

TESTIMONY OF RICHARD SARLES

Before the Council of the District of Columbia's Committee on Economic Development

March 15, 2013

Good Afternoon Chairperson Bowser and members of the Committee on Economic Development. I am Richard Sarles, General Manager and Chief Executive Officer of the Washington Metropolitan Area Transit Authority (WMATA). I appreciate the opportunity to appear before you today to update you on the progress we are making at Metro.

In 2012, Metro made significant gains in train and bus reliability, escalator availability and reduced injuries among both employees and customers. We improved or met the target in ten of the 12 areas that we track in our Vital Signs report. Let me highlight some of the progress we made in 2012.

During the past year, we continued our focus on safety, state of good repair, financial stability and improving customer service. And, as you know, from your membership on the WMATA Board, we have released a staff draft of our strategic plan – known as Momentum – the Next Generation of Metro. When finalized by the Board, our strategic plan will guide Metro's decisions over the next 10 years and ensure that the system continues to support the region's competitiveness for decades to come.

SAFETY

Let me start with safety, our first priority. Over the past three years, we established a Board Safety and Security Committee, hired a Chief Safety Officer, improved training, set up new lines of communication to listen to our riders and employees and made safety-first investments across the agency. A recent audit report of the Federal Transit Administration best summarized our progress as saying that "Overall WMATA has made considerable progress in strengthening its safety organization, safety analysis capabilities, and information sharing and communication processes regarding safety issues."...the report went on further to say" FTA agrees with WMATA's General Manager and CEO that WMATA's progress over the past two-and-a-half years is a critical but fragile foundation for the future ".

Training is an integral component of Metro's safety program. One of the most important initiatives that protect our wayside employees is our roadway worker protection (RWP) safety training program. Since its inception, more than 8,500 Metro employees and contractors have been trained or recertified in the program.

Thanks to the commitment and focus of our workforce, employee and customer injuries declined last year. In 2012, customer injuries dropped 10 percent to a rate of less than two customer injuries per million trips. Most customer injuries are slips, trips and falls.

Employee injuries likewise declined, with 5.04 injuries per 200,000 hours worked. This was the second consecutive year of decreased employee injuries; the 2012 injury rate was five percent better than the target for the year.

Metro continued its focus on passenger safety. Crime on Metro remained low in 2012 as a result of crime-prevention strategies, data-driven deployment of officers and innovative policing tactics. Systemwide, Part I crimes against persons decreased by 3.3 percent from 2011 to 2012.

Like many other transit agencies, Metro has seen an increase in "snatch thefts" of smartphones, tablets and other high-value devices. In response, Metro began using "crime suppression teams," where undercover officers use decoy electronic devices. In 2012, a total of 149 Part I arrests were made as a result of the crime suppression team activity. We applaud the District of Columbia for advocating for new tools such as "bricking," where customers can contact their carriers to have a stolen electronic device remotely disabled.

And I want to take a moment to thank you Chairperson Bowser for your leadership and support for bus security. Your roundtable on bus security helped to facilitate a better working relationship with law enforcement and the affected communities.

In 2012, the Metro Transit Police (MTPD) began an aggressive recruitment campaign to hire officers. These new hires include 32 officers for Metrobus security and 26 additional officers to meet staffing requirements for the Silver Line.

ON-TIME PERFORMANCE

We made significant gains in train and bus reliability and escalator availability. Both rail and bus on-time performance improved for two consecutive years.

To put that in perspective, trains traveling over the 106-mile Metrorail system make more than 20,000 station stops. In 2012, 91 percent of those stops occurred on time, providing reliable service to roughly 212 million customers. Unlike other transit agencies, Metro measures train and bus arrivals at every station and stop rather than terminals – a tough standard that is designed to reflect customers' experience.

Bus on-time performance improved 3% over the last two years. What this means is that 10 million more of our bus customers experienced a more reliable, on-time ride in 2012 compared to 2010. (See attached chart)

As you know through our Metro Forward campaign, we are intensively focused on improving our escalators. Availability has increased by five percent last year, an achievement made possible through aggressive maintenance, the addition of 18 new technicians, and the replacement and rehabilitation of 28 units last year.

