.6             | 31.3             | 49.2             | 66.1             | <b>199.8</b>     |
| <b>Track &amp; Structures Rehabilitation</b> | <b>112.6</b>     | <b>108.6</b>     | <b>111.2</b>     | <b>124.0</b>     | <b>141.9</b>     | <b>161.4</b>     | <b>759.7</b>     |
| Platforms & Structures                       | 83.3             | 74.3             | 78.5             | 114.3            | 139.3            | 150.8            | <b>640.5</b>     |
| Vertical Transportation                      | 60.5             | 63.6             | 59.9             | 59.2             | 47.1             | 32.7             | <b>323.0</b>     |
| Station Systems                              | 46.7             | 136.2            | 97.4             | 66.4             | 67.8             | 46.4             | <b>461.0</b>     |
| <b>Stations &amp; Passenger Facilities</b>   | <b>190.5</b>     | <b>274.2</b>     | <b>235.8</b>     | <b>240.0</b>     | <b>254.3</b>     | <b>229.8</b>     | <b>1,424.5</b>   |
| Bus & Paratransit Acquisition                | 77.8             | 27.9             | 104.1            | 133.4            | 133.2            | 140.1            | <b>616.5</b>     |
| Bus Maintenance/Overhaul                     | 67.3             | 72.3             | 68.5             | 68.3             | 68.3             | 69.7             | <b>414.5</b>     |
| Bus Maintenance Facilities                   | 58.4             | 48.4             | 31.8             | 25.3             | 28.9             | 33.1             | <b>226.0</b>     |
| Bus Passenger Facilities/Systems             | 7.6              | 1.6              | 1.0              | 1.0              | 0.9              | 1.0              | <b>13.0</b>      |
| <b>Bus &amp; Paratransit</b>                 | <b>211.1</b>     | <b>150.2</b>     | <b>205.4</b>     | <b>228.0</b>     | <b>231.3</b>     | <b>243.9</b>     | <b>1,270.0</b>   |
| IT   | 57.2             | 40.3             | 41.1             | 40.0             | 40.5             | 41.4             | <b>260.5</b>     |
| MTPD   | 1.0              | 0.4              | 0.4              | 0.4              | 0.4              | 0.4              | <b>3.0</b>       |
| Support Equipment/Services                   | 23.3             | 11.7             | 9.8              | 9.5              | 9.5              | 9.0              | <b>72.8</b>      |
| <b>Business Support</b>                      | <b>81.5</b>      | <b>52.4</b>      | <b>51.3</b>      | <b>49.9</b>      | <b>50.4</b>      | <b>50.8</b>      | <b>336.3</b>     |
| <b>TOTAL CAPITAL PROGRAM</b>                 | <b>\$1,250.0</b> | <b>\$1,278.6</b> | <b>\$1,273.8</b> | <b>\$1,327.1</b> | <b>\$1,024.0</b> | <b>\$1,029.5</b> | <b>\$7,183.0</b> |



Washington Metropolitan Area Transit Authority

# Approval of FY2018-2023 Capital Improvement Program and CFA Extension

Finance Committee  
March 23, 2017



## Recap

- FY2018 revised operating budget approved by Committee with amendments:
  - ✓ Bus services restored in DC, Maryland, and Virginia
  - ✓ Airport bus (5A/B30) fares increased to \$7.50
  - ✓ Total added jurisdiction contribution of \$3 million
  - ✓ No Title VI equity concerns
- Reviewed FY2018-2023 CIP and one-year CFA extension; Committee deferred action
- FTA approved Program of Projects to be funded by PRIIA and formula grants on March 17



# Recommendations

Approve:

- One-year extension of CFA
- FY2018 capital budget and FY2018-2023 CIP

Authorize:

- GM/CEO to adjust FY2017 and FY2018 budgets to expedite reimbursement of prior year FTA grant funds



## Next Steps

- **March 23, 2017:** Start operational planning for fare and service changes
- **April 2017:** Transmit FTA grant applications for review and approval
- **April-June 2017:** CFA approval by jurisdictions
- **On or about July 1, 2017:** Service and fare changes begin for FY2018
- **July 1, 2017:** FY2018 begins





# Appendix: Capital Investment Priorities

## **Safety, State of Good Repair, and Reliability**

- New 7000 series railcars to replace 1000, 4000 and 5000 series cars
- New buses and paratransit vehicles to replace old vehicles
- Rehabilitate and maintain existing railcar and bus fleets to improve and sustain safety and reliability
- Address deferred infrastructure rehabilitation/replacement backlog
  - Track & Structures rehabilitation
  - Rail power replacement and rehabilitation
  - Radio and wireless infrastructure upgrade
  - Replace bus garages with modern maintenance facilities
- Reinvest in stations – replace/rebuild escalators, elevators, lighting
- Development and Evaluation (D&E) program for new investments including Red Line water mitigation and core capacity improvements



# Appendix: Proposed Capital Budget and Six-Year Plan

## **FY2018 Proposed Capital Budget:**

- Proposed investment of \$1.25 billion, \$291 million to be funded with debt
- 85+ percent of planned investment already underway
- Includes jurisdiction sponsored projects within CIP
- Budget by category updated with current project forecasts

## **Six Year Plan:**

- Based on ongoing projects and prioritized state of good repair investments from Capital Needs Inventory
- Proposed \$7.2 billion six-year investment acknowledges regional funding constraints and Metro commitment not to request more than can be delivered



# Appendix: FY2018 – FY2023 Investment (Updated Schedules)

| Investment Category                | FY2018<br>Proposal<br>(December) | FY2018<br>Updated<br>(March) | Variance   | 6 Year<br>Program<br>(Unchanged) |
|------------------------------------|----------------------------------|------------------------------|------------|----------------------------------|
| Railcars                           | \$523                            | \$528                        | \$5        | \$2,535                          |
| Rail Systems                       | \$117                            | \$127                        | \$10       | \$858                            |
| Track & Structures                 | \$113                            | \$113                        | \$0        | \$760                            |
| Stations & Passenger<br>Facilities | \$207                            | \$190                        | (\$17)     | \$1,424                          |
| Bus & Paratransit                  | \$225                            | \$211                        | (\$14)     | \$1,270                          |
| Business Support                   | \$65                             | \$81                         | \$16       | \$336                            |
| <b>TOTAL</b>                       | <b>\$1,250</b>                   | <b>\$1,250</b>               | <b>\$0</b> | <b>\$7,183</b>                   |

figures in millions



## Appendix: Capital Funding Agreement (CFA)

- Current CFA covering FY2017 is a one-year extension of original FY2011-2016 agreement
- Jurisdictions have agreed in principle to additional one-year extension for FY2018
  - Funds jurisdictional share of \$1.25 billion FY2018 investment
  - Allows maximum of \$600 million of long-term financing to support CIP
- Jurisdictions to execute extension in the spring following WMATA approval



# Appendix: Revised FY2018 Operating Budget

| REVENUES                | FY2017 Budget      | FY2018 Proposed    | Change            | %           |
|-------------------------|--------------------|--------------------|-------------------|-------------|
| Fare Revenue            | \$774,891          | \$693,126          | (\$81,765)        | -11%        |
| Other Passenger Revenue | 17,043             | 19,215             | 2,172             | 13%         |
| Parking                 | 47,103             | 42,164             | (4,939)           | -10%        |
| Advertising             | 23,500             | 24,000             | 500               | 2%          |
| Joint Development       | 7,000              | 8,000              | 1,000             | 14%         |
| Fiber Optics            | 16,500             | 15,600             | (900)             | -5%         |
| Other                   | 13,989             | 11,278             | (2,711)           | -19%        |
| Reimbursables           | 34,197             | 30,767             | (3,431)           | -10%        |
| <b>TOTAL</b>            | <b>\$934,223</b>   | <b>\$844,150</b>   | <b>(\$90,074)</b> | <b>-10%</b> |
| EXPENSES                | FY2017 Budget      | FY2018 Proposed    | Change            | %           |
| Personnel               | \$1,315,144        | \$1,304,567        | (\$10,577)        | -1%         |
| Services                | 241,772            | 293,717            | 51,944            | 21%         |
| Materials & Supplies    | 87,027             | 100,470            | 13,443            | 15%         |
| Fuel (Gas/Diesel/CNG)   | 39,227             | 32,531             | (6,696)           | -17%        |
| Utilities & Propulsion  | 90,924             | 87,664             | (3,260)           | -4%         |
| Casualty & Liability    | 34,895             | 28,560             | (\$6,336)         | -18%        |
| Leases & Rentals        | 6,725              | 8,329              | \$1,604           | 24%         |
| Miscellaneous           | 6,829              | 5,046              | (1,784)           | -26%        |
| Capital Allocation      | (43,000)           | (40,493)           | 2,507             | -6%         |
| <b>TOTAL</b>            | <b>\$1,779,545</b> | <b>\$1,820,390</b> | <b>\$40,845</b>   | <b>2%</b>   |
|                         | FY2017 Budget      | FY2018 Proposed    | Change            | %           |
| <b>NET SUBSIDY</b>      | <b>\$845,321</b>   | <b>\$976,240</b>   | <b>\$130,919</b>  | <b>15%</b>  |



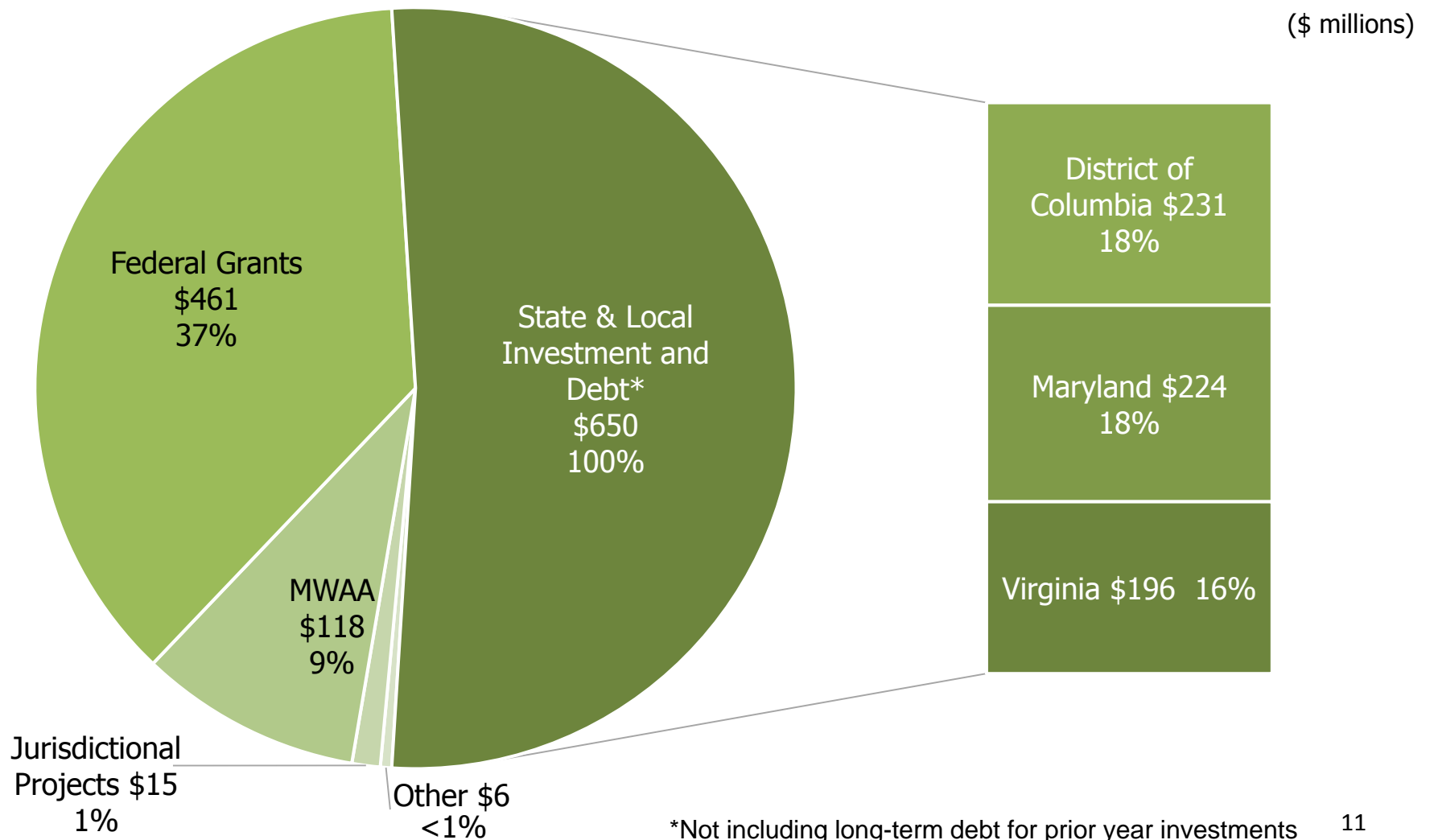
# Appendix: Revised FY2018 Operating Subsidy Allocation

| <i>(\$ millions)</i>        | FY 2017<br>Contribution | FY 2018<br>Contribution | Metrarail      | Metrobus       | Regional       | Non-<br>Regional | Metro<br>Access | Debt<br>Service |
|-----------------------------|-------------------------|-------------------------|----------------|----------------|----------------|------------------|-----------------|-----------------|
| <b>District of Columbia</b> | <b>\$323.1</b>          | <b>\$374.9</b>          | <b>\$123.0</b> | <b>\$215.7</b> | <b>\$186.5</b> | <b>\$29.2</b>    | <b>\$25.5</b>   | <b>\$10.7</b>   |
| Montgomery County           | \$145.0                 | \$165.8                 | \$67.9         | \$70.7         | \$63.1         | \$7.6            | \$22.2          | \$4.9           |
| Prince George's County      | <u>\$185.9</u>          | <u>\$207.5</u>          | <u>\$58.0</u>  | <u>\$96.5</u>  | <u>\$75.3</u>  | <u>\$21.2</u>    | <u>\$47.6</u>   | <u>\$5.5</u>    |
| <b>Maryland Subtotal</b>    | <b>\$330.9</b>          | <b>\$373.4</b>          | <b>\$125.9</b> | <b>\$167.3</b> | <b>\$138.4</b> | <b>\$28.8</b>    | <b>\$69.8</b>   | <b>\$10.5</b>   |
| City of Alexandria          | \$33.0                  | \$40.1                  | \$17.5         | \$21.8         | \$19.0         | \$2.8            | \$0.8           | \$0.0           |
| Arlington County            | \$56.6                  | \$70.7                  | \$34.6         | \$35.2         | \$33.3         | \$1.9            | \$0.8           | \$0.0           |
| City of Fairfax             | \$1.8                   | \$2.2                   | \$1.2          | \$0.7          | \$0.7          | \$0.0            | \$0.3           | \$0.0           |
| Fairfax County              | \$118.7                 | \$133.5                 | \$58.2         | \$61.9         | \$56.8         | \$5.1            | \$13.4          | \$0.0           |
| City of Falls Church        | <u>\$2.4</u>            | <u>\$2.7</u>            | <u>\$0.9</u>   | <u>\$1.6</u>   | <u>\$1.6</u>   | <u>\$0.0</u>     | <u>\$0.1</u>    | <u>\$0.1</u>    |
| <b>Virginia Subtotal</b>    | <b>\$212.5</b>          | <b>\$249.1</b>          | <b>\$112.5</b> | <b>\$121.1</b> | <b>\$111.3</b> | <b>\$9.8</b>     | <b>\$15.5</b>   | <b>\$0.1</b>    |
| <b>TOTAL</b>                | <b>\$866.5</b>          | <b>\$997.4</b>          | <b>\$361.3</b> | <b>\$504.1</b> | <b>\$436.3</b> | <b>\$67.8</b>    | <b>\$110.8</b>  | <b>\$21.2</b>   |

Note: Metrorail column includes both Base and Maximum Fare subsidies. Total Maximum Fare subsidy is \$8.0 million.



