

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

Action Information

MEAD Number:
201891

Resolution:
 Yes No

TITLE:

Improved Governance: Revisions to Board Bylaws

PRESENTATION SUMMARY:

Proposed revisions to Board Bylaws to better align the Board's activities with its strategic priorities to promote Board efficiency and effectiveness. Includes changes to the Board's committee structure.

PURPOSE:

Board approval of proposed revisions to Board Bylaws to align them with the Board's strategic priorities for FY2018 and beyond, and to promote Board efficiency and effectiveness.

DESCRIPTION:

Following the passage of Metro's FY2018 Budget, the Board developed a set of strategic priorities: Board and organizational effectiveness; fiscal health; safe and reliable operations; and capital planning and real estate. The General Manager/Chief Executive Officer's (GM/CEO's) "Keeping Metro Safe, Reliable and Affordable (KMSRA) Plan" also aligns with these priorities.

The Board proposes to revise its Bylaws to change its committees and committee structure to better align the Board's activities with its strategic priorities; promote Committee efficiency and effectiveness; and foster interactive discussions at meetings of the full board.

Changes to the Bylaws include: fewer committees with more appropriate Board-level focus on oversight and strategy; smaller committees to be more efficient and nimble, and allow for fuller discussions at the full Board level; updated mission and vision statements; elimination of the Second Vice Chair position; and improved selection process for committee leadership since all members are eligible to serve as Chairs and Vice Chairs. The Board also proposes to change the timing of its annual organizational meeting and officer elections to align with Metro's Fiscal Year (July 1 - June 30).

Key Highlights:

- The proposed revisions to the Bylaws include changes to the Board's Committee structure to align the Board's committees with its strategic priorities and the General Manager's KMSRA Plan
- The Board's proposed standing committees are as follows:
 - Executive Committee – Chair, Vice Chair, Committee Chairs
 - Finance and Budget
 - Safety and Service Delivery
 - Business Oversight
 - Capital and Strategic Planning
- The Board's annual organizational meeting and elections would move from January to July to coincide with Metro's Fiscal Year

Background and History:

In 2010 and 2011, to improve Metro's governance, the Board of Directors developed a set of Board Bylaws and Procedures, with significant input from local, regional and national bodies. Subsequently, the Board reviewed and revised these Bylaws and Procedures on an annual basis.

In November 2016, following a thorough review by its Strategic Advisor, the Board made significant revisions to its Bylaws and removed the Board Procedures from its governing documents.

Discussion:

Following passage of the FY2018 budget, the Metro Board developed a set of strategic priorities to guide its activities in FY2018 and beyond. Revising the Board's Bylaws to align its committee structure with its strategic priorities will enable the Board and its respective committees to manage its activities and work products in support of those priorities. These changes will also promote Committee efficiency and effectiveness as well as foster interactive discussions at meetings of the full Board.

Following the passage of the revised Bylaws, including revisions to committee structure, committee chairs and vice chairs, in coordination with WMATA staff, will develop individual committee work plans for FY2018 for Board review and approval in September.

FUNDING IMPACT:

No impact on funding - proposed Bylaws revisions only affect Board operations.

Project Manager:	Jennifer Ellison
Project Department/Office:	SECT

TIMELINE:

Previous Actions	November 2016 - Board revised Bylaws based on Strategic Advisor recommendations. April 2017 - Board Retreat - development of Board Strategic Vision.
Anticipated actions after presentation	November 2017 - Realignment of Committee Work Plans for FY2018

RECOMMENDATION:

Board approval of revisions to Bylaws, including changes to committee structure.

SUBJECT: APPROVAL OF AMENDMENTS TO WMATA BOARD OF DIRECTORS BYLAWS FOR CHANGES TO MISSION AND VISION, STANDING COMMITTEES AND BOARD OFFICERS

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

WHEREAS, Pursuant to Article IX of the Bylaws of the Washington Metropolitan Area Transit Authority (WMATA) Board of Directors, amendments to the Bylaws require Board approval; and

WHEREAS, The Board of Directors desires to improve its governance practices and update Metro's Mission and Vision; and