CUSTOMER SERVICE

Last year, Metro launched a new Customer Service Action Plan to improve the customer experience across the system – from improved announcements and signage, to easier payment options and customer service training for frontline employees. The plan was developed through extensive customer research. Key components of the plan include:

- Customer service training for frontline employees. As of last month, 105 rail supervisors and 558 station managers have completed training. And on the Bus side, 766 Bus operators have completed training and 369 bus operators have also received "train the trainer" instruction.
- Other components are the New electronic information flat screen displays in Metrorail stations
- Improvements in SmarTrip – auto load

- Upgrades to Metrorail stations- enhance lighting, remote temperature monitoring, escalator maintenance; and
- A new focus on security and youth behavior

An integral component of any customer service program is hearing what our customers are saying. Metro earned high marks in a recent Voice of the Customer survey. Customers feel safe, would recommend Metrobus and Metrorail, and like Metro's public information tools for travel planning. Highlights of the survey include:

- 87 percent of bus riders and 86 percent of rail riders rated high satisfaction with security
- 84 percent indicated a high satisfaction with bus service
- 80 percent indicated a high satisfaction with rail service
- 73 percent of rail riders were highly satisfied with station cleanliness, one of the highest scores among large transit agencies.

MetroAccess scored high marks in a separate survey of 400 paratransit customers. Nine of 10 MetroAccess customers said drivers were courteous, helpful and knowledgeable; and 95 percent gave high performance scores for safety.

While these marks are very good, we will continue to solicit feedback and focus on improving the customer experience.

Capital Rebuilding Effort

Metro's major capital investments are showing results in the form of improved reliability on Metrobus and Metrorail, greater availability of escalators and improved safety. In FY2012, we invested \$ 770 million through our capital improvement program. Let me provide you with some examples of the work we have done:

- Over 200 new or rehabilitated buses have been put in service
- Over 21 miles of new running rail have been installed
- We've rehabilitated or replaced 45 escalators
- Escalator availability has now reached 90%

- We have also rehabilitated station platforms
- Replaced 36 Guarded 8s, completing a major NTSB recommendation
- Have placed over 461 new MetroAccess vehicles in service
- And are continuing our work to replace the 1000 series railcars by building the new 7K rail cars

Let me also provide you with some examples of work we have completed in the District.

- Opened Shepherd Parkway bus Maintenance and Storage facility, a Leed Silver facility.
- Replacing or rehabilitating station platforms at Takoma, Minnesota Avenue and Ft. Totten
- Replaced three escalators at south entrance to Dupont Circle
- Installed public art at Farragut West Metrorail station
- Established pilot pay for parking with mobile devices at Ft. Totten
- Established the K9 Limited-Stop Metrobus route
- We initiated the following Service Planning/Corridor Studies:
 - 14th Street Line (52,53,54)
 - 80 Line (North Capitol)
 - A Lines (Anacostia-Congress Heights)

This year, Metrobus service will improve in the District as a result of the following initiatives:

- New MetroExtra service on Martin Luther King Jr. Avenue Route A9
- New Saturday MetroExtra service on Georgia Avenue Route 79
- Route H6 Brookland-Ft. Totten Line will be routed to serve the new Shops at Dakota Crossing

In FY 2012, capital program delivery continued to improve, exceeding FY 2011 program delivery by 26 percent or nearly \$160 million. Capital program investments totaled \$770 million. This represents a delivery rate of 84 percent of the \$917 million forecasted in FY 2012.

Let me briefly touch on our operating budget results for Fiscal Year 2012. We ended the year with a \$28 million net favorable operating budget balance. Expenditures were \$30 million below budget, largely because of management efficiencies realized such as:

- lower expenses for MetroAccess service resulting from revised Board policy, eligibility and travel training initiatives that led to lower ridership
- lower fuel and energy costs; and
- successful initiation of a health care dependent audit reduced costs in FY2012.
- Actual rail ridership was slightly less than anticipated, causing revenue to fall short of projections by \$2 million. We have provided Council staff with detail on both our capital and operating budget results.

