



Notice of Public Hearing

Washington Metropolitan Area Transit Authority

Docket B19-01: Proposed FY2020 Operating Budget and Related Service and Fare Proposals

Docket B19-02: Proposed FY2020-2025 Capital Improvement Program and Strategic Plan

Purpose

Notice is hereby given that public hearings will be held by the Washington Metropolitan Area Transit Authority on the dockets mentioned above as follows:

Hearing No. 622

Tuesday, January 29, 2019

Metro Headquarters Building

600 5th Street, NW

Washington, DC 20001

Open House at 5:30 p.m. – Public Hearing at 6:00 p.m.

Hearing No. 623

Wednesday, January 30, 2019

The Durant Arts Center

1605 Cameron Street

Alexandria, VA 22314

Open House at 6:00 p.m. – Public Hearing at 6:30 p.m.

Hearing No. 624

Thursday, January 31, 2019

Greenbelt Library

11 Crescent Road

Greenbelt, MD 20770

Open House at 6:00 p.m. – Public Hearing at 6:30 p.m.

Please note that these dates are subject to each facility's cancellation policy. In the event of a cancellation, Metro will post information about the new hearings on wmata.com

The locations for all Metro public hearings are wheelchair accessible. Any individual who requires special assistance such as a sign language interpreter or additional accommodation to participate in public hearings, or who requires these materials in an alternate format, should contact Danise Peña at (202) 962-2511 or TTY: 202-962-2033 as soon as possible in order for Metro to make necessary arrangements. For language assistance, such as an interpreter or information in another language, please call (202) 962-2582 as soon as possible prior to the public hearing date.

For more information please visit wmata.com/budget

In accordance with Section 62 of the WMATA Compact, Metro will conduct public hearings at the locations listed in this notice. Information on the hearings will be provided in Metrorail stations, at area libraries, and online at wmata.com/budget.

HOW TO REGISTER TO SPEAK – All organizations or individuals desiring to be heard with respect to this docket will be afforded the opportunity to present their views, make supporting statements and to offer alternative proposals. Public officials will be allowed five minutes each to make their presentations. All others will be allowed three minutes each. Relinquishing of time by one speaker to another will not be permitted.

There will be no advance registration to speak. Those wishing to provide oral testimony will sign up to speak at the hearing, will be called to testify in the order they sign up, and can sign up to speak at any time prior to the close of the hearing. Elected public officials will be allowed to provide their testimony as soon as feasible after their registration. If you will not be able to stay to provide your testimony orally when your name is called, staff will help you to submit your comments into the public record, including through the use of a digital recorder to record your oral comments.

Please note that all comments received are releasable to the public upon request, and may be posted on WMATA's website, without change, including any personal information provided.

HOW TO SUBMIT TESTIMONY NOT AT THE PUBLIC HEARING – Testimony about this proposal may be submitted online via a survey at wmata.com/budget. The survey will open by 9 a.m. on Saturday, January 12, 2019 and will close on Tuesday, February 5, 2019 at 5 p.m. The survey will also provide the opportunity to submit freeform comments. This is in addition to your ability to speak at a public hearing. For those without access to computers or internet, testimony may also be mailed to the Office of the Board Secretary, Washington Metropolitan Area Transit Authority, 600 Fifth Street, NW, Washington, DC 20001. All comments must be received by the Office of the Board Secretary by 5 p.m. on Tuesday, February 5, 2019 to be included in the public record.

The comments received by the Office of the Board Secretary, along with the survey results and public hearing comments, will be presented to the Board and will be part of the official public hearing record. Please note all statements are releasable to the public upon request, and may be posted on WMATA's website, without change, including any personal information provided.

For those who do not have access to computers or internet, note that copies of the docket in its entirety can be requested from Metro's Office of the Board Secretary by calling 202-962-2511, and are available for inspection during normal business hours at Metro's Headquarters at 600 Fifth Street, NW, Washington, DC 20001. Please call 202-962-2511 in advance to schedule an appointment.