# Appendix: FY2018 Capital Budget Funding Plan





## Appendix: FY2018 Proposed Jurisdictional Contributions & Long Term Debt

| Jurisdiction                | FY2018<br>Proposed* |
|-----------------------------|---------------------|
| <b>District of Columbia</b> | <b>\$230.7</b>      |
|                             |                     |
| <b>Maryland</b>             | <b>\$223.7</b>      |
|                             |                     |
| City of Alexandria          | \$23.4              |
| Arlington County            | \$44.3              |
| City of Fairfax             | \$1.4               |
| Fairfax County              | \$75.7              |
| City of Falls Church        | \$1.4               |
| Commonwealth of Virginia    | \$49.5              |
| <b>Virginia Subtotal</b>    | <b>\$195.6</b>      |
|                             |                     |
| <b>Total Contribution</b>   | <b>\$650</b>        |

(\$ millions)

\*Does not include long-term debt for prior year investments





# Appendix: FY2018-2023 Capital Investment by Year

| Investment Category             | FY2018         | FY2019         | FY2020         | FY2021         | FY2022         | FY2023         | 6 Year         |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Railcars                        | \$528          | \$523          | \$504          | \$548          | \$207          | \$225          | \$2,535        |
| Rail Systems                    | \$127          | \$171          | \$167          | \$137          | \$139          | \$118          | \$858          |
| Track & Structures              | \$113          | \$109          | \$111          | \$124          | \$142          | \$161          | \$760          |
| Stations & Passenger Facilities | \$191          | \$274          | \$236          | \$240          | \$254          | \$230          | \$1,425        |
| Bus & Paratransit               | \$211          | \$150          | \$206          | \$228          | \$231          | \$244          | \$1,270        |
| Business Support                | \$82           | \$52           | \$51           | \$50           | \$50           | \$51           | \$336          |
| <b>TOTAL</b>                    | <b>\$1,250</b> | <b>\$1,279</b> | <b>\$1,274</b> | <b>\$1,327</b> | <b>\$1,024</b> | <b>\$1,029</b> | <b>\$7,183</b> |

(\$ millions)



# Appendix: FY2018-2023 Funding Sources by Year

| Funding Source          | FY2018         | FY2019         | FY2020         | FY2021         | FY2022         | FY2023         | 6 Year         |
|-------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Federal Grants          | \$461          | \$461          | \$458          | \$459          | \$459          | \$459          | \$2,757        |
| State & Local           | \$359          | \$570          | \$646          | \$645          | \$518          | \$494          | \$3,232        |
| Long Term Debt*         | \$291          | \$203          | \$132          | \$150          | \$7            | \$67           | \$850          |
| MWAA                    | \$118          | \$33           | \$32           | \$69           | \$35           | \$5            | \$293          |
| Other                   | \$6            | \$8            | \$1            | --             | --             | --             | \$15           |
| Jurisdictional Projects | \$15           | \$5            | \$4            | \$4            | \$4            | \$4            | \$36           |
| <b>Total Funding</b>    | <b>\$1,250</b> | <b>\$1,279</b> | <b>\$1,274</b> | <b>\$1,327</b> | <b>\$1,024</b> | <b>\$1,029</b> | <b>\$7,183</b> |

(\$ millions)

\*Does not include long-term debt for prior year investments

SUBJECT: APPROVAL OF FISCAL YEAR 2018 OPERATING AND CAPITAL BUDGETS, PUBLIC HEARING STAFF REPORT, AND CHANGES IN FARES AND SERVICE; AUTHORIZE GENERAL MANAGER AND CHIEF EXECUTIVE OFFICER TO CREATE OPEB TRUST AND TO TAKE NECESSARY ACTIONS TO RECOVER FTA GRANT FUNDS

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

WHEREAS, The Washington Metropolitan Area Transit Authority (WMATA) Board of Directors received and considered the General Manager/Chief Executive Officer's (GM/CEO) proposed Fiscal Year (FY) 2018 Operating Budget, and approved a docket of proposed fare increases and service changes for FY2018 for consideration at a public hearing; and

WHEREAS, The Board of Directors received and considered the GM/CEO's proposed FY2018-2023 Capital Improvement Program (CIP); and

WHEREAS, The Board of Directors conducted a public hearing on January 30, 2017, preceded by an open forum on the proposed operating budget, fare increases, and service changes; the results of which are summarized in the Staff Report (Attachment A); and

WHEREAS, The Board of Directors also sought comment at the public hearing on WMATA's proposed FY2018 CIP and Federal FY2017 Grant Applications, as required for recipients of Federal Transit Administration (FTA) grant funding, and those comments are also included in the attached Staff Report; and

WHEREAS, As required in WMATA's Board-approved Public Participation Plan (PPP), WMATA staff conducted additional public outreach to riders regarding the proposed fare increases and service changes at key locations throughout the WMATA transit system, and through community-based organizations, and conducted an online survey, with the results of these outreach efforts also summarized in the Staff Report; and

WHEREAS, In accordance with Title VI of the Civil Rights Act of 1964, FTA requirements, and Board-approved guidelines, WMATA staff conducted an equity analysis of the proposed fare and service changes and determined that the proposed changes will not impose a disparate impact on minority riders or a disproportionate burden on low-income riders; and



WHEREAS, It is anticipated that the Montgomery County Council will approve continued funding for the "Kids Ride Free" program to provide free Metrobus rides for Montgomery County students between 2:00 p.m. and 7:00 p.m. for the FY2018 budget; and

WHEREAS, It is anticipated that the District of Columbia will approve continued funding for the School Transit Subsidy Program (including the "Kids Ride Free" program for students on Metrobus and Metrorail), as well as continued funding for transfer discounts at Anacostia and Congress Heights stations; and

WHEREAS, Arlington County has requested increased peak period service on Metrobus Route 2A, with necessary funding provided by the Virginia Department of Transportation as part of the "Transform 66: Inside the Beltway" project; and

WHEREAS, Resolutions 2011-30 and 2016-24 have delegated specific capital reprogramming authority to the GM/CEO; and

WHEREAS, WMATA management expects that the initiatives to control absenteeism, Worker's Compensation costs, and overtime will result in cost savings and, therefore, as a prudent financial matter, these savings should be used to create an Other Post-Employment Benefits (OPEB) trust for the pre-funding of OPEB liabilities, including retiree health insurance; and

WHEREAS, FTA awarded WMATA a \$1.9 million Safety Research and Demonstration Program grant for the Track Inspector Location Awareness with Enhanced Track Worker Protection initiative which is now included in the updated CIP; and

WHEREAS, In the performance of prior year CIPs, WMATA has expended approximately \$280 million, including approximately \$85 million in Passenger Rail Investment and Improvement Act (PRIIA) grant expenses, for which reimbursement has proven difficult to obtain; and

WHEREAS, WMATA and FTA staff agree that the substitution of safety-focused expenses for the prior year unreimbursed expenses provides the easiest and surest way for WMATA to obtain these funds; now, therefore be it

*RESOLVED*, That the Board of Directors approves the Staff Report on the public hearing and outreach concerning the proposed CIP, Operating Budget, fare increases, and service changes; and be it further

*RESOLVED*, That the fare increases shown on Attachment B are approved and will be effective starting on or about July 1, 2017; and be it further



*RESOLVED*, That the service changes shown on Attachment C are approved and will be effective starting on or about July 1, 2017; and be it further

*RESOLVED*, That the Board of Directors approves the Title VI equity analysis included as Attachment D; and be it further

*RESOLVED*, That the headway on Metrobus Route 2A is changed from 15 minutes to 10 minutes during the morning and evening peak periods, with the net cost of this additional service included as part of Arlington County's non-regional bus subsidy; and be it further

*RESOLVED*, That the rail service standards approved in Resolution 2012-29 are amended such that maximum Rush Period headways shall be four minutes on core interlined segments and eight minutes on all other segments; and be it further

*RESOLVED*, That the Board of Directors directs staff to report on the progress of the initiatives to control absenteeism, Worker's Compensation costs, and overtime as part of the quarterly financial reports to the Board; and be it further

*RESOLVED*, That, subject to the existence of budget savings of at least \$3 million from initiatives to control absenteeism, Worker's Compensation costs, and overtime, the Board of Directors authorizes the GM/CEO to create an OPEB trust by the fourth quarter of FY2018 and to fund such trust at that time in an amount not to exceed \$3 million with future contributions to the trust to be reviewed as part of the FY2019 budget discussions; and be it further

*RESOLVED*, That the Board of Directors approves and adopts the FY2018 Operating Budget (inclusive of all Operating Reimbursable and Operating Reimbursable Safety and Security projects) of \$1.8295 billion, with revenues, expenses and subsidies detailed in Attachments E and F; and be it further

*RESOLVED*, That \$21.2 million of debt service expenditures resulting from the issuance of Metro Matters bonds (Series 2009A and 2009B) are subsumed within the FY2018 budget and allocated to the jurisdictions as detailed in Attachment F; and be it further

*RESOLVED*, That the Board of Directors authorizes the GM/CEO to make such adjustments to the FY2017 and FY2018 Operating and Capital Budgets and to exceed the Board's limitation on the use of federal funds for preventive maintenance as are necessary to permit staff to obtain payment from the FTA for the grant funds currently deemed to be difficult to reimburse without regard to any limitations imposed by either Resolution 2011-30 or 2016-24 provided, however, that no such change shall result in an increase to any jurisdiction's subsidy payment for FY2017 or the scheduled subsidy for FY2018; and be it further



*RESOLVED*, That the Board of Directors approves and adopts the FY2018 Capital Budget of \$1.250 billion (inclusive of all Capital Reimbursable projects) and the six-year CIP for FY2018 through FY2023 of \$7.18 billion as summarized by investment category in Attachments G-1 through G-3; and be it further

*RESOLVED*, That the Board of Directors approves the use of FTA grant and local matching funds in the amount of \$60 million for eligible preventive maintenance expenditures through the capital budget in FY2018; and be it further

*RESOLVED*, That the capital reprogramming authority delegated to the GM/CEO in Resolutions 2011-30 and 2016-24 is hereby amended such that so long as the total adopted CIP Budget is not increased, the GM/CEO may reprogram budget authority among categories, programs, projects, or any other budget division to ensure that safety, reliability and state of good repair projects proceed without delay and to support the effective and efficient delivery of projects within the CIP; and be it further

*RESOLVED*, That Section 600 of Chapter 1 of WMATA's Procurement Policy is revised to delete the fourth bullet of Section 601.C relating to the GM/CEO's limited reprogramming authority; and be it further

*RESOLVED*, That the Board of Directors directs staff to report on significant changes to the budget implemented by the GM/CEO for the purposes of obtaining the delayed FTA reimbursements as well as any reprogramming actions that move budget authority between CIP investment categories as part of the quarterly financial reports to the Board; and be it further

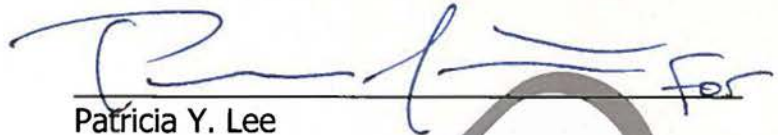
*RESOLVED*, That in order to implement the elements of the FY2018 CIP, the GM/CEO, the Chief Financial Officer, or their designees are authorized to: (1) file and execute grant applications on behalf of WMATA for funds from the federal government and any other public or private entity consistent with the CIP; (2) conduct public hearings at any time during FY2018 in furtherance of the implementation of the FY2018-2023 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 of Directors 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 accelerate the receipt of the FTA grant funds, allow staff to timely apply for the coming fiscal year's grants and allow staff adequate time to prepare for the

implementation of fare and service adjustments, this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,

A handwritten signature in blue ink, appearing to read "Patricia Y. Lee for", is written over a horizontal line.

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)

PROPOSED

## **Attachment A**



### **Washington Metropolitan Area Transit Authority *Public Outreach & Input Report***

**Docket B17-01: Proposed FY2018 Operating Budget**

**Docket B17-02: Proposed FY2018 Capital Improvement Program  
and Federal FY2017 Grant Applications**



## INTRODUCTION

For Fiscal Year 2018, Metro General Manager Paul J. Wiedefeld proposed a \$3.1 billion budget that funds key safety, service and customer initiatives critical to reversing declining ridership and building a sustainable future for Metro. This “Reality Check” budget proposal identified a gap of \$290 million – larger than recent years due to growing expenses to operate and maintain the system, and declining ridership.

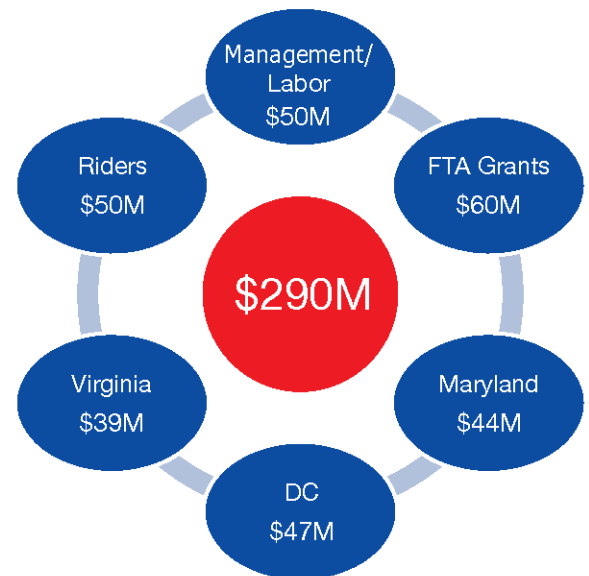
To fill the budget gap, Wiedefeld has proposed shared sacrifice between state and local governments, Metro personnel and customers. The proposal calls for the District, Maryland and Virginia to contribute a total of \$130 million more than they did last year. Metro is also proposing \$50 million in cost savings by eliminating positions and taking other cost cutting actions. Fares for riders would go up between \$0.10 and \$0.25 for rail and bus trips, while service is rightsized to fit current ridership levels.

Several key initiatives being considered include:

- Increase in Metrorail rush hour and non-rush hour fares
- Increase in regular and express Metrobus fares
- Replace 1-day rail pass with new 1-day unlimited rail/bus pass
- Adjust train service during weekday rush hour
- Reduce train service during non-rush hour and weekends
- Eliminate or modify bus routes in the District, Maryland and Virginia

All of the proposed changes, as well as the proposed capital improvement program budget, can be found in WMATA Dockets B17-01 and B17-02 at [wmata.com](http://wmata.com) under About > Public Hearings & Meetings.

This report includes an overview of the public participation plan that was followed, as well as a summary of the feedback received from the public from various information channels.



## COMMUNICATIONS & OUTREACH TO THE PUBLIC

In order to encourage public feedback on the proposals, as well as to fulfill the Board-approved Public Participation Plan, Metro tailored a communications and outreach plan. This intensive effort was necessary for reaching passengers and communities most impacted by the proposals; the historical model of numerous public hearings often missed impacted groups.

The majority of the communications and outreach effort concentrated on the public comment time period – Saturday, January 14 through Monday, February 6. The final plan included the following efforts:

- Outreach events at stations & bus stops
- Stakeholder communication
- Targeted marketing & media
- Open house & public hearing

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

Feedback was collected through the following sources:

- Paper surveys in English and Spanish at station/bus stop outreach events and station survey collection boxes
- Paper surveys in English and Spanish from the Open House/Public Hearing
- Online survey in English and Spanish
- Verbal public testimony at the Public Hearing



## Outreach Events at Stations & Bus Stops

Outreach street teams, comprised of Metro staff and contractors, traveled to various Metrorail stations and bus stops for a total of 49 shifts to collect feedback from riders on paper surveys and pass out brochures and fliers. Target stations aligned closely with jurisdictional station distribution – 39% District of Columbia, 35% Maryland and 27% Virginia, and locations were chosen based on high average weekday, low-income and minority ridership, parking utilization, proposed impacts to bus service and high rail-to-bus transfers.

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

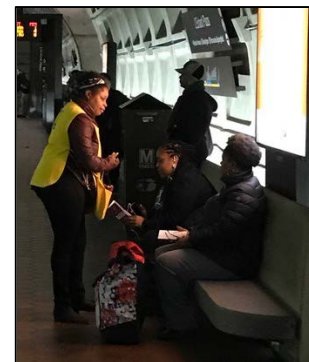
Team members distributed brochures and fliers in English and Spanish about the FY18 budget and an along with pencils. All brochures and fliers included a survey that could be taken and handed back to a team member or dropped off in a survey collection box that was available at all Metrorail stations. The brochures included a statement in Amharic, Chinese, French, Korean, and Vietnamese to call the language line for more information in those languages. View copies of the brochures, flier and survey on pages 7 and 8.