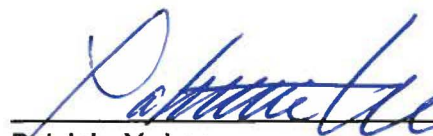
WHEREAS, The Board of Directors desires to eliminate the Board Second Vice Chair and change its standing Committees to align with its strategic priorities, promote Committee efficiency and effectiveness, and foster interactive discussions at meetings of the full Board; and

WHEREAS, The Board of Directors desires to align the terms of Board Officers and Committee Chairs with WMATA's fiscal year; now, therefore be it

RESOLVED, That the Board of Directors approves the attached amended Bylaws, which supersedes all prior Bylaws; and be it finally

RESOLVED, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Patricia Y. Lee
General Counsel

BYLAWS

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

Article I: Mission

The mission of the Washington Metropolitan Area Transit Authority (“WMATA”) is to provide safe, equitable, reliable, cost effective public transit. WMATA moves the region forward by connecting communities, improving mobility and stimulating economic development.

Article II: Board

1. Board Responsibilities. The Board is primarily responsible for policy, financial direction, oversight and WMATA’s relationships with its customers, jurisdictional partners and signatories.
2. Composition. The Board shall have the members specified under Article III, paragraph 5 of the WMATA Compact. Members of the Board shall be known as Directors.
3. Selection. Each Director shall be appointed as specified under Article III, paragraph 5 of the WMATA Compact.
4. Terms. Each Director for Virginia or Maryland shall serve coincident with his or her term on the body that appoints him or her as specified under Article III, paragraph 5 of the WMATA Compact. The terms of the remaining Directors shall be determined by the law applicable to the governmental entity that appoints them, being either the District of Columbia or the United States.
5. Removal. A Director may be removed only by the governmental entity that appointed him or her in accordance with the law applicable to that governmental authority as specified under Article III, paragraph 5 of the WMATA Compact.
6. Meetings.
 - a. The Board meets monthly, with a recess in August.
 - b. The Board may also hold special or emergency meetings at the call of the Board Chair or upon a vote of the Board.
7. Notice. Notice of monthly Board meetings and special Board meetings shall be posted on the WMATA Internet site and provided to Board members in writing or electronically at least 48 hours before the meeting commences. Notice of an emergency board meeting may be provided in any form reasonably expected to reach each Director prior to the start of the meeting and shall also be posted on the WMATA Internet site.

8. Quorum. A quorum requires the presence of four Directors, including one appointed by each of the District of Columbia, Maryland and Virginia. A Director or Alternate Director may participate in any meeting of the Board of Directors by means of conference telephone or other communications equipment by means of which all persons participating therein can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

9. Executive Session. The Board or a Committee may meet in executive session to discuss critical, sensitive, confidential or proprietary matters for which untimely disclosure may be detrimental to the public interest. The exceptions listed below shall be strictly construed in favor of open meetings of the Board and Committees. Such topics may include:

a. Budgetary matters that may affect legal positions, WMATA contracts, or sensitive relationships with local jurisdictions or the federal government.

b. Litigation, investigations and other legal matters requiring the provision of legal advice or consultation with counsel and staff members.

c. Personnel or labor issues including discussions of labor contracts and labor negotiations, consideration or interviews of candidates for employment, and the assignment, appointment, promotion, performance, demotion, or resignation of individuals.

d. Contractual or other matters involving confidential or proprietary concerns, or the investment of public funds where discussion in public would adversely affect the financial interests of WMATA.

e. Audit matters and investigations to include, for example, audits of IT security matters and investigations to be referred for further criminal investigation or prosecution.

f. Safety and security matters when premature release would compromise public safety.

g. Disposition of WMATA property or acquisition of real property for WMATA purposes where discussion in public would adversely affect WMATA's negotiating or bargaining position.

h. Development of WMATA position or strategy on pending or proposed federal or state legislation.

The Board or any Committee may meet in executive session provided a majority of the members present and voting, not subject to the jurisdictional veto as provided in Compact §8(a), vote in favor of closing the session. The agenda for each executive session shall be made available to the public prior to the meeting and shall include the topic or topics to be discussed, reasonably identified without violating confidentiality. Before meeting in executive session, the presiding Board Director, or in his/her absence, a Board member shall:

1. conduct a recorded vote on the closing of the session; and

2. make a written statement of the reason for closing the meeting, including a citation of the authority under this section, and a listing of the topics to be discussed.