WMATA PROPOSAL FOR DOCKET B19-01: Proposed FY2020 Operating Budget and Related Service and Fare Proposals

Overview

In November 2018 the General Manager and Chief Executive Officer (GM/CEO) proposed an FY2020 Operating budget and FY2020-2025 Capital Improvement Program (CIP) to the Board of Directors for review and consideration. The budget is built upon Metro’s strategic plan: [Keeping Metro Safe, Reliable and Affordable \(KMSRA\)](#), endorsed by the Board of Directors in 2017. Consistent with the KMSRA plan and in order to establish a sustainable operating model, Metro is limiting jurisdictional operating subsidy growth to three percent and deploying innovative competitive contracting and taking other efficiencies to operate within the limit. The items on the KMSRA agenda that remain to be completed are amending the National Capital Area Interest Arbitration Standards Act, restructuring retirement benefits for new hires, and creating a Rainy Day Fund, all of which impact the sustainability of Metro’s operating budget.

WMATA’s proposed FY2020 operating budget totals \$1,996 million. The proposed budget assumes no fare increases, no service reductions, \$46 million of management actions to reduce expenses and increase business revenues, and a \$32 million increase in base jurisdictional subsidy (three percent) compared to FY2019.

In addition to the base budget, there are expenses that are legislatively excluded from the three percent cap for federal mandates such as ADA Paratransit and implementation of capital projects such as Silver Line Phase 2. When these are added to the base budget, the subsidy increases by \$51 million. In order to grow ridership and improve the customer experience, the budget also offers a series of new initiatives; with these, the total subsidy increase is \$102 million.

The FY2020 operating budget is found [online](#) as part of the FY2020 proposed budget, and summarized below.

(\$ in Millions)	FY2019 Budget	FY2020				Growth	
		Base	Exclusions	New Initiatives	Total	\$	%
REVENUE							
Passenger Revenue	\$737	\$713	\$0	\$10	\$723	(\$14)	-2%
Other Revenue	\$60	\$91	\$0	\$0	\$91	\$31	52%
Total Revenue	\$798	\$804	\$0	\$10	\$815	\$17	2%
EXPENSES							
Labor and Benefits	\$1,333	\$1,350	\$8	\$19	\$1,377	\$44	3%
Non-Labor	\$545	\$565	\$43	\$11	\$619	\$74	14%
Total Expenses	\$1,877	\$1,916	\$51	\$30	\$1,996	\$119	6%
SUBSIDY	\$1,080	\$1,111	\$51	\$20	\$1,182	\$102	9%

SERVICE AND FARE PROPOSALS FOR PUBLIC INPUT AND CONSIDERATION

(1) Expand Peak Service and Fare Periods

Trains would run at more-frequent peak-period service levels for an additional 30 minutes each morning (until 10 a.m.) and an additional 90 minutes each evening (until 8:30 p.m.). The move would reduce the time customers wait for trains and make Metro a more attractive option for customers who commute later in the morning, as well as those using Metro for evening activities.

There are two potential fare options for consideration on this proposal. Metro currently charges Off-Peak Fares (\$2.00-\$3.85, depending on distance) during these times and could continue to do so, although this would require additional subsidy contributions from the jurisdictions in the region that may not be possible given budget constraints. Alternatively, Metro could charge Peak Fares (\$2.25-\$6.00), and the additional revenue would cover most of the additional cost of peak-frequency service.

(2) Extend Yellow Line Service to Greenbelt

Today, Yellow Line trains turn back at Mt. Vernon Square during peak periods and at Fort Totten at all other times. The GM's budget recommendation would extend every Yellow Line train to Greenbelt, which would double service during peak periods and address current crowding conditions at the nine stations north of Mt Vernon Square (Shaw-Howard, U Street, Columbia Heights, Georgia Ave-Petworth, Fort Totten, West Hyattsville, Prince George's Plaza, College Park, and Greenbelt). During off-peak times, the four stations north of Fort Totten would see an increase in service. Current Green Line customers traveling to Yellow Line stations in Virginia (e.g. Reagan National Airport) would be able to make the trip without changing trains.