**Over 118,000 brochures and fliers were distributed during the week-long outreach.** A total of 3,792 paper surveys were collected from team members and survey collection boxes in stations, accounting for 27% of all feedback collected during the public comment period.



| Station/Bus Stop Outreach By the Numbers       |                |
|--|----------------|
| # of outreach shifts                           | 49             |
| # of locations                                 | 47             |
| # of outreach hours                            | 194.5          |
| <b>Material Distribution</b>                   |                |
| # of English brochures/surveys distributed     | 90,000         |
| # of Spanish brochures/surveys distributed     | 6,300          |
| # of fliers/surveys distributed                | 22,000         |
| <b>Total # of brochures/fliers distributed</b> | <b>118,000</b> |
| <b>Paper Survey Collection</b>                 |                |
| # of English paper surveys collected           | 3,763          |
| # of Spanish paper surveys collected           | 29             |
| <b>Total # of paper surveys collected</b>      | <b>3,792</b>   |

| Station/Bus Stop Outreach Schedule |                       |                 |
|------------------------------------|-----------------------|-----------------|
| Date                               | Station               | Shift Time      |
| Monday, January 23, 2017           | Columbia Heights      | 6:00-10:00 a.m. |
|                                    | Fort Totten           |                 |
|                                    | Silver Spring         |                 |
|                                    | West Hyattsville      |                 |
|                                    | Wiehle-Reston East    |                 |
| Monday, January 23, 2017           | Franconia-Springfield | 3:30-7:30 p.m.  |
|                                    | Glenmont              |                 |
|                                    | Huntington            |                 |
|                                    | Rhode Island Ave      |                 |
| Tuesday, January 24, 2017          | Dupont Circle         | 6:00-10:00 a.m. |
|                                    | East Falls Church     |                 |
|                                    | Farragut North        |                 |
|                                    | Farragut West         |                 |
|                                    | McPherson Sq          |                 |
| Tuesday, January 24, 2017          | Bethesda              | 3:30-7:30 p.m.  |
|                                    | Brookland-CUA         |                 |
|                                    | Pentagon              |                 |
|                                    | Pentagon City         |                 |
| Wednesday, January 25, 2017        | Anacostia             | 6:00-10:00 a.m. |
|                                    | Congress Heights      |                 |
|                                    | Greenbelt             |                 |
|                                    | L'Enfant Plaza        |                 |
|                                    | Rosslyn               |                 |
| Wednesday, January 25, 2017        | Pentagon              | 3:30-7:30 p.m.  |
|                                    | Silver Spring         |                 |
|                                    | Southern Ave          |                 |
|                                    | West Falls Church     |                 |
| Thursday, January 26, 2017         | Branch Ave            | 6:00-10:00 a.m. |
|                                    | Metro Center          |                 |
|                                    | Naylor Road           |                 |
|                                    | Vienna                |                 |
|                                    | White Flint           |                 |
| Thursday, January 26, 2017         | Dunn Loring           | 3:30-7:30 p.m.  |
|                                    | New Carrollton        |                 |
|                                    | Grosvenor             |                 |
|                                    | King St-Old Town      |                 |



|                            |                         |                 |
|----------------------------|-------------------------|-----------------|
| Friday, January 27, 2017   | Deanwood                | 6:00-10:00 a.m. |
|                            | Medical Center          |                 |
|                            | Minnesota Ave           |                 |
|                            | Shady Grove             |                 |
| Friday, January 27, 2017   | Foggy Bottom-GWU        | 3:30-7:30 p.m.  |
|                            | Gallery Place           |                 |
|                            | Union Station           |                 |
| Saturday, January 28, 2017 | Reagan National Airport | 5:30-8:00 a.m.  |
| Monday, January 30, 2017   | Addison Road            | 6:00-10:00 a.m. |
|                            | Benning Road            |                 |
|                            | Capitol Heights         |                 |
|                            | Largo Town Center       |                 |
|                            | Morgan Blvd             |                 |





Read about Metro's proposed changes to fares and service and tell us what you think.  
More at [wmata.com/budget](http://wmata.com/budget)

Si desea obtener información sobre las propuestas de presupuesto para el Año Fiscal 2018 de Metro en español, visite [wmata.com/budget\\_espanol](http://wmata.com/budget_espanol) o solicite este folleto en español a un miembro del personal de Metro.

Si vous souhaitez obtenir des informations en français concernant les propositions de budget de Metro pour l'exercice financier de 2018, veuillez appeler le 202-637-7000

如果您想要通过您使用的语言来了解  
Metro2018年财务预算方案的相关信息，  
请致电语言热线：202-637-7000

귀하의 언어로 된 Metro 2018 회계연도 예산안 정보를 원하실 경우, 전화 통역 라인에 202-637-7000번으로 전화해 주십시오.

በቋንቋዎ ስለ ሜትሮ 2018 የበጀት  
ዓመት የበጀት ስቅያት መረጃን ከፈለጉ፣  
በቋንቋ መስመር 202-637-7000  
ይደውሉ።

Nếu quý vị muốn có thông tin về các dự  
kiến ngân sách Năm Tài Chính 2018  
của Metro bằng ngôn ngữ của quý vị,  
vui lòng gọi Đường Dây Ngôn Ngữ theo  
số 202-637-7000.

**Who pays for Metro?**

For Fiscal Year 2018, Metro General Manager Paul J. Wedelink has proposed a \$3.1 billion budget that funds key safety, service and ridership and building a financially sustainable Metro.

Fares paid by customers, advertising in ads and on buses and trains, and other revenue sources cover just a portion of the operational costs. Additional contributions come from regional and federal funding partners to cover operating expenses and capital projects. While fares paid by customers have not increased since July 2014, contributions from government sources have increased each year.

**Metro funding sources**

| Funding Source      | Amount |
|---------------------|--------|
| Federal             | \$460M |
| Other               | \$163M |
| Debt                | \$291M |
| Fares & Advertising | \$1.1B |

**Tell us what you think!**

Provide your feedback by 9:00 a.m. on Monday, February 6, 2017:

Take the survey! You can either fill out the survey online at [wmeta.com/budget](http://wmeta.com/budget), or fill out the survey on the next page and drop it in the survey collection bins near the faregates at your nearest Metrolink station.

Attend an open house from 4:30-6:30 p.m. and public hearing starting at 6:00 p.m. at Metro Headquarters, 600 5th Street NW, 2017. Speaker registration is onsite only, and will close at 9:00 p.m.

Public feedback will be provided to Metro's Board of Directors in March 2017 as part of the final decision making process. Any Board-approved fare or service changes will begin on July 1, 2017.

Public participation is solicited without regard to race, color, national origin, age, gender, religion, disability or family status. If you require special accommodations under the Americans with Disabilities Act or transportation services (free of charge) contact the project team at 202-965-2511 (1111-202-9652-2033) at least 48 hours prior to the public hearing date.

### Proposed Service Adjustments

 BUS

Listed on the following pages are routes by jurisdiction and a description of the proposed change for each route.

Maps and detailed information about the changes listed are available at [wmata.com/budget](http://wmata.com/budget).

Travel alternatives are listed on some routes. These may only serve segments of the proposed eliminated service and should not be considered a direct replacement. See alternative service route maps and timetables for more information.

 The proposed elimination of routes 15K, 15R, 15S and B27 will impact the MetroAccess service area.

## District of Columbia

## 5A DC-Dulles (Airport Express)

Eliminate service or raise fare  
(proposed fare adjustments).

Line Fax Connector 951, 953

### Proposed Fare Adjustments

The following fare adjustments are all proposed by Metro and the local jurisdictions as possible solutions to help close the budget gap.



### Standard Fares

- Increase Metrolink rush hour fares up to \$0.10
- Increase Metrolink non-rush hour fares up to \$0.25

### Passes


- Replace the 1-day unlimited rail pass with a new 1-day unlimited "combo" rail and bus pass for \$14.75
- Eliminate the 28-Day Metrolink Pass\*
- Increase the 7-Day Short-Trip Pass by \$2.50 and 7-Day Fast Pass by \$0.75
- Increase the monthly TransitLink Card (TLC) on MARC and VRE by \$3.00 and MTA by \$5.00
- Eliminate DC student 10-trip rail pass as a result of the Kids Ride Free program and the DC SmartStudent pass

\* New monthly SelectPass was approved in December 2015 and is now available at multiple price points.

 PARKING

- Increase weekday Metrolink parking fee up to \$0.10
- Adjust parking prices by +/- \$0.25 at up to three locations per jurisdiction. Price changes would be in addition to any approved parking fee increase and locations would be designated by the jurisdiction."

\* The District of Columbia has proposed to decrease the daily parking fee at Anacostia stations by \$0.25 and increase the daily parking fee at Minnesota Ave and Rhode Island Ave by \$0.25. Other jurisdictions have not fixed their choices.



**REALITYCHECK**

**Tell us what you think about Metro's proposed changes to fares and service.**

*Díganos que piensa sobre los cambios propuestos en las tarifas y servicios.*

For Fiscal Year 2018, General Manager Wiedefeld's "Reality Check" budget proposal identified a gap of \$290 million – larger than recent years due to growing expenses to operate and maintain the system and declining ridership. Facing this major funding challenge, Metro's Board of Directors must consider every available option to balance the budget. **Some fare and service adjustments could affect you.**

Para el Año Fiscal 2018, la propuesta de presupuesto "Reality Check" del Gerente General Wiedefeld identificó una brecha de \$290 millones – más grande que los años recientes debido a los crecientes gastos para operar y mantener el sistema y la disminución del número de pasajeros. Ante este importante desafío de financiamiento, la Junta Directiva de Metro debe considerar todas las opciones disponibles para equilibrar el presupuesto. **Algunos de los ajustes en las tarifas y los servicios podrían afectar a usted.**

**ell us what you think by 9:00 a m.**

*te the survey on the back of this card.*

**6A DC-Dulles (Airport Express)**

Eliminate service or raise fare  
(no increased fare adjustment).

Source: Fairfax Connector Web

**District of Columbia**

ll us what you think by 8:00 a.m. on Monday, February 6, 2017.

nos que le parece antes de las 9:00 a.m. del lunes, 6 de febrero de 2017.

[illegible][illegible]

*Brochure (English/Spanish), Flier*

Language Line info in Amharic,  
Chinese, French, Korean, and

**Balancing the budget**

1) Considering the shared sacrifice among customers, jurisdictions and Metro business operations, how fair do you think the General Manager's proposed budget is? Check one.

☐ Very Fair  
☐ Somewhat Fair  
☐ Not that Fair  
☐ Not at all Fair

2) If you had the opportunity to decide who pays what share of the budget gap, what percent do you think should be covered by each area? Your percentages must add to 100. If you don't think an entity should pay any additional amount, please enter "0".

|                             |             |
|-----------------------------|-------------|
| Federal government          | ____%       |
| State and local governments | ____%       |
| Fare adjustments            | ____%       |
| Service adjustments         | ____%       |
| Metro business operations   | ____%       |
| <b>Total:</b>               | <b>100%</b> |

**Adjusting fares and service**

3) If fare adjustments must be considered as part of next year's budget, which of the following would be acceptable to you? Check all that apply.

**RAIL** *Learn more on page 5*

- ☐ Increase Metrorail rush hour fare up to \$0.10
- ☐ Increase Metrorail non-rush hour fare up to \$0.25
- ☐ Replace the 1-day rail pass with 1-day commo rail and bus pass for \$14.75
- ☐ Eliminate the 28-day rail pass
- ☐ Increase other rail passes to correspond with fare increases

**BUS** *Learn more on page 6*

- ☐ Increase regular Metrobus fare by \$0.25
- ☐ Increase express Metrobus fare by \$0.25
- ☐ Increase airport Metrobus fare up to \$2.75
- ☐ Increase 7-day unlimited regional bus pass to correspond with fare increases

**PARKING** *Learn more on page 8*

- ☐ Increase weekday Metrorail parking fees up to \$0.10
- ☐ Adjust parking prices by +/- \$0.25 at up to three parking locations per jurisdiction

4) If service adjustments must be considered as part of next year's budget, which of the following would be acceptable to you? Check all that apply.

**RAIL** *Learn more on page 7*

- ☐ **Red Line:** Reduce the frequency of trains during rush hour from every 6 to every 8 minutes.
- ☐ **Red Line:** End every other train at Grosvenor instead of Shady Grove during non-rush hour/weekends.
- ☐ **Blue Line:** Increase the frequency of trains during rush hour from every 12 to every 8 minutes.
- ☐ **Yellow Line Rush Plus (Franconia-Springfield - Greenbelt):** Eliminate Rush+ trains that run between Franconia-Springfield and Greenbelt during rush hours.
- ☐ **Silver Line:** End every other train at Stadium-Armory instead of Largo Town Center during weekday evening/weekends.
- ☐ **Orange, Silver, Green and Yellow Lines:** Reduce the frequency of trains during rush hour by 2 minutes.

☐ **All Lines:** Reduce the frequency of trains during non-rush hour and weekends by 5 minutes (e.g. from every 12 minutes to every 15 minutes)

**BUS** *Learn more on pages 8-11*

- ☐ **District of Columbia:** Eliminate or modify the following routes: SA, 37, B8, 9, G9, H6, S2, 4, S9
- ☐ **Maryland:** Eliminate or modify the following routes: R30, R27, C8, C11, 13, F-12, H-11, 12, 13, J1, J5, J7, 9, P17, 18, 19, T2, T4, W13, 14, W19, 27, Z11
- ☐ **Virginia:** Eliminate or modify the following routes: 1C, 2B, 2T, 3T, 5A, 7X, 15Y, 16KL, 16GU, 1K, 16X, 17A, B, F, M, 18P, R, S, 26A, 28X, RDX

**Tell us about you.**

8) Which Metro services would you say you use on a regular basis? Check all that apply.

☐ Metrorail  
☐ Metrobus  
☐ MetroAccess  
☐ I don't use Metro services regularly.

9) In what county or jurisdiction do you live? Check one. If you live in Fairfax County, please specify if you live in City of Falls Church or City of Fairfax.

☐ Arlington County  
☐ City of Alexandria  
☐ District of Columbia  
☐ Fairfax County  
☐ City of Falls Church  
☐ City of Fairfax  
☐ Loudoun County  
☐ Prince George's County  
☐ Outside of the region  
☐ Prefer not to answer

10) Which one of the following best describes your race? Check all that apply.

☐ White/Caucasian  
☐ Black/African American  
☐ Hispanic/Latino  
☐ Asian  
☐ Hawaiian or other Pacific Islander  
☐ American Indian or Alaska Native  
☐ Other (Specify: \_\_\_\_\_)  
☐ Prefer not to answer

11) Which of the following ranges contains your annual household income (before taxes)? Check one.

☐ Less than \$30,000  
☐ \$30,000 or more  
☐ Prefer not to answer

**Impacts to You**

6) What most concerns you about the proposed rail adjustments? Check one.

☐ Not concerned at all about proposed rail adjustments  
☐ Trains won't be available when I need them  
☐ Trains will be more crowded  
☐ I don't support rail cuts in general  
☐ Other concerns (please specify): \_\_\_\_\_

7) What most concerns you about the proposed bus adjustments? Check one.

☐ Not concerned at all about proposed bus adjustments  
☐ A route I depend on is being cut  
☐ A route I depend on will run less frequently  
☐ I don't support bus cuts in general  
☐ Other concerns (please specify): \_\_\_\_\_

8) Please tell us a little bit about which fare or service adjustments will greatly impact you? This could include a bus route you use or a budgetary problem you may face.

**Impactos para usted**

6) ¿Qué es lo que más le preocupa acerca de los ajustes de trenes propuestos? Marque uno.

☐ No está en absoluto preocupado por los ajustes de trenes propuestos  
☐ Los trenes no estarán disponibles cuando los necesite  
☐ Los trenes estarán más hacinados  
☐ No apoyo los recortes de trenes en general  
☐ Otras preocupaciones (especifique): \_\_\_\_\_

7) ¿Qué es lo que más le preocupa acerca de los ajustes de autobuses propuestos? Marque uno.

☐ No está en absoluto preocupado por los ajustes de autobuses propuestos  
☐ Una ruta de la que dependo de ir siendo recortada  
☐ Una ruta de la que dependo operará con menos frecuencia  
☐ No apoyo los recortes de autobuses en general  
☐ Otras preocupaciones (especifique): \_\_\_\_\_

8) Por favor, díganos un poco acerca de qué ajustes de tarifas o servicio le impactarán en gran medida. Esto podría incluir una ruta de autobús que use o un problema presupuestario que pueda enfrentar.