A revised agenda including the executive session shall be made available to the public after the meeting to reflect an additional matters or topics discussed. The Board or Committee may not discuss or act on any matter not expressly authorized in this section. The presiding Board Director, or in his/her absence, a Board member may also convene an unscheduled executive session at a monthly, special or emergency meeting provided that the agenda for the executive session is made public contemporaneous with the meeting, subject to the above requirements.

10. Action of the Board. The Board shall take action by a vote of a majority of the Directors present at a meeting of the Board at which a quorum is present, which majority shall include at least one Director appointed by each of the District of Columbia, Maryland and Virginia, provided, however, that a plan of financing may be adopted or a mass transit plan adopted, altered, revised or amended by the unanimous vote of the Directors representing any two Signatories.

11. Alternate Directors. Alternate Directors shall be selected as specified under Article III, paragraph 5 of the WMATA Compact. An Alternate Director may be counted toward a quorum for a Board meeting and may participate in an executive session. An Alternate Director may vote at a Board meeting only in the absence of the Director for whom he has been appointed an alternate, except that either Alternate Director may be an alternate for either Director selected by the District of Columbia.

Article III: Committees

1. Standing Committees. The Board shall have the following standing committees: Executive Committee; Finance and Budget Committee; Safety and Service Delivery Committee; Business Oversight Committee; and Capital and Strategic Planning Committee. To the extent possible, committees will not have overlapping jurisdiction. The Board Chair will resolve any questions about committee jurisdiction.

2. Executive Committee. The Executive Committee shall be responsible for enforcement of the Board's Code of Ethics and serving as the Board's Ethics Committee, and such additional responsibilities as it may be assigned by the Board Chair. The Executive Committee shall have primary responsibility for recommending to the Board a candidate for General Manager, Secretary and Inspector General, and conducting the annual performance review for each such Officer with input from all members of the Board.

3. Finance and Budget Committee. The Finance Committee shall monitor the financial integrity and viability of WMATA and its programs and services, have primary responsibility for developing, in coordination with a working group of the whole, recommending and overseeing an operating and a capital budget to the Board each year, and have primary responsibility for setting policy with respect to fares and fees. The Committee's recommended operating and capital budgets shall be as voted by the working group of the whole.

4. Safety and Service Delivery Committee. The Safety and Service Delivery Committee shall provide continual oversight and recommend policies to assure that all facilities, equipment,

and operations of the transit system are safe and secure for passengers, employees, and the public affected by WMATA services. The Committee shall be responsible for customer experience and service, and operating plans and performance. The Committee shall set the tone and provide leadership that safety comes first among all operational considerations. The Committee shall assure that employees and the public have accessible channels for reporting safety, crime and security concerns.

5. Business Oversight Committee.

a. The Business Oversight Committee shall be responsible for Board governance and oversight of legislative planning, governmental/jurisdictional relations and related communications strategies. The Committee shall also provide oversight for labor, human resources, procurement, civil rights and fair practice matters. The Committee shall also oversee the development of procurement procedures in accordance with federal requirements. The Committee shall be responsible for conducting an orientation program for new Board members, and handling questions under the WMATA Compact.

b. The Business Oversight Committee shall provide oversight of the quality and integrity of WMATA's internal controls, compliance systems, and auditing and accounting systems. The Committee shall also oversee internal and external audits, and develop policy and provide guidance for the Inspector General. The Committee shall be responsible for conducting annual audit awareness training for all Board members. The Committee shall be responsible for accepting reports from the Inspector General, including management's response and corrective actions. To the extent that the Committee is unable to accept a report, the Committee Chair shall forward the report to the Board Chair for the Board to consider. Final accepted reports may be made available to the public, subject to applicable law and WMATA policy.

6. Capital and Strategic Planning Committee. The Capital and Strategic Planning Committee shall be responsible for capital program planning, including an annual capital plan; oversight of major capital projects delivery including scope, oversight, budget and on-time/on-budget metrics; regional corridor development; coordination with jurisdictions; and coordination of community development. The Committee shall also be responsible for strategic, long-term planning, including establishing priorities based on technical analysis and stakeholder outreach. The Committee shall oversee the Joint Development Program and other real estate matters.

7. Additional Committees. The Board Chair, with the concurrence of the Board, may appoint such other committees as he or she deems necessary or appropriate to carry out the mission of WMATA.