(3) Run More Red Line Trains to Glenmont

Currently, some Red Line trains "turn back" at Silver Spring, while others operate to the end of the line at Glenmont. In order to simplify Metro's service pattern for customers while increasing service at another three Red Line stations, the FY2020 budget recommends running Red Line trains to Glenmont during weekday peak and weekend service periods. No change is proposed for weekday off-peak periods.

(4) Expand All Trains to the Maximum Length of Eight Cars

The FY2020 budget recommends that all trains be increased to their maximum length of eight cars to increase capacity and reduce crowding. The move would also allow Metro to simplify its yard and maintenance operations by standardizing trainsets (i.e. reducing the need to continually add and remove cars to trains).

(5) Weekend Flat Fare

The FY2020 budget recommends a weekend fare of \$2.00 for all Metrorail trips. Currently, weekend fares range from \$2.00 to \$3.85 based on the distance traveled. Senior/Disabled weekend Metrorail fares would be \$1.00.

(6) Pass Products

The FY2020 proposed budget includes a series of changes to pass products. Prices would be reduced for the 1-day passes from \$14.75 to \$13.00, while 7-day passes would be reduced from

\$38.50 to \$38.00 for short trips and from \$60.00 to \$58.00 for trips of any distance. A new 3-day visitor pass would be priced at \$28.00. All Metrorail pass products would also include unlimited Metrobus trips at the base \$2.00 fare. Additionally, SelectPass, an unlimited monthly Metrorail pass with variable prices based on distance, would include unlimited Metrobus trips at the \$2.00 base fare, a feature currently only available as an add-on for \$54 each month.

The 7-day Regional Bus Pass currently allows unlimited trips at the base fare on Metrobus as well as the following regional bus systems: ART (Arlington), DASH (Alexandria), DC Circulator, Fairfax Connector, Fairfax CUE, Ride On (Montgomery County) and TheBus (Prince George's County). The current pass price is \$17.50 and the FY2020 proposed budget would decrease the price to \$15.00, the equivalent of seven and a half trips at the Metrobus \$2.00 base fare, making the region's bus network a more affordable option for riders taking eight (8) trips or more each week.

If adopted by the Board of Directors, these proposed fare changes would become effective on or about July 1, 2019. Service proposals would be implemented between July 2019 and June 2020, as resources and feasibility allow.

WMATA PROPOSAL FOR DOCKET B19-02: Proposed FY2020-2025 Capital Improvement Program and Strategic Plan

Overview

In November 2018 the GM/CEO proposed an FY2020 Operating budget and FY2020-2025 Capital Improvement Program (CIP) to the Board of Directors for review and consideration. The budget is built upon Metro's strategic plan: [Keeping Metro Safe, Reliable and Affordable \(KMSRA\)](#), endorsed by the Board of Directors in 2017. Updates to the plan to specifically address the recommendations of the 2017 study led by former U.S. Department of Transportation Secretary Ray LaHood, as well as progress on the KMSRA goals will be presented at the public hearing. Accomplishments toward the plan are noted by check marks below with the boxes identifying those items yet to be achieved:

- **Safety, Reliability and Fiscal Accountability**

- Average annual capital investment ramp up to \$1.5 billion
- Dedicated Capital Trust Fund
- Trust Fund exclusive to capital investment, not operations
- Limit annual jurisdictional capital subsidy growth to 3%
- Reauthorize the federal Passenger Rail Investment and Improvement Act (PRIIA)

- **Toward a sustainable operating model**

- Limit jurisdictional operating subsidy growth to 3% cap
- Innovative competitive contracting
- Amend National Capital Area Interest Arbitration Standards Act
- Restructure retirement benefits
- Create a Rainy Day Fund

Metro is taking critical steps to achieve these goals by ramping up to an average capital investment of \$1.5 billion annually after winning the approval of Dedicated Funding legislation in the District of Columbia, State of Maryland and Commonwealth of Virginia. With this approval, the three states combined will contribute an additional \$500 million annually to a dedicated

capital trust fund, exclusive to capital investment. Consistent with this commitment, Metro is limiting jurisdictional annual capital subsidy growth to three percent. Metro continues to encourage the U.S. Congress to reauthorize the Passenger Rail Investment and Improvement Act (PRIIA) beyond FY2020, which provides \$150 million in annual federal funds matched by \$150 million provided by the District of Columbia, State of Maryland, and Commonwealth of Virginia. The items on the KMSRA agenda that remain to be completed are amending the National Capital Area Interest Arbitration Standards Act, restructuring retirement benefits for new hires, and creating a Rainy Day Fund, all of which impact the sustainability of Metro's operating budget.