**Cuéntenos acerca de usted.**

9) ¿Qué servicios de Metro diría que usa con mayor frecuencia? Marque todo lo que corresponda.

☐ Metrorail  
☐ Metrobus  
☐ MetroAccess  
☐ No uso los servicios de Metro regularmente

10) ¿En qué condado o jurisdicción vive usted? Marque uno. Si vive en el Condado de Fairfax, por favor especifique si vive en la ciudad de Falls Church o en la ciudad de Fairfax.

☐ Condado de Arlington  
☐ Ciudad de Alexandria  
☐ Distrito de Columbia  
☐ Condado de Fairfax  
☐ Ciudad de Falls Church  
☐ Ciudad de Fairfax  
☐ Condado de Montgomery  
☐ Condado de Loudoun  
☐ Condado de Prince George  
☐ Fuera de la región  
☐ Prefiero no responder

11) ¿Cuál de las siguientes opciones describe mejor su raza? Marque todo lo que corresponda.

☐ Blanco/Caucásico  
☐ Negro/Afroamericano  
☐ Hispano/Latino  
☐ Asiático  
☐ Hawaiano o de otra isla del Pacífico  
☐ Indio americano o nativo de Alaska  
☐ Otro (especifique: \_\_\_\_\_)  
☐ Prefiero no responder

12) ¿Cuál de las siguientes opciones contiene su ingreso familiar anual (antes de impuestos)? Marque uno.

☐ Menos de \$30,000  
☐ \$30,000 o más  
☐ Prefiero no responder

**Equilibrio presupuestario**

1) ¿Considerando el sacrificio compartido entre los usuarios, jurisdicciones y la administración de Metro, cuán justo cree que es el presupuesto propuesto por el Gerente General? Marque uno.

☐ Muy justo  
☐ Algo justo  
☐ No tan justo  
☐ Nada justo

2) Si tuviera la oportunidad de decidir quién paga qué para cubrir la brecha presupuestaria, ¿qué porcentaje cree que debería cubrir cada área? Sus porcentajes deben sumar 100. Si cree que un área no debe pagar un porcentaje, ponga "0".

|                             |             |
|-----------------------------|-------------|
| Gobierno federal            | ____%       |
| Gobiernos estatal y locales | ____%       |
| Ajustes de tarifas          | ____%       |
| Ajustes de servicio         | ____%       |
| La administración de Metro  | ____%       |
| <b>Total:</b>               | <b>100%</b> |

**Ajuste de tarifas y servicio**

3) En caso de que se tengan que ajustar las tarifas como parte de la propuesta para equilibrar el presupuesto del próximo año, ¿cuál de las siguientes alternativas sería aceptable para usted? Marque todo lo que corresponda.

**TREN** *Ver información en la página 3*

- ☐ Aumentar la tarifa de hora pico de Metrorail hasta \$0.10
- ☐ Aumentar la tarifa de hora no pico de Metrorail hasta \$0.25
- ☐ Reemplazar el pase de tren de 1 día por un pase combinado de tren y autobús de 1 día por \$14.75
- ☐ Eliminar el pase de tren de 28 días
- ☐ Aumentar otros pases de tren para ajustarlos a los aumentos de tarifas

**AUTOBÚS** *Ver información en la página 3*

- ☐ Aumentar las tarifas regulares de Metrobus en \$0.25
- ☐ Aumentar la tarifa expres de Metrobus en \$0.25
- ☐ Aumentar la tarifa para el aeropuerto de Metrobus hasta \$2.75
- ☐ Aumentar el pase de autobús regional limitado de 7 días para ajustarlo a los aumentos de tarifas

**ESTACIONAMIENTO** *Ver información en la página 3*

- ☐ Aumentar las tarifas de estacionamiento de entre semana de Metrorail hasta \$10
- ☐ Ajustar los precios de estacionamiento en +/- \$0.25 en hasta tres ubicaciones de estacionamiento por jurisdicción

4) En caso de ajustes en el servicio considerados para equilibrar el presupuesto del próximo año, cuál de las siguientes son aceptables para usted? Marque todo lo que corresponda.

**TREN** *Ver información en la página 3*

- ☐ **Línea roja:** Reducir la frecuencia de los trenes durante las horas pico de Metrorail hasta cada 6 a cada 8 minutos.
- ☐ **Línea roja:** Terminar cada dos trenes en Grosvenor en vez de en Shady Grove durante las horas no pico/días de semana.
- ☐ **Línea azul:** Aumentar la frecuencia de los trenes durante las horas pico de cada 12 a cada 8 minutos.
- ☐ **Línea amarilla Rush Plus (Franconia-Springfield - Greenbelt):** Eliminar el servicio de los trenes Rush+ que operan durante las horas pico entre Franconia-Springfield y Greenbelt.
- ☐ **Línea plateada:** Terminar cada dos trenes en Stadium-Armory en vez de en Largo Town Center durante las horas no pico/días de semana.
- ☐ **Líneas anaranjada, plateada, verde y amarilla:** Reducir la frecuencia de los trenes durante las horas pico en 2 minutos.

☐ **Todas las líneas:** Reducir la frecuencia de los trenes durante las horas no pico y líneas de semana en 5 minutos.

**AUTOBÚS** *Ver información en la página 3*

- ☐ **Districto de Columbia:** Eliminar o modificar las siguientes rutas: SA, 37, B8, 9, G9, H6, S2, 4, S9
- ☐ **Maryland:** Eliminar o modificar las siguientes rutas: R30, R27, C8, C11, 13, F-12, H-11, 12, 13, J1, J5, J7, 9, P17, 18, 19, T2, T4, W13, 14, W19, 27, Z11
- ☐ **Virginia:** Eliminar o modificar las siguientes rutas: 1C, 2B, 2T, 3T, 5A, 7X, 15Y, 16KL, 16GU, 1K, 16X, 17A, B, F, M, 18P, R, S, 26A, 28X, REX

**Comentarios**

5) Si tuviera que elegir entre estos ajustes de tarifas o ajustes de servicio para equilibrar el presupuesto de Metro, ¿qué preferiría?

☐ Ajustes de tarifas  
☐ Ajustes de servicio  
☐ Me da igual

**Impactos para usted**

6) ¿Qué es lo que más le preocupa acerca de los ajustes de trenes propuestos? Marque uno.

☐ No está en absoluto preocupado por los ajustes de trenes propuestos  
☐ Los trenes no estarán disponibles cuando los necesite  
☐ Los trenes estarán más hacinados  
☐ No apoyo los recortes de trenes en general  
☐ Otras preocupaciones (especifique): \_\_\_\_\_

7) ¿Qué es lo que más le preocupa acerca de los ajustes de autobuses propuestos? Marque uno.

☐ No está en absoluto preocupado por los ajustes de autobuses propuestos  
☐ Una ruta de la que dependo de ir siendo recortada  
☐ Una ruta de la que dependo operará con menos frecuencia  
☐ No apoyo los recortes de autobuses en general  
☐ Otras preocupaciones (especifique): \_\_\_\_\_

8) Por favor, díganos un poco acerca de qué ajustes de tarifas o servicio le impactarán en gran medida. Esto podría incluir una ruta de autobús que use o un problema presupuestario que pueda enfrentar.

**Comentarios**

5) Si tuviera que elegir entre estos ajustes de tarifas o ajustes de servicio para equilibrar el presupuesto de Metro, ¿qué preferiría?

☐ Ajustes de tarifas  
☐ Ajustes de servicio  
☐ Me da igual

**Impactos para usted**

6) ¿Qué es lo que más le preocupa acerca de los ajustes de trenes propuestos? Marque uno.

☐ No está en absoluto preocupado por los ajustes de trenes propuestos  
☐ Los trenes no estarán disponibles cuando los necesite  
☐ Los trenes estarán más hacinados  
☐ No apoyo los recortes de trenes en general  
☐ Otras preocupaciones (especifique): \_\_\_\_\_

7) ¿Qué es lo que más le preocupa acerca de los ajustes de autobuses propuestos? Marque uno.

☐ No está en absoluto preocupado por los ajustes de autobuses propuestos  
☐ Una ruta de la que dependo de ir siendo recortada  
☐ Una ruta de la que dependo operará con menos frecuencia  
☐ No apoyo los recortes de autobuses en general  
☐ Otras preocupaciones (especifique): \_\_\_\_\_

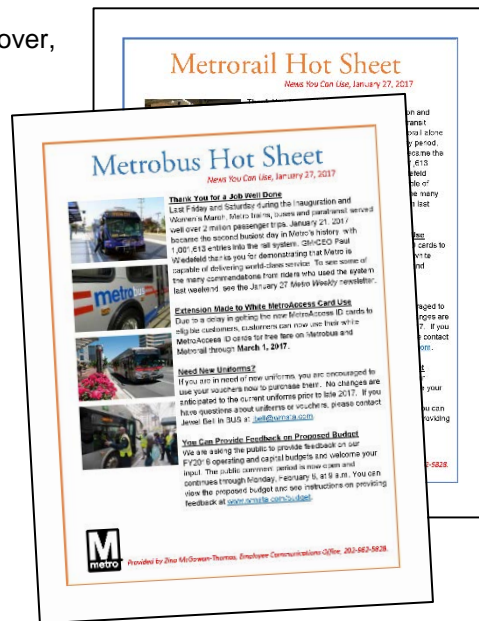
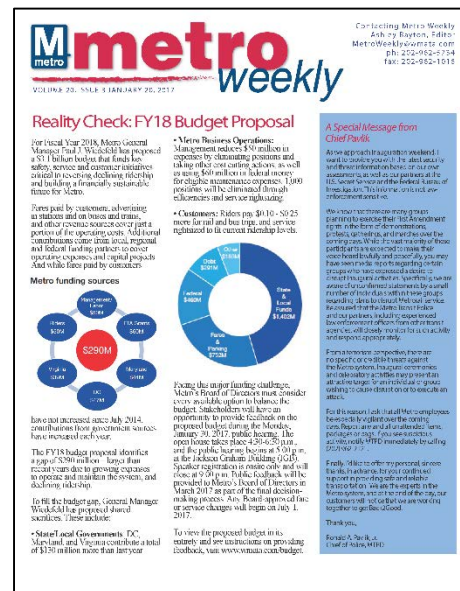
8) Por favor, díganos un poco acerca de qué ajustes de tarifas o servicio le impactarán en gran medida. Esto podría incluir una ruta de autobús que use o un problema presupuestario que pueda enfrentar.





## Stakeholder Communication

- Members of Metro's Accessibility Advisory Committee (AAC) held several discussions on the proposed FY18 budget, including one meeting that was attended by General Manager Paul J. Wiedefeld. The AAC's official comments will be submitted in its monthly report to the Board.
- The Office of External Relations notified its 2,900+ stakeholder list, which includes places of worship, event venues, business improvement districts, residences and apartments, schools, shopping areas and more. The list also includes more than 300 Community Based Organizations (CBOs).
- The Office of Equal Employment Opportunity (OEE) held a Community Based Organization Committee Meeting about the FY18 budget on January 25, 2017 at WMATA Headquarters and attendees included key representatives from DC Alliance of Youth Advocates, Academy of Hope, Washington English Center and Collaborative Solutions for Communities. More than 300 CBOs were invited to attend the meeting. 150 brochures were distributed to the attendees.
- Targeted visits and brochure drop-offs to the Towns of Cheverly, Landover, Fairmount Heights, Capitol Heights and Seat Pleasant, as well as the Transforming Neighborhood Initiative (TNI), a group of neighborhoods in the Oxon-Hill/Glassmanor community, were completed by OEE during the public comment period. These areas have large Title VI populations and many have large bus-dependent residents. Over 800 brochures were distributed.
- The Office of Bus Planning hosted coordination meetings on Wednesday, February 1 and Thursday, February 2 with local jurisdictional partners to discuss proposed adjustments to Metrobus service as part of the FY18 budget.
- The Office of Government Relations provided extensive information on the FY18 budget proposals to local, state jurisdictional and Congressional staff. Staff addressed follow up questions to the plan to ensure elected officials and their staff had a thorough understanding of the options.
- Employees were notified of the proposals through the General Manager's weekly email message, MetroWeekly, Metro's employee newsletter, and the Metrobus and Metrorail "hot sheets" that are shared with the operation divisions.
- Amplify members were asked to weigh in on the proposed budget. Amplify is a community of 3,500 customers who provide on-going feedback to WMATA for immediate decision making.
- About 3,500 Registered SmarTrip holders who had taken a bus route proposed to be eliminated or modified within the last week were sent an email and encouraged to provide feedback.



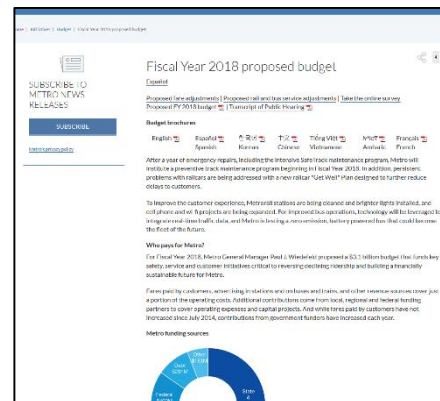




## Targeted Marketing & Media

Metro used targeted marketing and media strategies to increase awareness and encourage feedback on the proposal, with special attention given to the Spanish media.

- The creation of the webpages [wmata.com/budget](http://wmata.com/budget) and [wmata.com/budget\\_espanol](http://wmata.com/budget_espanol) informed customers about the proposal and how customers could provide information, including the survey link and outreach locations. The page [wmata.com/budget\\_espanol](http://wmata.com/budget_espanol) was professionally translated into Spanish, and contained pdf fliers in Amharic, Chinese, French, Korean, and Vietnamese.
- Legal notices were placed in the Washington Post on Saturday, January 14, 2017, and Saturday, January 21, 2017, notifying the public of the opportunities to provide public comment.



- Advertisements in newspapers throughout the region, including ethnic media in multiple languages:
  - The Express* (English)
  - The Afro* (English)
  - El Tiempo Latino* (Spanish)
  - Washington Hispanic* (Spanish)
  - Korean Times* (Korean)
  - Epoch Times* (Chinese)
  - Atref* (Amharic)
  - Doi Nay* (Vietnamese)

- English and Spanish signs posted in Metrorail stations, Bus Information Centers on Metrobus, and MetroAccess vehicles.

- Over 300 detailed signs in English and Spanish listing specific proposals were posted at select bus stops of impacted routes. Real-time arrival signs also displayed targeted messages at impacted stops.

- Copies of the English and Spanish flier and notices were sent to all jurisdictional libraries.

- Press releases were published on Tuesday, January 24, 2017 and Wednesday, February 1, 2017.

- The large amount of media coverage about the proposed budget included 29 stories in print publications (English and Spanish), 23 on radio, 12 online-only publications, and 21 on TV.

- Social media (Facebook, Twitter) was used to post information about the proposals and an advisory was sent to riders.



## Open House & Public Hearing

Metro hosted an open house and public hearing on Monday, January 30, 2017 at WMATA Headquarters, 600 5<sup>th</sup> St NW, Washington DC. The open house ran from 4:30-6:30 p.m., and the public hearing began at 5:00 p.m., and the on-site speaker registration closed at 9:00 p.m.

The open house provided the opportunity for attendees to speak one-on-one with staff members about the proposals, and comprised of multiple “topic” tables: Budget & Capital Improvement Program, Rail Service Adjustments, Bus Service Adjustments, Fare Adjustments, MetroAccess, Customer Service, and a table for attendees to complete the survey.

The public hearing followed WMATA’s standard public hearing procedures. Copies of the presentation were available in English and Spanish. An option to record oral testimony separate than the formal public hearing was also provided; four people chose to provide testimony this way.

Multiple members of the WMATA Board of Directors participated, including Jack Evans, Malcolm Augustine, Jim Corcoran, Leif Dormsjo, Michael Goldman, Catherine Hudgins, and Kathryn Porter. In addition, members of WMATA’s Executive Management Team participated throughout the hearing. An overflow room was also utilized, which included audio and video of the live public hearing and the list of upcoming speakers.

Signage throughout the open house and public hearing was in English and Spanish, and Spanish-speaking staff was available throughout both events. WMATA headquarters is ADA accessible and conveniently located next to Gallery Place and Judiciary Sq Metrorail stations and multiple bus lines.