WMATA's helps fuel the region's economic competitiveness Today's system cannot meet the demand and growth coming to the region. Without an eye to the future of the Metro system – and how it might keep up with continued strong growth in the metropolitan area – the region's competitiveness itself may be at stake.

- Without Metro today, we would have to have spent \$4B on downtown parking (166 blocks of 5-story garages), built 1,000 lane miles of roads, endured 25% higher congestion today.
- The market tells the story for us. Over the last decade or so, when the region added hundreds of thousands of jobs, almost 15% of those jobs went to locations within ½ mile or ¼ mile (suburb v city) of Metrorail stations. That's a region that spans from Pennsylvania to West Virginia to the eastern shore, fitting one in eight jobs within half a percent of the land area.
- Property developers enjoy asset values that are 7 to 9% higher at MetroRail stations, and jurisdictions pay for thousands of teachers, firefighters, police officers, and other services using the tax revenue – additional tax revenue – that Metro makes possible.

THE FUTURE

The Board of Directors and Management are charting a new course by drafting a strategic plan—the first that has been developed with Metro Board leadership in over 10 years. It includes a new vision, mission and strategic goals to carry us into the future. Here are some examples are actions associated with the goals:

Build and maintain premier safety culture and system:

- Fully implement all National Transportation Safety Board recommendations

- Make key station and pathway improvements to reduce congestion and crowding and improve safety

Meet or exceed customer expectations:

- Continue escalator and elevator improvements
- Create a seamless fare system

Improve regional mobility and connect communities

- Open Silver Line
- Work with jurisdictions to optimize access to Metro (i.e., driving/parking, biking, walking etc.) and ensure that all modes have safe, direct access pathways

Ensure financial stability and invest in people and assets

- Sustain \$5B capital program and secure long-term funding
- Plan and program additional investments to meet capacity needs
- Over a 10-12 year period, an additional \$5-6B would fund:
 - 100% 8-car trains, including new rail cars, traction power upgrades and expanded rail yards
 - Full implementation of our bus Priority Corridor Network
 - Next generation of customer communications to aid trip planning and attract new customers
 - Improvements to transfer stations to meet capacity needs

Improve Capacity and Reduce Congestion in the Core

In addition to the projects just mentioned, the draft strategic plan also highlights longer term needs including:

- Add new train tunnels through the core. Adding a 4th or 5th tunnel through downtown line would significantly increase the capacity and reliability of the system by means of a new tunnel and river crossing for the Blue Line that would keep it separate from the Orange and Silver Lines.
- Integrate Silver Line to Dulles
- Improve reverse commute to utilize existing capacity by influencing location of employment centers

- Finish implementing Priority Corridor Network bus plan
- Work with jurisdictions to build bus-only lanes on priority corridors and add bus priority signalization
- Integrate Metro and other transit systems, particularly DC Streetcar

We have to plan for the future. In developing the draft **2013 Strategic Plan**, we have heard from stakeholders in Virginia, the District and Maryland about regional mobility and improving access to Metro. I recently had the opportunity to brief Mayor Gray's cabinet on the plan.

- This is an ongoing process and included public meetings earlier this month across the region.
- As we develop a final plan for Board adoption, our analysis includes considerations of regional transit projects that will connect to our system

Just as it always has, the momentum to rebuild, sustain, and grow Metro to support the region requires the support of all stakeholders.

Our accomplishments to date, and the ability to continue serving the transportation needs of District residents, would not be possible without the steadfast support of the District of Columbia. I want to extend my special thanks to the Council for introducing and considering Proposed Resolution 20-82, The "Sense of the Council in Supporting the Expansion of the Metrorail system and the Momentum Strategic Plan. We look forward to discussions at the upcoming hearing.

Once again, I want to thank you for the opportunity to be here today. Your leadership and the Council's support of Metro are critical to our continued success. I would be pleased to answer your questions.