Virginia Dedicated Funding legislation (HB 1319/SB 856) requires a public hearing on the Capital Improvement Program and strategic plan in one of the jurisdictions of the Northern Virginia Transportation Commission (NVTC). Specifically, beginning in FY2020, the legislation directs the Commonwealth Transportation Board to withhold 20 percent of the funds available for Metro each year unless Metro has adopted a detailed capital improvement program covering the current fiscal year and, at a minimum, the next five fiscal years, and at least one public hearing on such capital improvement program, has been held in a locality embraced by the NVTC. Likewise, Metro is required to have adopted or updated a strategic plan within the preceding 36 months and to hold at least one public hearing on such plan or updated plan in a locality embraced by the NVTC. Accordingly, these hearings will address both the CIP and updates to the KMSRA strategic plan.

Federal Support for the CIP

The proposed FY2020-2025 CIP includes funding from various Federal Transit Administration (FTA) programs including the Urbanized Area Formula Program (49 U.S.C. 5307, or "Section 5307"). FTA requires that recipients of Section 5307 grant funding annually conduct a public hearing of the grant funded projects, therefore a public hearing on the proposed FY2020 capital program is required.

WMATA intends to apply for Federal Fiscal Year 2019 grants under the *Fixing America's Surface Transportation (FAST) Act* and the *Passenger Rail Investment and Improvement Act of 2008 (PRIIA)* to support ongoing capital investments. These applications will be filed under the provisions of FAST (P.L. 114-94) and PRIIA (P.L. 110-432).

Based on preliminary information provided by the Federal Transit Administration (FTA), the Washington DC Metropolitan Region expects to receive approximately \$405 million in FTA formula funding under the FAST Act in Federal FY2019. This regional funding is distributed between WMATA, the Potomac and Rappahannock Transportation Commission (PRTC), and the Maryland Transit Administration (MTA) subject to a pre-existing agreement. Under this agreement, in Federal FY2018, WMATA received approximately 86 percent of the total FTA formula funding for the region. If funding remains consistent with the prior year WMATA's share will be approximately \$348 million. With the addition of \$4 million in federal funding from the Northern Virginia Transportation Authority (NVTA), planned federal grant support totals \$352 million.

Additionally, WMATA estimates \$148.5 million will be available to the agency through the PRIIA program in Federal FY2019. This funding partnership between the federal government and the District of Columbia, Maryland, and Virginia, which has been in effect since 2009 and is authorized for ten years, provides critical resources to WMATA for safety improvements, railcar purchases, and other important state of good repair investments.

In accordance with Board policy, WMATA intends to apply for these grant funds within four weeks of the Board's adoption of the capital budget, which is currently scheduled for March 2019. WMATA also intends to submit the final Program of Projects to the National Capital Region Transportation Planning Board (TPB) as input to the updated Transportation Improvement Program (TIP) for the Washington Metropolitan area.

Additional public involvement in the planning and programming of capital funds occurs through the Transportation Planning Board (TPB), the designated Metropolitan Planning Organization (MPO) for the Washington region. The TPB holds forums for public review and comment on the Transportation Improvement Program (TIP). These forums cover not only funding, but also critical regional issues regarding air quality conformity, land use coordination, and investments to address future population and employment growth.

FY2020 CAPITAL IMPROVEMENT PROGRAM

WMATA's proposed FY2020 Capital Budget is \$1.4 billion which is focused on safety improvements, the rebuilding of the Metro system, and improving the effectiveness of the current rail and bus network. The vast majority of the planned investment advances the safety, rehabilitation, and replacement of Metro's infrastructure, facilities, equipment, systems, railcars, buses, and paratransit vehicles.