8. Composition.

a. Committees shall be composed exclusively of Directors and Alternate Directors. Each committee shall have four members, except for the Executive Committee, which shall consist of the Board Chair, Board Vice Chair, Committee Chairs and such additional members required to include a member from each Signatory and the federal government. Staff members, members of advisory bodies, consultants and other parties may be invited to make presentations at Committee meetings or participate in Committee discussions.

b. Each committee shall have a Committee Chair and Vice Chair. The Committee Chair shall be responsible for scheduling Committee meetings and setting agendas for those meetings. The Committee Chair may also appoint or dissolve subcommittees.

c. Committee membership and Committee Chairs and Vice Chairs shall be proposed by the Board Chair and voted on at the annual Board organizational meeting.

9. Committee Meetings. A quorum requires the presence of a majority of the Committee's members. A Director or Alternate Director may participate in any committee meeting by means of conference telephone or other communications equipment by means of which all persons participating therein can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting. Committee actions are recommendations to the Board and are to be placed on the Board agenda for consideration, but committee actions do not bind WMATA or its Board.

Article IV: Officers

1. Board Officers. The officers of the WMATA Board shall consist of a Board Chair and a Board Vice Chair. Each Board officer shall hold office until his or her successor is elected and qualified or until his or her earlier resignation or removal.

2. Board Chair. The Board Chair shall serve as leader of the Board, ensuring that the Directors work effectively together to oversee WMATA's operations and make timely decisions about policies and resources in furtherance of WMATA's mission. The Board Chair shall set the agenda for meetings of the Board, call special and emergency Board meetings, lead Board meetings and serve as the sole public spokesperson for the Board. The Board Chair shall also serve as the liaison between the Board and the General Manager and shall be responsible for leading the annual performance reviews of the General Manager, Inspector General and the Secretary.

3. Board Vice Chair. The Board Vice Chair shall have such powers and duties as may be delegated to him or her by the Board Chair and shall be designated by the Board of Directors to perform the duties and exercise the powers of the Board Chair in the event of the Board Chair's absence or disability.

4. WMATA Officers. The officers of WMATA shall consist of a General Manager; a Secretary; an Inspector General; a General Counsel; a Chief Financial Officer; a Treasurer; a Comptroller; and such other officers as may from time to time be created and appointed by the General Manager. All officers other than the Secretary and Inspector General shall be appointed by the General Manager. The Secretary and the Inspector General shall be appointed by the Board of Directors. The General Counsel shall be appointed by the General Manager subject to concurrence of the Board of Directors. No two offices may be held by the same person except that the offices of Treasurer and Chief Financial Officer may be held by the same person.

5. General Manager. The General Manager shall be the chief executive officer and the chief administrative officer of WMATA. The General Manager shall have responsibility for the operations, management and administration of WMATA. The General Manager shall perform all duties and have all powers that are commonly incident to the office of chief executive or that

are delegated to him or her by the Board of Directors, including but not limited to the power to be the public spokesperson for WMATA. The General Manager shall report to the Board. The General Manager shall have general supervision and direction of all of the other officers, except the Secretary and the Inspector General as provided in these Bylaws, employees and agents of WMATA.

6. Secretary. The Secretary shall issue all authorized notices for, and shall keep minutes of, all meetings of the Board of Directors. He or she shall have charge of the corporate books, including but not limited to records of Board and Committee meetings, and shall perform such other duties as the Board of Directors may from time to time prescribe. The Secretary shall report to the Board.

7. Inspector General. Consistent with Article III, paragraph 9(d) of the WMATA Compact, the Inspector General provides independent and objective oversight of WMATA's activities to ensure the organization carries out its mission. The Inspector General is responsible for keeping the Board fully and currently informed about deficiencies in WMATA activities as well as the necessity for and progress of corrective action. The Inspector General shall head an independent office that conducts and supervises audits, program evaluations and investigations of WMATA activities; promotes economy, efficiency and effectiveness in WMATA activities; and detects and prevents fraud and abuse in WMATA activities. The Inspector General shall report to the Board.

8. General Counsel. The General Counsel shall be the chief legal officer of WMATA. The General Counsel shall meet from time to time with the Board to advise on significant legal matters affecting WMATA. The General Counsel shall report to the General Manager. The General Manager shall solicit input from the Board each year in preparing the General Counsel's performance appraisal and in setting performance goals.