The oral testimony from the speakers at the public hearing and those audio statements that were recorded accounted for 1% of all feedback collected during the public comment period.

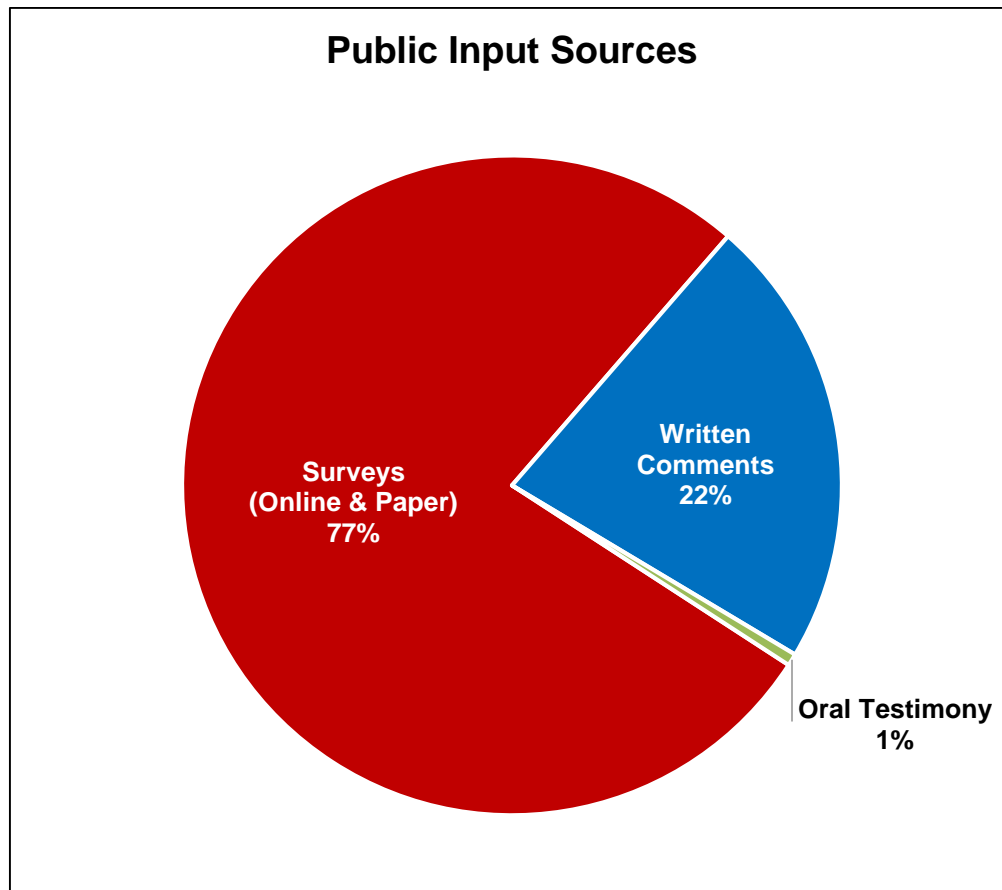


| Open House<br># of Attendees | Public Hearing<br># of Speakers | # of Recorded<br>Oral Testimony | # of Paper<br>Surveys<br>Collected |
|------------------------------|---------------------------------|---------------------------------|------------------------------------|
| 49                           | 79                              | 4                               | 13                                 |

## PUBLIC INPUT RESULTS

Metro collected public input through surveys, written comments (online or letters sent to Board Office), and oral testimony at the public hearing during the public comment period from Saturday, January 14 through 9:00 a.m. Monday, February 6, 2017. Metro received over 14,000 responses to the proposed budget.

More than 75 percent of the input received came in using the survey tool, either online or on paper. Another 22% of the input received was written comment with nearly all being provided online. Oral testimony accounted for 0.5%.



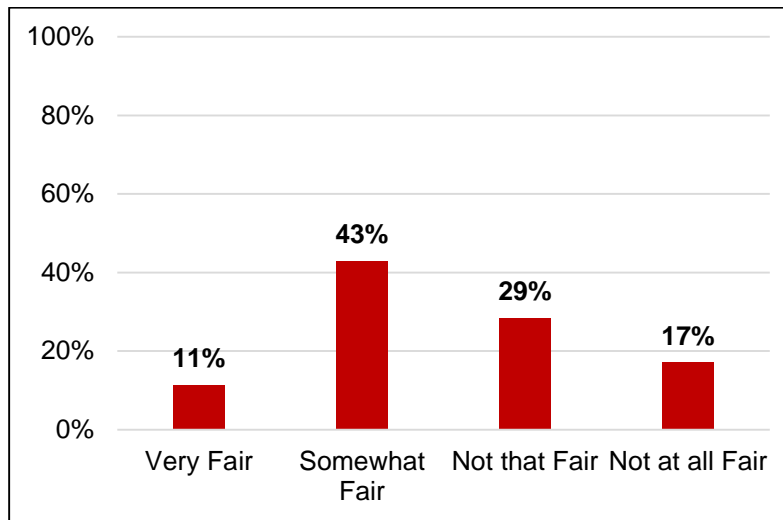
| Feedback Type    | Qty           |
|------------------|---------------|
| Paper Surveys    | 3,792         |
| Online Surveys   | 7,032         |
| Written Comments | 3,113         |
| Oral Testimony   | 83            |
| <i>n=</i>        | <b>14,020</b> |

## Survey Results

As previously stated, more than three-fourths of the public input was provided either in the online or paper survey. Regardless of formats, the surveys for online and paper were identical in content in length and questions asked. The surveys are aggregated for reporting purposes. A total of 10,824 surveys were available for analysis.

### Proposed Budget Fairness

Generally, a majority (54% of customers felt the proposed budget is “somewhat” or “very” fair. Nearly a third felt it is “not that fair” and another 17% felt the proposed budget is “not at all fair”.

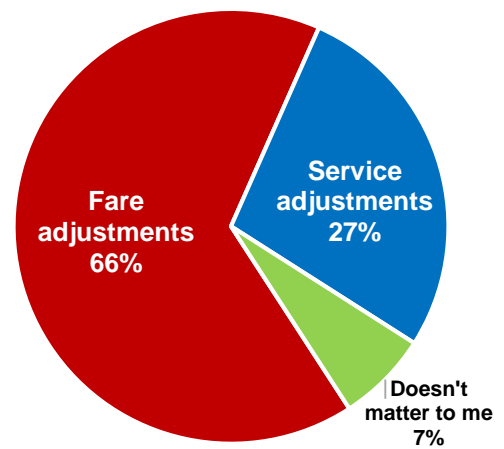


Minorities and low income customers were twice as likely as other groups to say the proposed budget is “not at all fair” compared to other groups. Regionally, little variation existed between jurisdictions. A majority of residents in each jurisdiction felt the proposed budget was “somewhat” or “very” fair.

### Fare Increase vs. Service Reduction Preferences

As is often the case in choice sets, customers tend to lean in one direction or another. The proposed budget asks customers to consider fare adjustment (majority increases) and service adjustments (majority reductions). When the choice of fares increases or service reductions is put to customers they unequivocally, by nearly 2 to 1, prefer fare increases to service reductions.

Regardless of ascribed or achieved characteristics, all customers prefer fare adjustments to service adjustments; the same can be said for place of residence.



## Fare Adjustment Acceptability

While customers may uniformly agree fare adjustments are preferred to service adjustments, they have strong preferences for how those fare adjustments are applied. Customers were asked which of the 11 proposed fare adjustments were *acceptable* to them for implementation. The following table shows the rank ordered preference of the 11 adjustments by percent saying it was “acceptable”.

| Proposed Fare Adjustments   | % of respondents | Acceptance Rank |
|---|------------------|-----------------|
| Increase weekday Metrorail parking fees up to \$0.10                                  | 64               | 1               |
| Increase Metrorail rush-hour fare up to \$0.10  | 59               | 2               |
| Adjust parking prices by +/- \$0.25 at up to three parking locations per jurisdiction | 54               | 3               |
| Replace the 1-day rail pass with 1-day combo rail and bus pass for \$14.75            | 52               | 4               |
| Increase 7-day unlimited regional bus pass to correspond with fare increases          | 50               | 5               |
| Increase other rail passes to correspond with fare increases                          | 45               | 6               |
| Eliminate the 28-day rail pass  | 45               | 7               |
| Increase airport Metrobus fare up to \$2.75   | 44               | 8               |
| Increase express Metrobus fare by \$0.25  | 43               | 9               |
| Increase Metrorail non-rush hour fares up to \$0.25                                   | 41               | 10              |
| Increase regular Metrobus fare by \$0.25  | 32               | 11              |

Looking a bit deeper at how specific groups find fare adjustments acceptable, some but not many differences could be found. Whether respondents were exclusively a bus or rail customers or used both bus and rail, the top five fare adjustments found acceptable were virtually the same. Other findings included:

- Minorities found increases in rail fare increases during rush and non-rush and replacing the 1-day rail pass with a combo pass most acceptable.
- Low income populations found replacing the 1-day rail pass with a combo pass, an increase in rail fare during non-rush and an increase other rail passes most acceptable.
- DC residents found the rail fare increase during non-rush, replacing the 1-day rail pass with a combo pass, and rail fare increase during rush most acceptable.
- Virginia and Maryland residents found the rail fare increases during rush and non-rush and an increase to other rail passes most acceptable.

## Service Adjustment Acceptability

As evidenced to this point, customers prefer fare adjustments to service adjustments. Customers prefer more often bus adjustments to rail adjustments. Customers are often concerned their bus route won't be there when they need it more so than rail. Rail customers tend to be concerned about crowding on trains.

While customers are against service adjustments generally, they have strong preferences for how service adjustments should be applied if they must be considered. Customers were asked which of the 10 proposed service adjustments were *acceptable* to them for implementation. The following table shows the rank ordered preference of the 10 adjustments by percent saying it was "acceptable".

| Service Adjustment   | % of respondents | Acceptance Rank |
|--|------------------|-----------------|
| End every other Silver Line train from Wiehle-Reston East at Stadium-Armory during non-rush hour/weekends                          | 57               | 1               |
| End every other Red Line train at Grosvenor instead of Shady Grove during non-rush hour/weekends                                   | 54               | 2               |
| Increase the frequency of Blue Line trains during rush hour from every 12 minutes to every 8 minutes                               | 50               | 3               |
| Reduce the frequency of all trains during non-rush hour and weekends by 3 minutes (e.g. from every 12 minutes to every 15 minutes) | 39               | 4               |
| Eliminate Yellow Line Rush Plus (Franconia-Springfield to Greenbelt)   | 34               | 5               |
| Bus service changes in Maryland  | 30               | 6               |
| Bus service changes in Virginia  | 28               | 7               |
| Bus service changes in DC  | 28               | 8               |
| Reduce the frequency of Orange, Silver, Green and Yellow Line trains during rush hour by 2 minutes                                 | 27               | 9               |
| Reduce the frequency of Red Line trains during rush hour from every 6 to every 8 minutes   | 26               | 10              |

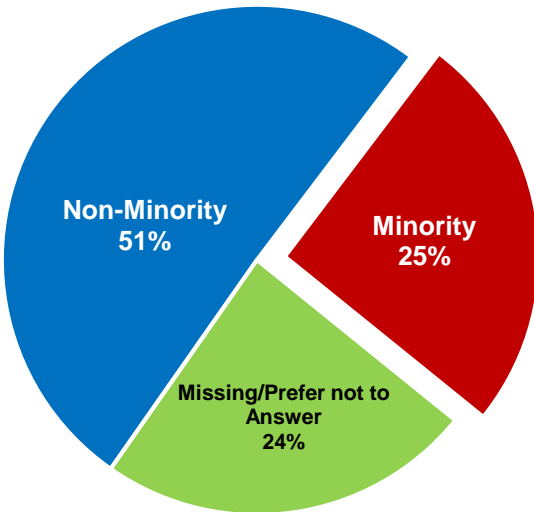
Looking deeper at how specific groups find service adjustments acceptable, some but not many differences can be found. Whether respondents were exclusively a bus or rail customers or used both bus and rail, service adjustment acceptability was the virtually the same. Other findings included:

- Minorities and low income respondents, though in a slightly different order, found the top four service adjustments the most acceptable.
- Similarly, regional difference in the top 5 was slight; DC residents found the elimination of Yellow Line Rush Plus more acceptable than Virginia and Maryland.

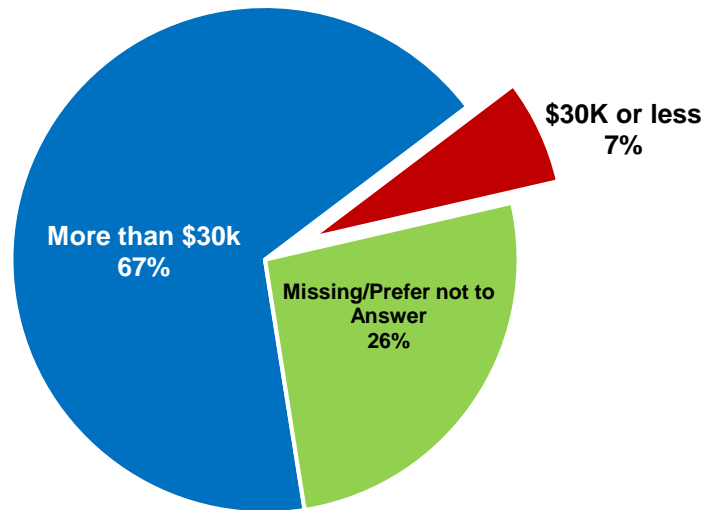
## Demographics

To guarantee equitable feedback gathering, staff conducted outreach at multiple stations and bus stops with bilingual staff to improve participation from Title VI populations and those with Limited English Proficiency. Though this year's proposed budget sparked more engagement than in recent years' budget outreach efforts (5 times higher than last year's proposals), the demographics of respondents were similar to those of other outreach efforts but still lower than the system average.

**Minority vs Non-Minority**



**Low Income vs Non-Low Income**





## Written Comments

Customers had an option to provide open-ended written comments online through the survey tool or deliver written letters to the Board Secretary's office. Metro received a total of 3,096 written comments online, and the Board Secretary's office received 17 letters.

Of the written comments collected online, respondents were able to self-select from different topics that best described to what their comments referred. The table below lists the different categories that the comments focused on.

| Comment Category                         | # received in Category | % of Comments Received |
|--|------------------------|------------------------|
| Bus service adjustment                   | 1233                   | 39.8                   |
| Rail service adjustment                  | 464                    | 15.0                   |
| Some other suggestion                    | 331                    | 10.7                   |
| Increase efficiency or productivity      | 274                    | 8.9                    |
| Rail fare adjustment                     | 187                    | 6.0                    |
| Not specified                            | 178                    | 5.7                    |
| Improve customer service                 | 169                    | 5.5                    |
| Bus fare adjustment                      | 108                    | 3.5                    |
| Save time labor materials or reduce cost | 78                     | 2.5                    |
| Capital improvement plan                 | 74                     | 2.4                    |

All written comments, including the comments collected online and the delivered written letters can be read in Public Input Report Appendix A.

## Public Hearing Oral Testimony

83 people gave oral testimony at the Public Hearing on Monday, January 30, 2017. All oral testimony can be read in Public Input Report Appendix B.