Consideration will be given to the special needs of people with disabilities and seniors in implementing projects. All projects conform to the comprehensive land use and transportation plans in the Washington Metropolitan area. No significant adverse environmental effects are anticipated as a result of these projects.

The proposed FY2020 program will be funded through investments from the federal government, state and local governments, and other sources. The proposed program assumes federal sources, including competitive grant funding, making up \$501 million of the \$1.4 billion funding plan. The remaining portion of the program is funded with \$794 million of state and local investment (including match to federal funds, and direct local contributions), \$45 million for jurisdiction projects, and \$36 million from the Metropolitan Washington Airports Authority (MWAA).

The Capital Improvement Program consists of the following six major investment categories:

- **Railcars:** acquisition of new vehicles, maintenance and overhaul activities on existing vehicles to ensure safe and reliable operation, and construction and rehabilitation on railcar maintenance facilities;
- **Rail Systems:** investment in propulsion (including tie-breaker stations, traction power substations, power cables, and transformers) and signals and communications systems (including radio systems and underground wireless infrastructure);
- **Track & Structures:** fixed rail (e.g., running rail, switches, fasteners, crossties, etc.), structures (e.g., tunnels and bridges), and track maintenance equipment;
- **Stations & Passenger Facilities:** platforms and other structures, vertical transportation (elevators and escalators), fare collection systems, station systems, and parking facilities;

- **Bus & Paratransit:** bus acquisition, bus overhaul and maintenance activities to ensure safe and reliable operation, bus maintenance facilities, bus passenger facilities, and replacement of paratransit vehicles; and
- **Business Support:** information technology (IT), Metro Transit Police (MTPD) investments, and other support and equipment services.

The FY2020 Capital Improvement Program is found [online](#) (starting on Page 61 of the proposed FY2020 budget). The following tables show the proposed uses of funding by the above categories for FY2020 and the six-year CIP, as well as the CIP funding sources.

Capital Investment by Category

Investment Category (\$ in Millions)	FY2020 Proposed Budget	FY2020-2025 Plan
Railcar	\$255.2	\$1,782.7
Rail Systems	\$187.1	\$1,225.0
Track and Structures Rehabilitation	\$171.0	\$1,491.5
Stations and Passenger Facilities	\$359.7	\$2,065.9
Bus and Paratransit	\$205.1	\$1,374.1
Business Support	\$173.6	\$1,302.1
Total Capital Programs	\$1,351.8	\$9,241.4

Note: Total excludes \$23.4 million in funding for service disruptions associated with major capital projects.

Capital Investment Program Funding Sources

Funding Sources (\$ in Millions)	FY2020 Proposed Budget	FY2020-2025 Plan
Federal Grants	\$500.6	\$2,921.8
State and Local Contribution		
District of Columbia	\$321.3	\$1,956.2
State of Maryland	\$307.7	\$1,871.2
Commonwealth of Virginia	\$281.0	\$1,754.3
Subtotal, State & Local	\$910.0	\$5,581.7
Under/(Over Funding)	(\$116.2)	\$325.7
Total, State and Local	\$793.8	\$5,907.4
Jurisdiction Reimbursable Projects	\$44.5	\$333.8
Metropolitan Washington Airports Authority	\$36.3	\$101.8
Grand Total	\$1,375.2	\$9,264.8

Note: Total includes \$23.4 million in funding for service disruptions associated with major capital projects.

In accordance with FTA regulation 49 CFR Part 604, WMATA conducts bus subcontracting service incidental to its mass transportation services only where permitted by exceptions contained in those regulations. WMATA's subcontract operations are self-supporting with rates established to return all operational costs whether direct or indirect. Services and charges are published in the Subcontracting and Special Transit Service Tariff #17 of the Washington Metropolitan Area Transit Authority, effective March 1, 2008, as amended by Board Resolution 2008-56 adopted on November 20, 2008. Copies of the Tariff and Bus Subcontracting Cost Allocation Plan are available for public inspection from WMATA's Department of Bus Services.