9. Chief Financial Officer. The Chief Financial Officer shall be responsible for all financial matters of WMATA. The Chief Financial Officer shall report to the General Manager.

10. Removal. The General Manager, the Inspector General, and the Secretary may be removed only by the Board of Directors. All other WMATA officers may be removed by the General Manager.

Article V: Advisory Bodies

1. Generally. The Board shall regularly receive information and recommendations from the Accessibility Advisory Committee, the Riders' Advisory Council and such other advisory committees as it may establish.

2. Accessibility Advisory Committee. The Accessibility Advisory Committee shall provide the Board with reports and recommendations on accessibility for seniors and persons with disabilities.

3. Riders' Advisory Council. The Riders Advisory Council shall provide the Board with reports and recommendations on issues of concern to riders after seeking input from a broad

range of riders on the quality of service to riders, WMATA's responsiveness to rider problems and concerns, and priorities for resources.

4. Access to Information. Advisory bodies shall have access to WMATA information other than information that is confidential or would be exempt from disclosure under the Public Access to Records policy. Advisory bodies shall have assistance from WMATA staff in accessing information provided that satisfying requests will not place an undue burden on the staff that would detract from accomplishment of their other assigned duties.

Article VI: Consultation with Public and Local Jurisdictions

1. Public Access to the Board. Board meetings shall be open to the public except when the Board is meeting in executive session.

2. Public Comments. At the discretion of the Chair, members of the public may provide oral comments at Board meetings, except when the Board is meeting in Executive Session. Members of the public may also submit comments to the Board at any time in writing. Any such comments should be submitted through the Secretary's office. The Secretary shall have responsibility for ensuring that Board members are informed about all comments received and shall provide information about relevant public comments received on matters on the agenda for a Board meeting prior to the meeting so that Board members have an opportunity to review the comments.

3. Public Hearings. The Board shall direct that public hearings be held prior to taking action on any of the following matters:

- a. Adoption of a mass transit plan or any amendments thereto;
- b. Raising any fare or rate; and
- c. Major service reductions.

The Board may direct that public hearings be held on other matters as it deems appropriate. Notice of any public hearing shall be provided to the general public at least 15 days in advance of any hearing, except that with respect to a hearing on adoption or amendment of a mass transit plan, notice shall be provided at least 30 days in advance of any hearing. WMATA staff shall coordinate with local officials and the Advisory Bodies, as appropriate, to ensure adequate notice. The notice shall be published in a newspaper of daily circulation through the area served by WMATA, and shall be published at least once a week for two successive weeks. The hearing officer in charge of the hearing shall be a Board Director or an officer or executive of WMATA who has been designated by the Board Chair.

4. Joint Coordinating Committee. The Joint Coordinating Committee (JCC) shall function as a forum for sharing views and information on key issues coming before the Board and to improve the quality of information for Board decisions. The JCC shall be composed of representatives appointed by the District of Columbia, Maryland, Virginia and the United States. The Board delegation of each government jurisdiction will work with its appointing authority and jurisdictional leaders to appoint at least four but no more than seven JCC members. The

Proposed July 27, 2017

General Manager may also appoint members of WMATA staff to serve on the JCC as he or she deems appropriate. At least one week prior to each meeting of the Board, the JCC shall meet and be briefed by WMATA staff on the matters on the agenda for the Board meeting.

Article VII: Code of Ethics

The Board will comply with the Code of Ethics attached to these Bylaws as Attachment A.

Article VIII: Miscellaneous

1. Participation. Members of the Board of Directors, or any committee thereof, may participate in any meeting of the Board of Directors or such committee by means of conference telephone or other communications equipment by means of which all persons participating therein can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

2. Fiscal Year. WMATA's fiscal year shall run from July to June.

3. References to WMATA Compact. All references herein to the WMATA Compact are deemed to refer to the WMATA Compact as now in force or hereafter amended, and references to particular sections of the WMATA Compact are deemed to refer to similar or successor provisions hereafter adopted.

Article IX: Amendments

These Bylaws may be amended by a majority vote of the Board at a meeting for which notice has been provided as required under Article II of these Bylaws and at which a quorum is present consistent with the quorum definition under Article II of these Bylaws.