## Attachment B

### Proposed Fare and Fee Changes – Revised

**March 9, 2017 Finance Committee Amendments in red**

| <b>Metrorail Fares</b>  | <b>CURRENT<br/>Fares/Fees</b> | <b>FY2018 Approved<br/>Fares/Fees</b> |
|---|-------------------------------|---------------------------------------|
| <b>Peak Fares<sup>1</sup></b>   |                               |                                       |
| 1 · Boarding charge (up to 3 miles)                                   | \$2.15                        | <b>\$2.25</b>                         |
| 2 · Composite miles between 3 and 6 miles                             | \$0.326                       | <b>no change</b>                      |
| 3 · Composite miles over 6 miles                                      | \$0.288                       | <b>no change</b>                      |
| 4 · Maximum peak fare   | \$5.90                        | <b>\$6.00</b>                         |
| 5 · Charge for senior/disabled is one-half peak fare                  | \$1.05 - \$2.95               | <b>\$1.10 - \$3.00</b>                |
| <b>Off-Peak Fares<sup>2</sup></b>                                     |                               |                                       |
| 6 · Boarding charge (up to 3 miles)                                   | \$1.75                        | <b>\$2.00</b>                         |
| 7 · Composite miles between 3 and 6 miles                             | \$0.244                       | <b>no change</b>                      |
| 8 · Composite miles over 6 miles                                      | \$0.216                       | <b>no change</b>                      |
| 9 · Maximum off-peak fare   | \$3.60                        | <b>\$3.85</b>                         |
| 10 · Charge for senior/disabled is one-half peak fare during off-peak | \$1.05 - \$2.95               | <b>\$1.10 - \$3.00</b>                |
| <b>Rail Passes</b>  |                               |                                       |
| 11 · One-day unlimited rail pass                                      | \$14.50                       | <b>eliminate</b>                      |
| 12 · One-day unlimited "combo" pass (rail and bus)                    | N/A                           | <b>\$14.75</b>                        |
| 13 · One-day "convention" rail pass (bulk sales only) <sup>3</sup>    | \$10.00                       | <b>no change</b>                      |
| 14 · 7-day short-trip pass for rail                                   | \$36.00                       | <b>\$38.50</b>                        |
| 15 · 7-day fast pass for rail   | \$59.25                       | <b>\$60.00</b>                        |
| 16 · 28-day fast pass for rail  | \$237.00                      | <b>eliminate</b>                      |
| 17 · Monthly SelectPass <sup>4</sup>                                  | varies                        | <b>varies</b>                         |
| <b>Other Rail Fares</b>   |                               |                                       |
| 18 · Bus-to-rail transfer utilizing SmarTrip® card                    | \$0.50 discount               | <b>no change</b>                      |
| 19 · 30-day DC SmartStudent pass & DC One card, within DC             | \$33.00                       | <b>\$34.00</b>                        |
| 20 · DC Student farecards & DC One Card - 10 rail trips within DC     | \$10.30                       | <b>eliminate</b>                      |
| 21 · Monthly TransitLink Card on MARC and VRE <sup>5</sup>            | \$111.00                      | <b>\$114.00</b>                       |
| 22 · Monthly TransitLink Card on MTA <sup>5</sup>                     | \$171.00                      | <b>\$176.00</b>                       |
| <b>Metrobus Fares</b>   |                               |                                       |
| <b>Regular Fares</b>  |                               |                                       |
| 23 · Cash/SmarTrip® boarding charge for local/limited-stop bus        | \$1.75                        | <b>\$2.00</b>                         |
| 24 · Cash/SmarTrip® boarding charge for express bus                   | \$4.00                        | <b>\$4.25</b>                         |
| 25 · Cash/SmarTrip® boarding charge for airport routes (5A/B30)       | \$7.00                        | <b>\$7.50</b>                         |
| <b>Senior/Disabled: One-Half Regular Fares</b>                        |                               |                                       |
| 26 · Cash/SmarTrip® boarding charge for local/limited-stop bus        | \$0.85                        | <b>\$1.00</b>                         |
| 27 · Cash/SmarTrip® boarding charge for express bus                   | \$2.00                        | <b>\$2.10</b>                         |
| 28 · Cash/SmarTrip® boarding charge for airport routes (5A/B30)       | \$3.50                        | <b>\$3.75</b>                         |

## Attachment B

| <b>Metrobus Fares (cont.)</b>        |   | <b>CURRENT<br/>Fares/Fees</b> | <b>FY2018 Approved<br/>Fares/Fees</b> |
|--------------------------------------|---|-------------------------------|---------------------------------------|
| <b>Bus Transfers</b>                 |   |                               |                                       |
| 29                                   | · Bus-to-bus transfers utilizing SmarTrip® card   | varies                        | <b>varies</b>                         |
| 30                                   | · Rail-to-bus transfer utilizing SmarTrip® card   | \$0.50 discount               | <b>no change</b>                      |
| 31                                   | · Transfer from MARC, VRE, & MTA with weekly/monthly pass   | \$0.00                        | <b>no change</b>                      |
| 32                                   | · Transfer from regional bus partners   | varies                        | <b>varies</b>                         |
| <b>Bus Passes</b>                    |   |                               |                                       |
| 33                                   | · 7-Day Regional Bus Pass   | \$17.50                       | <b>no change</b>                      |
| 34                                   | · 7-Day Regional Senior/Disabled Pass   | \$8.75                        | <b>no change</b>                      |
| <b>Other Fare Media</b>              |   |                               |                                       |
| 35                                   | · Package of 10 tokens, available to organizations  | \$17.50                       | <b>\$20.00</b>                        |
| 36                                   | · DC student tokens - 10 trips per pack   | \$8.75                        | <b>\$10.00</b>                        |
| 37                                   | · DC student pass on DC One Card - 10 trips   | \$8.75                        | <b>eliminate</b>                      |
| <b>MetroAccess Fares<sup>6</sup></b> |   |                               |                                       |
| 38                                   | · MetroAccess fare (within ADA 3/4 mile service corridor)   | varies                        | <b>varies</b>                         |
| 39                                   | · Maximum fare  | \$6.50                        | <b>no change</b>                      |
| <b>Parking Fees<sup>7</sup></b>      |   |                               |                                       |
| 40                                   | · District of Columbia <sup>8</sup>   | \$4.60                        | <b>\$4.45 - \$4.95</b>                |
| 41                                   | · Montgomery County   | \$4.35 - \$5.10               | <b>\$4.45 - \$5.20</b>                |
| 42                                   | · Prince George's County  | \$4.60 - \$5.10               | <b>\$4.70 - \$5.20</b>                |
| 43                                   | · Virginia  | \$4.85                        | <b>\$4.95</b>                         |
| 44                                   | · Monthly reserved parking fee  | \$45.00 - \$65.00             | <b>no change</b>                      |
| 45                                   | · Parking meters \$1.00/60 minutes  | \$1.00                        | <b>no change</b>                      |
| 46                                   | · Prince George's parking garage at New Carrollton (monthly)  | \$85.00                       | <b>no change</b>                      |
| 47                                   | · Non-Metro rider parking fees  | \$8.60 - \$15.00              | <b>no change</b>                      |
| 48                                   | · Voluntary demand-based pricing – raise or lower parking charge at up to three locations per Compact jurisdiction <sup>8</sup> | N/A                           | <b>+/- \$0.25</b>                     |
| <b>Other Fees</b>                    |   |                               |                                       |
| 49                                   | · Bicycle locker rental   | \$120.00<br>(annual)          | <b>no change</b>                      |
| 50                                   | · Surcharge on Entry/Exit for station improvements, two stations per Compact jurisdiction <sup>9</sup>                          | \$0.05                        | <b>no change</b>                      |

<sup>1</sup> 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.

<sup>2</sup> Off-peak fares are in effect during all other hours on weekdays, Saturday and Sunday, and all national holidays.

<sup>3</sup> Discounted unlimited one-day pass for convention attendees, available through WMATA bulk sales only.

<sup>4</sup> The monthly SelectPass is available at multiple price points and priced at 36 times the corresponding fare. The pass holder may take an unlimited number of trips at that fare or lower; the difference in fare must be paid for any trip with a higher fare. The purchaser may choose to add an unlimited Metrobus pass at a discounted price of \$54 per month.

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

## Attachment B

<sup>6</sup> *MetroAccess fare is twice the equivalent fixed route SmarTrip® fare based on fastest trip.*

<sup>7</sup> *Parking fees consist of Metro's base fee plus jurisdiction surcharge. Monthly fee for Prince George's parking at New Carrollton is \$70 base fee plus \$15 surcharge.*

<sup>8</sup> *Parking facilities with variable pricing are designated per jurisdiction discretion and require Board approval. For FY2018, at the designation of the District of Columbia, the daily parking fee will decrease at Anacostia station by \$0.25 and increase at Minnesota Ave and Rhode Island Ave stations by \$0.25. Variable price changes are in addition to any system-wide parking fee changes that may be approved.*

<sup>9</sup> *Rail stations with surcharge are designated per jurisdiction discretion pending Board approval.*

# Attachment C

## Proposed Service Changes – Revised March 9, 2017 Finance Committee Amendments in red

### I. Metrobus Service

| Line Name  | Route(s)           | Regional/<br>Non-Regional | Description  |
|--|--------------------|---------------------------|--|
| <b>District of Columbia Service</b>              |                    |                           |  |
| <del>Fort Lincoln Shuttle</del>                  | <del>B8,9</del>    | <del>Non-Regional</del>   | <del>Replace with revised H6</del>   |
| <del>Brookland – Fort Lincoln</del>              | <del>H6</del>      | <del>Non-Regional</del>   | <del>Modify route &amp; frequency re: B8,9</del>   |
| Sixteenth Street                                 | S2,4 & S9          | Regional                  | Convert S2,4 trips to S9 trips (budget neutral)  |
| <b>Maryland Service</b>                          |                    |                           |  |
| Clinton  | C11,13             | Regional                  | Reduce frequency   |
| Greenbelt - BWI Airport Express                  | B30                | Non-Regional              | Weekday only service, increase headway to 1 hour   |
| Twinbrook - Silver Spring                        | J5                 | Non-Regional              | Eliminate service  |
| Marlow Heights - Temple Hills                    | H11,12,13          | Regional                  | Reduce frequency   |
| I-270 Express                                    | J7,9               | Non-Regional              | Eliminate service in October 2017  |
| River Road                                       | T2                 | Non-Regional              | Reduce frequency   |
| <del>Bethesda – Silver Spring</del>              | <del>J1,2,3</del>  | <del>Regional</del>       | <del>Cut select trips only</del>   |
| Indian Head Express                              | W19                | Non-Regional              | Eliminate service  |
| Oxon Hill - Fort Washington                      | P17,18,19          | Regional                  | Turnback at Southern Ave.  |
| Bock Road  | W13,14             | Regional                  | Turnback at Southern Ave.  |
| Laurel - Burtonsville Express                    | Z7                 | Non-Regional              | Reduce frequency   |
| <del>College Park – White Flint</del>            | <del>C8</del>      | <del>Regional</del>       | <del>Reduce frequency</del>  |
| <del>Chillum Road</del>                          | <del>F1,2</del>    | <del>Regional</del>       | <del>Reduce frequency</del>  |
| <del>Rhode Island Avenue – New Carrollton</del>  | <del>T14</del>     | <del>Regional</del>       | <del>Reduce frequency</del>  |
| <b>Virginia Service</b>                          |                    |                           |  |
| Burke Centre                                     | 18P,R,S            | Non-Regional              | Eliminate 18R,S, <del>keep</del> improve 18P   |
| Leesburg Pike Limited                            | 28A,X              | Regional                  | Eliminate service on Priority Corridor Network (PCN) Transit Signal Priority (TSP) corridor, improve 28A |
| Chain Bridge Road                                | 15K,L              | Regional                  | Eliminate Rosslyn branch, serve EFC  |
| DC - Dulles                                      | 5A                 | Regional                  | Reduce frequency   |
| Lincolnia - Pentagon                             | 7W,X               | Regional                  | Eliminate 7X service, improve 7W   |
| Arlington - Union Station                        | 13Y                | Regional                  | Eliminate service  |
| Tysons Corner - Dunn Loring                      | 2T                 | Regional                  | Eliminate service  |
| Kings Park                                       | 17A,B,F,M          | Non-Regional              | Eliminate 17A,B,F keep 17M and truncated 17B   |
| <del>Pimmit Hills – Falls Church</del>           | <del>3T</del>      | <del>Regional</del>       | <del>Modify route, days and schedule</del>   |
| Richmond Highway Express                         | REX                | Regional                  | Extend route and reduce frequency  |
| <del>Columbia Heights West – Pentagon City</del> | <del>16G,H,K</del> | <del>Regional</del>       | <del>Modify schedule per Arlington TDP</del>   |
| <del>Columbia Pike – Federal Triangle</del>      | <del>16X</del>     | <del>Regional</del>       | <del>Reduce trips, retain route</del>  |
| <del>Fair Oaks – Fairfax Blvd.</del>             | <del>1G</del>      | <del>Regional</del>       | <del>Adjust frequency and reduce weekends</del>  |
| Fair Oaks - Jermantown Road                      | 2B                 | Regional                  | Reduce weekday peak frequency  |

## Attachment C

### **Proposed Service Changes – Revised** **March 9, 2017 Finance Committee Amendments in red**

#### **II. Metrorail Service**

| <b>Widen WEEKDAY peak period headways</b>  |
|--|
| - Widen Orange/Green/Yellow/Silver Line weekday peak headways from 6 minutes to 8 minutes. Add Trippers on Orange/Green when necessary. Increase percentage of 8-car consists when possible. |
| - Reduce Blue Line headway from 12 minutes to 8 minutes and eliminate Rush Plus Yellow Line service  |
| - Widen Red Line weekday peak headways from 6 to 8 minutes north of Silver Spring and Grosvenor. Widen Red Line weekday peak headways from 3 to 4 minutes at all other stations.             |

# M E M O R A N D U M



SUBJECT: FY2018 Budget Proposal –  
Title VI Equity Analysis

DATE: March 17, 2017

FROM: OEE0 – James T. Wynne, Jr.

THRU: FAIR – Franklin Jones

TO: GM/CEO – Paul J. Wiedefeld

This memorandum serves as the Title VI analysis for the fare and service changes associated with Metro's proposed Fiscal Year 2018 Operating Budget as presented at the March 23, 2017 Board Meeting.

## I. Conclusion

Based on the Title VI equity analysis, staff has determined that the proposed fare and service changes associated with the FY18 Operating Budget do not result in a disparate impact (DI) on minority populations or a disproportionate burden (DB) on low-income populations. The fare proposals do impact minority and low-income customers at a slightly higher rate than non-minority and non-low-income customers. However, these differences fall below the DI and DB thresholds. The service proposals impact minority and low-income customers at a lower rate than non-minority and non-low-income customers. Therefore, no DI or DB exists.

## II. Fare and Service Change Proposals

In November 2016, the GM/CEO put forward a proposed FY2018 Operating Budget. In order to close a budget shortfall of nearly \$300 million, the proposal includes employee headcount reductions, use of Federal Transit Administration (FTA) grant funds for preventive maintenance activities, increased jurisdictional contributions, and fare increases and service reductions on both bus and rail.

Based on input from the public outreach process and consultations with the jurisdictions, the GM/CEO's revised budget proposal presented at the March 9 Finance Committee includes the following fare changes aimed at increasing revenue as shown in Table 1:

**Table 1: Major Policy Direction, Rail and Bus Fares**

|                      |  |
|----------------------|--|
| <b>Rail Peak</b>     | \$0.10 increase: \$2.25 base fare, \$6.00 max fare |
| <b>Rail Off-Peak</b> | \$0.25 increase: \$2.00 base fare, \$3.85 max fare |
| <b>Local Bus</b>     | \$0.25 increase: \$2.00 base fare                  |
| <b>Express Bus</b>   | \$0.25 increase: \$4.25 base fare                  |

|                    |                                   |
|--------------------|-----------------------------------|
| <b>Airport Bus</b> | \$0.50 increase: \$7.50 base fare |
| <b>Parking</b>     | \$0.10 increase <sup>1</sup>      |

Table 1 highlights the major fare changes proposed in the FY18 Operating Budget. Attachment B to the budget adoption resolution details the complete list of the proposed changes to Metro's fare policy, such as a proportional increase in the cost of most daily, weekly and monthly passes as well as the elimination of some lightly-used pass products. Metro has incorporated these proposed fare changes into this updated analysis, except for the changes noted below, which were immaterial and impractical to incorporate.

The revised budget proposal also includes a number of service modifications to both Metrorail and Metrobus service, designed to reduce operating costs and increase system efficiency, which are summarized in Table 2.

**Table 2: Summary of Bus and Rail Service Changes**

|                          |  |
|--------------------------|--|
| <b>Peak Rail Service</b> | Increase peak headways of Orange, Silver, Yellow, Green and Red Lines from 6 to 8 mins. Eliminate Rush Plus and reduce Blue Line peak headway from 12 to 8 mins. |
| <b>Bus Service</b>       | Discontinue routes or segments of routes with low ridership. Reduce frequency on routes/time periods with excess capacity.                                       |

Attachment C to the budget adoption resolution details the complete list of Metrobus service changes, which incorporates input from the local jurisdictions and the public. Metro has included each major service change in its service equity analysis.

It is important to note that new service on the NH2 bus line is not included in the analysis. The NH2 currently operates as a pilot, which, under Title VI guidance, is exempt from an equity analysis for a period of up to one year. Staff is in the process of evaluating the performance of this route and collecting demographic data, and will take the decision of whether or not to make the route permanent to the Board later this year. Therefore, the equity analysis for the NH2 will be presented to the Board at that time.

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<sup>1</sup> At most stations. If approved, variable pricing would result in a \$0.25 decrease at Anacostia and a \$0.25 increase at Minn. Ave. and Rhode Island Ave.

### **III. Title VI Analysis**

When a transit agency proposes a fare change or a major service change, the FTA, in its Title VI Circular 4702.1B, requires that the transit agency conduct an equity analysis to determine whether the service change will result in a disparate impact (DI) on minority riders or a disproportionate burden (DB) on low-income riders.

In conducting the equity analysis, Metro used the following survey and operations data to determine which populations would be affected by each proposed fare or service change:

- 2016 Travel Trends Rail Passenger Survey (Spring, 2016);
- 2014 Metrobus Passenger Survey (Spring/ Fall 2014);
- Metrorail and Metrobus ridership data collected Spring 2016 (prior to SafeTrack<sup>2</sup>); and
- Metrorail and Metrobus revenue data collected Spring 2016 (prior to Safetrack<sup>2</sup>)

Because the proposed FY18 Operating Budget considers changes to both Metrobus and Metrorail service, staff combined the bus and rail changes to assess service and fare equity. This “cumulative” approach is the most effective way to assess the proposed budget’s effect on minority and low-income populations. For instance, bus service has a higher concentration of minority and low-income riders compared to rail service. Thus, taking the cumulative approach ensures that the analysis accurately assesses whether the proposed operating budget fairly balances service cuts and fare changes between bus and rail service.

Nevertheless, as detailed below, Metro’s fare and service equity analyses show that no DI or DB exists even when the bus and rail changes are assessed independently.

#### **a. Fare Changes**

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

To assess fare impacts, staff first calculated the average fare paid for bus, rail, and parking customers by demographic cohort on a typical weekday.<sup>2</sup> To accomplish this, staff calculated the fare paid by each rail customer for each origin and destination pair on rail by time of day (peak vs. off-peak) and by fare categories

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<sup>2</sup> Given the impact of SafeTrack on ridership patterns, staff used an April/May 2016 ridership and revenue base



(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. These data are then merged with survey data for the same origin and destination pairs 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 somewhat 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 shown in Table 3. In other words, to determine the total percentage increase, Metro calculated the amount of revenue by demographic group from the proposed rail, bus, and parking fare changes. Metro then took that number and divided it by the number of customers in each demographic group. This 'average fare' for the proposed budget is then compared to the current average fare for these same groups. The percentages shown in Table 3 are the differences in these two values. For example, an increase from \$3.00 to \$3.15 works out to a difference of \$0.15 or 5 percent.

**Table 3: DI/DB Test, Percentage Fare Increase by Demographic Group**

|                         | Minority    | Non-Minority | Low Income  | Non-Low Income |
|-------------------------|-------------|--------------|-------------|----------------|
| Rail                    | 4.6%        | 4.6%         | 6.0%        | 4.5%           |
| Bus                     | 13.7%       | 14.2%        | 13.3%       | 14.3%          |
| Parking                 | 2.0%        | 2.0%         | 2.3%        | 2.0%           |
| <b>Total</b>            | <b>6.9%</b> | <b>5.1%</b>  | <b>9.9%</b> | <b>5.3%</b>    |
| Difference              |             | <b>1.8%</b>  |             | <b>4.6%</b>    |
| Board Adopted Threshold |             | 5.0%         |             | 5.0%           |
| DI/ DB                  |             | <b>No</b>    |             | <b>No</b>      |

As shown in Table 3, the proposal passes Metro's DI/DB test, as the difference in the cumulative average fare (combining rail, bus, and parking) paid by minority riders and non-minority riders is 1.8 percent, and the difference between low-income and non-low-income riders is 4.6 percent, both of which are below the 5.0 percent threshold.

Although Metro believes that the cumulative approach produces the most accurate analysis, Table 3 also shows that the average rail, bus, and parking fares do not independently create a DI or DB.

Please note that the following proposed fare changes were not incorporated into the average fare increase calculation because these changes were neither practical to incorporate nor material to the analysis:

- 28-day Fast Pass: The proposal calls for the elimination of the 28-day Fast Pass. Consistent with other analyses of fare media eliminations, staff employed a “service” equity analysis, whereby the ratio of impacted minority and low-income trips was compared to the system average. These customers have a demographic make-up that is much lower—at 43 percent minority and five percent low income—than the system average; therefore, eliminating this pass does not result in a DI or DB. Furthermore, this is very lightly used fare product, with less than 700 weekday trips as of October 2016. Moreover, all of these customers could purchase a Select Pass that provides a similar functionality as the 28-day pass.
- DC SmartStudent Pass, DC One Card, and changes to the cost of tokens: The proposal includes changes to the cost of tokens for groups or students, a change in the 30 day DC SmartStudent Pass & DC One Card monthly fee from \$33 to \$34, and the elimination of 10 trip student pass on DC One Card. Metro does not have specific demographic data available to support an analysis of these changes. Furthermore, these pass products see little use now, as most DC school students ride Metrobus and Metrorail without paying a fare as part of the “Kids Ride Free Program.” Therefore, they are unaffected by the proposed budget.

b. Service Changes

As discussed in the prior section, because the proposed FY18 Operating Budget considers changes to both Metrobus and Metrorail service, staff calculated the impacted minority and low-income trips as a percentage of all impacted trips system-wide (rail and bus combined). The following table shows the combined rail and bus system profile that is used in the DI/DB determination.

**Table 4: System Demographic Summary**

|   | <b>Annual<br/>Ridership<br/>(FY 2016)</b> | <b>%<br/>Minority<br/>Ridership</b> | <b>% Low<br/>Income<br/>Ridership</b> | <b>Annual<br/>Minority<br/>Trips</b> | <b>Annual<br/>Low<br/>Income<br/>Trips</b> |
|---|---|-------------------------------------|---------------------------------------|--------------------------------------|--|
| Rail  | 191,347,600                               | 45%                                 | 13%                                   | 86,065,916                           | 24,567,857                                 |
| Bus   | 127,431,700                               | 81%                                 | 52%                                   | 103,809,149                          | 66,238,352                                 |
| Total                                       | 318,779,300                               |                                     |                                       | 189,875,064                          | 90,806,209                                 |
| <b>System Total Minority and Low Income</b> |   |                                     |                                       | <b>59.6%</b>                         | <b>28.5%</b>                               |

Staff factored into its analysis all of the proposed major service changes, except for the NH2 line, which, as explained above, will require a separate equity analysis that will be presented to the Board later this year.

The proposed service changes may adversely impact riders in a number of ways. On bus and rail, longer headways mean customers have to wait longer for buses and trains. On rail, once they board, their train may be more crowded. In many cases, travelers will see a 25 percent reduction in service, from a 6 to 8 minute headway or a combined 3 to 4 minute headway.

On bus, some customers may have to use another bus route or transfer to rail to make the same trip as there is no longer direct service between their origin and destination. And, in some cases, there will no longer be a transit option available for that bus trip. As described below, Metro examined the demographics of those riders impacted by bus route eliminations, which will result in the most serious impact to riders. Those routes, however, were below the bus system average for minority and low-income demographics. Moreover, as detailed below, Metro identified alternative travel options for most of the eliminated routes.

Following the identification of impacted trips, the corresponding number of minority and low-income customers is tabulated using on-board survey data. Table 5 shows the combined number of rail and bus impacted trips over the course of a year (using a FY 2016 base).

**Table 5: Impacted Trips Analysis**

|              | <b>Impacted Trips</b> | <b>Minority Impacted Trips</b> | <b>Low Income Impacted Trips</b> | <b>Minority %</b> | <b>Low Income %</b> |
|--------------|-----------------------|--------------------------------|----------------------------------|-------------------|---------------------|
| Metrorail    | 103,655,964           | 42,867,732                     | 7,567,984                        | 41.4%             | 7.3%                |
| Metrobus     | 3,143,526             | 2,286,621                      | 1,111,070                        | 72.7%             | 35.3%               |
| <b>Total</b> | <b>106,799,490</b>    | <b>45,154,352</b>              | <b>8,679,055</b>                 | <b>42.3%</b>      | <b>8.1%</b>         |

To determine the daily impacted ridership, Metro selected the proposed service change with the highest number of affected riders. The proposed change in peak rail headways affects the most riders, impacting over 410,000 trips on an average weekday. Metro then applied the 410,000 daily riders impacted to the DI/DB thresholds in Table 6, which were adopted by the Board in Resolution 2013-27. This yielded a 5 percent DI/DB threshold.

**Table 6: DI/DB Threshold**

| <b>Total Daily Riders Impacted</b> | <b>Threshold for Significant Disparity</b> |
|------------------------------------|--|
| Up to 10,000                       | 8%   |
| 10,001 to 20,000                   | 7%   |
| 20,001 to 40,000                   | 6%   |
| Over 40,000                        | 5%   |

Finally, Metro applied the impacted riders in Table 5 and the DI/DB thresholds in Table 6 to determine, in Table 7, whether the percentage of affected minority and low-income riders exceeded the system-wide average by more than Metro's DI/DB thresholds.

**Table 7: DI DB Test – Service Proposal**

|                             | <b>Minority Impacted Trips</b> | <b>Low Income Impacted Trips</b> |
|-----------------------------|--------------------------------|----------------------------------|
| Impacted Ratio              | 42.3%                          | 8.1%                             |
| System (Rail + Bus) Average | 59.6%                          | 28.5%                            |
| <b>Difference</b>           | <b>-17.3%</b>                  | <b>-20.4%</b>                    |
| Threshold                   | +5.0%                          | +5.0%                            |
| DI/ DB                      | <b>No</b>                      | <b>No</b>                        |

As shown above, the service changes associated with the proposed budget do not result in a DI or DB. The ratio of impacted minority and low-income trips is significantly lower than the corresponding system averages.

Although Metro believes that the cumulative approach produces the most accurate analysis, Table 7 also shows that the rail and bus service changes do not independently create a DI or DB. At 41.4 percent minority and 7.3 percent low income, the proportion of rail trips impacted is lower than the corresponding rail system averages of 45 percent and 13 percent, respectively. Also, at 72.7 percent minority and 35.3 percent low income, the ratio of impacted bus customers is lower than the corresponding 81 percent and 52 percent bus system averages.

### **Alternative Service Analysis – Bus Route Eliminations**

The most significant potential adverse impact to the customer could result from route or line eliminations. Therefore, staff conducted an analysis of alternative services available for customers to complete their trip.

In total, 13 routes were proposed for elimination.<sup>3</sup> None of these routes has a minority profile that exceeds the Metrobus system average of 81 percent and none of these routes has a low-income profile that exceeds the system average of 52 percent. Annual ridership on these affected routes totaled approximately 805,000 in FY 2016, or approximately 0.6 percent of the 126 million Metrobus trips made that year.

The analysis identifies typical origin and destination pairs for each route proposed for elimination to determine 1) if alternative service would be available, and 2) resulting impacts to travel times, transfers and fares on alternative service. Trips are run in both the peak and off-peak, where applicable, including Saturday and Sundays. Staff evaluated 15 trips for this analysis. The results are shown in Table 8.

**Table 8: Summary of Results, Route Eliminations**

|                                      |    |
|--------------------------------------|----|
| Routes Impacted                      | 13 |
| Trips Analyzed                       | 15 |
| No Trip available                    | 3  |
| Increase In Travel Time (> 10 Mins.) | 5  |
| Additional Transfer                  | 3  |
| Fare Increase (>\$0.50)              | 1  |

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<sup>3</sup> 3 Routes Proposed for Elimination at the start of FY2018: W19, J5, B30 (Sat. and Sun.), 2T, 18R, 18S, 28X, 7X, 17A, 17F, 13Y. The J7 and J9 will be eliminated starting October of 2017.

As shown in Table 8, most customers impacted by the route eliminations would have alternative options to complete their trip.

However, customers traveling on three sampled trips between the origins and destinations on two routes—W19 and 13Y—would no longer have a transit option to complete the sampled trip. Some other route eliminations would create an impact on travel times or fare paid, although an alternative transit option exists. Five trips would see an increase in travel time of more than 10 minutes. One of the route eliminations (J5) would require a transfer to rail and therefore an increase in fare to complete the trip.





**ATTACHMENT E:**

**WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY  
FY2018 REVISED AMENDED OPERATING BUDGET**

(dollars in thousands)

|                        | <u><b>Total</b></u> | <u><b>Subsidized</b></u> | <u><b>BUS</b></u> | <u><b>RAIL</b></u> | <u><b>ACCESS</b></u> | <u><b>REIMBURS.</b></u> |
|------------------------|---------------------|--------------------------|-------------------|--------------------|----------------------|-------------------------|
| <b>REVENUES</b>        |                     |                          |                   |                    |                      |                         |
| Passenger              | \$696,876           | \$693,976                | \$146,075         | \$538,169          | \$9,732              | \$2,900                 |
| Other Passenger        | \$40,579            | \$19,215                 | \$14,584          | \$4,631            | \$0                  | \$21,364                |
| Parking                | \$42,164            | \$42,164                 | \$0               | \$42,164           | \$0                  | \$0                     |
| Advertising            | \$24,000            | \$24,000                 | \$16,080          | \$7,920            | \$0                  | \$0                     |
| Joint Development      | \$8,000             | \$8,000                  | \$0               | \$8,000            | \$0                  | \$0                     |
| Fiber Optics           | \$15,600            | \$15,600                 | \$0               | \$15,600           | \$0                  | \$0                     |
| Other                  | \$17,781            | \$11,278                 | \$5,639           | \$5,639            | \$0                  | \$6,503                 |
| Interest               | \$0                 | \$0                      | \$0               | \$0                | \$0                  | \$0                     |
| <b>Total Revenues</b>  | <b>\$845,000</b>    | <b>\$814,233</b>         | <b>\$182,378</b>  | <b>\$622,123</b>   | <b>\$9,732</b>       | <b>\$30,767</b>         |
| <b>EXPENSES</b>        |                     |                          |                   |                    |                      |                         |
| Personnel              | \$1,307,859         | \$1,301,074              | \$550,251         | \$741,941          | \$8,882              | \$6,785                 |
| Services               | \$293,871           | \$272,214                | \$62,310          | \$105,345          | \$104,559            | \$21,657                |
| Materials & Supplies   | \$100,860           | \$100,683                | \$39,192          | \$60,790           | \$701                | \$177                   |
| Fuel (Gas/Diesel/CNG)  | \$32,849            | \$30,744                 | \$23,555          | \$2,075            | \$5,113              | \$2,105                 |
| Utilities & Propulsion | \$87,664            | \$87,664                 | \$15,425          | \$71,670           | \$569                | \$0                     |
| Casualty & Liability   | \$28,560            | \$28,560                 | \$11,081          | \$16,936           | \$543                | \$0                     |
| Leases & Rentals       | \$8,329             | \$8,329                  | \$2,255           | \$5,196            | \$878                | \$0                     |
| Miscellaneous          | \$5,046             | \$5,004                  | \$1,441           | \$3,505            | \$58                 | \$42                    |
| Capital Allocation     | (\$40,493)          | (\$40,493)               | (\$15,711)        | (\$24,012)         | (\$769)              | \$0                     |
| <b>Total Expenses</b>  | <b>\$1,824,545</b>  | <b>\$1,793,778</b>       | <b>\$689,799</b>  | <b>\$983,447</b>   | <b>\$120,533</b>     | <b>\$30,767</b>         |
| <b>Net Subsidy</b>     | <b>\$979,545</b>    | <b>\$979,545</b>         | <b>\$507,421</b>  | <b>\$361,323</b>   | <b>\$110,801</b>     | <b>\$0</b>              |
| Cost Recovery Ratio    |                     | 45%                      | 26%               | 63%                | 8%                   |                         |

**ATTACHMENT F:**

**FISCAL YEAR 2018 BUDGET - *AMENDED REVISED PROPOSAL***

**SUMMARY OF STATE/LOCAL OPERATING REQUIREMENTS**

|   | Total                  | District of<br>Columbia | Montgomery<br>County | Prince<br>George's<br>County | City of<br>Alexandria | Arlington<br>County | City of<br>Fairfax | Fairfax<br>County    | City of<br>Falls<br>Church |
|---|------------------------|-------------------------|----------------------|------------------------------|-----------------------|---------------------|--------------------|----------------------|----------------------------|
| <b>Metrobus Operating Subsidy</b>       |                        |                         |                      |                              |                       |                     |                    |                      |                            |
| Regional Bus Subsidy                    | <b>\$438,883,944</b>   | \$186,602,264           | \$63,432,473         | \$75,660,251                 | \$19,229,240          | \$33,447,554        | \$664,549          | \$58,211,266         | \$1,636,347                |
| Non-Regional Bus Subsidy                | <b>\$68,536,922</b>    | \$29,466,821            | \$7,768,082          | \$21,165,430                 | \$2,761,757           | \$1,941,083         | \$0                | \$5,433,750          | \$0                        |
| Subtotal                                | <b>\$507,420,866</b>   | \$216,069,084           | \$71,200,554         | \$96,825,681                 | \$21,990,997          | \$35,388,637        | \$664,549          | \$63,645,015         | \$1,636,347                |
| Percent of Total                        | <b>100%</b>            | 42.6%                   | 14.0%                | 19.1%                        | 4.3%                  | 7.0%                | 0.1%               | 12.5%                | 0.3%                       |
| <b>Metrorail Operating Subsidy</b>      |                        |                         |                      |                              |                       |                     |                    |                      |                            |
| Base Allocation                         | <b>\$353,346,841</b>   | \$122,099,942           | \$64,806,946         | \$56,536,812                 | \$17,131,871          | \$34,424,429        | \$1,122,668        | \$56,306,502         | \$917,670                  |
| Max Fare Subsidy                        | <b>\$7,976,432</b>     | \$852,701               | \$3,114,556          | \$1,435,083                  | \$325,160             | \$223,441           | \$64,435           | \$1,930,610          | \$30,445                   |
| Subtotal                                | <b>\$361,323,273</b>   | \$122,952,643           | \$67,921,502         | \$57,971,896                 | \$17,457,031          | \$34,647,871        | \$1,187,103        | \$58,237,112         | \$948,115                  |
| Percent of Total                        | <b>100%</b>            | 34.0%                   | 18.8%                | 16.0%                        | 4.8%                  | 9.6%                | 0.3%               | 16.1%                | 0.3%                       |
| <b>MetroAccess Subsidy</b>              | <b>\$110,801,107</b>   | \$25,536,904            | \$22,233,130         | \$47,561,043                 | \$831,639             | \$831,057           | \$306,393          | \$13,416,605         | \$84,335                   |
| Percent of Total                        | <b>100%</b>            | 23.0%                   | 20.1%                | 42.9%                        | 0.8%                  | 0.8%                | 0.3%               | 12.1%                | 0.1%                       |
| <b>Net Operating Subsidy</b>            | <b>\$979,545,246</b>   | <b>\$364,558,631</b>    | <b>\$161,355,187</b> | <b>\$202,358,620</b>         | <b>\$40,279,668</b>   | <b>\$70,867,564</b> | <b>\$2,158,046</b> | <b>\$135,298,733</b> | <b>\$2,668,797</b>         |
|   | <b>100%</b>            | 37.2%                   | 16.5%                | 20.7%                        | 4.1%                  | 7.2%                | 0.2%               | 13.8%                | 0.3%                       |
| Metro Matters Debt Service              | <b>\$21,177,944</b>    | \$10,673,684            | \$4,945,050          | \$5,506,266                  | \$0                   | \$0                 | \$0                | \$0                  | \$52,944                   |
| <b>Total Debt Service</b>               | <b>\$21,177,944</b>    | <b>\$10,673,684</b>     | <b>\$4,945,050</b>   | <b>\$5,506,266</b>           | <b>\$0</b>            | <b>\$0</b>          | <b>\$0</b>         | <b>\$0</b>           | <b>\$52,944</b>            |
| <b>Jurisdictional Operating Funding</b> | <b>\$1,000,723,190</b> | <b>\$375,232,315</b>    | <b>\$166,300,237</b> | <b>\$207,864,886</b>         | <b>\$40,279,668</b>   | <b>\$70,867,564</b> | <b>\$2,158,046</b> | <b>\$135,298,733</b> | <b>\$2,721,742</b>         |

## Attachment G-1:

### FY2018-2023 Capital Improvement Program by Category

*\$ in millions*

| Investment by Category                           | FY2018           | FY2019           | FY2020           | FY2021           | FY2022           | FY2023           | Total            |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Railcars</b>                                  | \$527.8          | \$522.5          | \$503.4          | \$548.3          | \$207.2          | \$225.3          | <b>\$2,534.5</b> |
| <b>Rail Systems</b>                              | \$126.6          | \$170.7          | \$166.7          | \$136.9          | \$138.8          | \$118.3          | <b>\$858.0</b>   |
| <b>Track &amp; Structures<br/>Rehabilitation</b> | \$112.6          | \$108.6          | \$111.2          | \$124.0          | \$141.9          | \$161.4          | <b>\$759.7</b>   |
| <b>Stations &amp; Passenger<br/>Facilities</b>   | \$190.5          | \$274.2          | \$235.8          | \$240.0          | \$254.3          | \$229.8          | <b>\$1,424.5</b> |
| <b>Bus &amp; Paratransit</b>                     | \$211.1          | \$150.2          | \$205.4          | \$228.0          | \$231.3          | \$243.9          | <b>\$1,270.0</b> |
| <b>Business Support</b>                          | \$81.5           | \$52.4           | \$51.3           | \$49.9           | \$50.4           | \$50.8           | <b>\$336.3</b>   |
| <b>TOTAL CIP</b>                                 | <b>\$1,250.0</b> | <b>\$1,278.6</b> | <b>\$1,273.8</b> | <b>\$1,327.1</b> | <b>\$1,024.0</b> | <b>\$1,029.5</b> | <b>\$7,183.0</b> |

**Attachment G-2:**  
**FY2018-2023 Capital Improvement Program Funding Sources**

| <i>\$ in millions</i>                      | <b>FY2018</b>    | <b>FY2019</b>    | <b>FY2020</b>    | <b>FY2021</b>    | <b>FY2022</b>    | <b>FY2023</b>    | <b>Total</b>     |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Federal</b>                             |                  |                  |                  |                  |                  |                  |                  |
| Federal Formula Programs                   | \$301.1          | \$302.7          | \$302.7          | \$302.7          | \$302.7          | \$302.7          | \$1,814.4        |
| Federal PRIIA                              | 148.5            | 148.5            | 148.5            | 148.5            | 148.5            | 148.5            | 891.0            |
| Other Federal Grants                       | 10.8             | 9.5              | 7.2              | 7.8              | 8.0              | 8.3              | 51.6             |
| Subtotal Federal                           | 460.5            | 460.7            | 458.4            | 458.9            | 459.2            | 459.5            | 2,757.1          |
| <b>State and Local</b>                     |                  |                  |                  |                  |                  |                  |                  |
| Match to Federal Formula                   | 75.5             | 76.3             | 76.0             | 77.4             | 75.8             | 75.9             | 456.9            |
| System Performance                         | 135.0            | 344.8            | 421.8            | 419.0            | 293.7            | 269.8            | 1,884.0          |
| State and Local PRIIA                      | 148.5            | 148.5            | 148.5            | 148.5            | 148.5            | 148.5            | 891.0            |
| Other State and Local                      | 15.3             | 4.5              | 3.9              | 4.0              | 4.1              | 4.2              | 36.0             |
| Subtotal State and Local                   | 374.4            | 574.0            | 650.1            | 649.0            | 522.1            | 498.3            | 3,267.9          |
| <b>MWAA</b>                                | 118.2            | 33.2             | 32.2             | 69.2             | 35.2             | 5.0              | 293.0            |
| <b>Other</b>                               | 6.0              | 8.0              | 1.0              |                  |                  |                  | 15.0             |
| <b>Long-Term Financing</b>                 | 291.0            | 202.7            | 132.1            | 150.0            | 7.5              | 66.7             | 850.0            |
| <b>Total</b>                               | <b>\$1,250.0</b> | <b>\$1,278.6</b> | <b>\$1,273.8</b> | <b>\$1,327.1</b> | <b>\$1,024.0</b> | <b>\$1,029.5</b> | <b>\$7,183.0</b> |
| <b>Financing Authorized in Prior Years</b> | \$284.2          |                  |                  |                  |                  |                  | <b>\$284.2</b>   |
| <b>Grand Total</b>                         | <b>\$1,534.2</b> | <b>\$1,278.6</b> | <b>\$1,273.8</b> | <b>\$1,327.1</b> | <b>\$1,024.0</b> | <b>\$1,029.5</b> | <b>\$7,467.2</b> |

**Attachment G-3:**  
**CIP Financial Plan - Allocation of State & Local Contributions**

| (\$ in millions)   | FY2018<br>Budget | FY2019<br>Plan | FY2020<br>Plan | FY2021<br>Plan | FY2022<br>Plan | FY2023<br>Plan | 6 Year<br>Total  |
|--|------------------|----------------|----------------|----------------|----------------|----------------|------------------|
| <b>Federal Formula Match &amp; System Performance</b>                                  |                  |                |                |                |                |                |                  |
| <b>District of Columbia</b>  | <b>\$76.1</b>    | <b>\$152.2</b> | <b>\$179.9</b> | <b>\$179.4</b> | <b>\$133.5</b> | <b>\$124.9</b> | <b>845.9</b>     |
| Montgomery County  | 37.1             | 74.1           | 87.6           | 87.4           | 65.0           | 60.8           | 412.0            |
| Prince George's County   | 36.1             | 72.1           | 85.3           | 85.0           | 63.3           | 59.2           | 400.9            |
| <b>Maryland Subtotal</b>   | <b>73.1</b>      | <b>146.2</b>   | <b>172.9</b>   | <b>172.4</b>   | <b>128.3</b>   | <b>120.0</b>   | <b>813.0</b>     |
| City of Alexandria   | 9.8              | 19.6           | 23.2           | 23.1           | 17.2           | 16.1           | 109.0            |
| Arlington County   | 18.6             | 37.2           | 44.0           | 43.8           | 32.6           | 30.5           | 206.7            |
| City of Fairfax  | 0.58             | 1.2            | 1.4            | 1.4            | 1.0            | 1.0            | 6.5              |
| Fairfax County   | 31.8             | 63.6           | 75.1           | 74.9           | 55.8           | 52.2           | 353.4            |
| City of Falls Church   | 0.58             | 1.2            | 1.4            | 1.4            | 1.0            | 0.9            | 6.4              |
| <b>Virginia Subtotal</b>   | <b>61.3</b>      | <b>122.7</b>   | <b>145.0</b>   | <b>144.6</b>   | <b>107.7</b>   | <b>100.7</b>   | <b>682.0</b>     |
| <b>Subtotal Federal Formula Match &amp; System Performance</b>                         | <b>210.5</b>     | <b>421.1</b>   | <b>497.7</b>   | <b>496.4</b>   | <b>369.5</b>   | <b>345.7</b>   | <b>2,340.9</b>   |
| <b>State and Local PRIIA</b>   |                  |                |                |                |                |                |                  |
| District of Columbia   | 49.5             | 49.5           | 49.5           | 49.5           | 49.5           | 49.5           | 297.0            |
| State of Maryland  | 49.5             | 49.5           | 49.5           | 49.5           | 49.5           | 49.5           | 297.0            |
| Commonwealth of Virginia   | 49.5             | 49.5           | 49.5           | 49.5           | 49.5           | 49.5           | 297.0            |
| <b>Subtotal State and Local PRIIA</b>  | <b>148.5</b>     | <b>148.5</b>   | <b>148.5</b>   | <b>148.5</b>   | <b>148.5</b>   | <b>148.5</b>   | <b>891.0</b>     |
| <b>Other State and Local</b>   |                  |                |                |                |                |                |                  |
| <b>District of Columbia</b>  | <b>1.1</b>       | <b>1.0</b>     | <b>1.0</b>     | <b>1.0</b>     | <b>1.0</b>     | <b>1.0</b>     | <b>6.1</b>       |
| Montgomery County  | 0.1              |                |                |                |                |                | 0.1              |
| Prince George's County   | 0.1              |                |                |                |                |                | 0.1              |
| State of Maryland  | 5.0              | 1.0            | 1.0            | 1.0            | 1.0            | 1.0            | 10.0             |
| <b>Maryland Subtotal</b>   | <b>5.1</b>       | <b>1.0</b>     | <b>1.0</b>     | <b>1.0</b>     | <b>1.0</b>     | <b>1.0</b>     | <b>10.1</b>      |
| DRPT (CMAQ Match)  | 1.4              | 1.5            | 0.9            | 1.0            | 1.1            | 1.2            | 7.1              |
| City of Alexandria   | 6.8              | 0.2            | 0.2            | 0.2            | 0.2            | 0.2            | 7.6              |
| Arlington County   | 0.3              | 0.3            | 0.3            | 0.3            | 0.3            | 0.3            | 1.8              |
| City of Fairfax  | 0.01             | 0.01           | 0.01           | 0.01           | 0.01           | 0.01           | 0.1              |
| Fairfax County   | 0.6              | 0.5            | 0.5            | 0.5            | 0.5            | 0.5            | 3.2              |
| City of Falls Church   | 0.01             | 0.01           | 0.01           | 0.01           | 0.01           | 0.01           | 0.1              |
| Commonwealth of Virginia   |                  |                |                |                |                |                |                  |
| <b>Virginia Subtotal</b>   | <b>9.1</b>       | <b>2.5</b>     | <b>1.9</b>     | <b>2.0</b>     | <b>2.1</b>     | <b>2.2</b>     | <b>19.8</b>      |
| <b>Subtotal Other State and Local</b>  | <b>15.3</b>      | <b>4.5</b>     | <b>3.9</b>     | <b>4.0</b>     | <b>4.1</b>     | <b>4.2</b>     | <b>36.0</b>      |
| <b>Total Contributions before Debt</b>   | <b>\$374.4</b>   | <b>\$574.0</b> | <b>\$650.1</b> | <b>\$649.0</b> | <b>\$522.1</b> | <b>\$498.3</b> | <b>\$3,267.9</b> |
| <b>Additional Contribution or Debt (Including Financing Authorized in Prior Years)</b> |                  |                |                |                |                |                |                  |
| <b>District of Columbia</b>  | <b>211.4</b>     | <b>73.2</b>    | <b>47.7</b>    | <b>54.2</b>    | <b>2.7</b>     | <b>24.1</b>    | <b>413.5</b>     |
| Montgomery County  | 99.9             | 35.7           | 23.3           | 26.4           | 1.3            | 11.7           | 198.3            |
| Prince George's County   | 101.1            | 34.7           | 22.6           | 25.7           | 1.3            | 11.4           | 196.9            |
| <b>Maryland Subtotal</b>   | <b>201.0</b>     | <b>70.4</b>    | <b>45.9</b>    | <b>52.1</b>    | <b>2.6</b>     | <b>23.2</b>    | <b>395.2</b>     |
| City of Alexandria   | 24.6             | 9.4            | 6.2            | 7.0            | 0.4            | 3.1            | 50.6             |
| Arlington County   | 49.3             | 17.9           | 11.7           | 13.2           | 0.7            | 5.9            | 98.7             |
| City of Fairfax  | 1.6              | 0.6            | 0.4            | 0.4            | 0.0            | 0.2            | 3.2              |
| Fairfax County   | 85.4             | 30.6           | 19.9           | 22.6           | 1.1            | 10.1           | 169.8            |
| City of Falls Church   | 1.8              | 0.6            | 0.4            | 0.4            | 0.0            | 0.2            | 3.3              |
| Commonwealth of Virginia   |                  |                |                |                |                |                |                  |
| <b>Virginia Subtotal</b>   | <b>162.7</b>     | <b>59.1</b>    | <b>38.5</b>    | <b>43.7</b>    | <b>2.2</b>     | <b>19.4</b>    | <b>325.6</b>     |
| <b>Total Debt (or Opt-Out)</b>   | <b>\$575.2</b>   | <b>\$202.7</b> | <b>\$132.1</b> | <b>\$150.0</b> | <b>\$7.5</b>   | <b>\$66.7</b>  | <b>\$1,134.2</b> |
| <b>Grand Total State and Local Funding with Debt</b>                                   | <b>\$949.5</b>   | <b>\$776.7</b> | <b>\$782.2</b> | <b>\$799.0</b> | <b>\$529.6</b> | <b>\$565.0</b> | <b>\$4,402.1</b> |