Getting Metro Back on Track

A discussion with Virginia members of the WMATA Board

This forum is sponsored by the Northern Virginia Transportation Commission. It is separate and distinct from WMATA’s public hearing on its FY2018 budget. Learn more about NVTC at www.novatransit.org.
NVTC was founded in 1964, in part to represent the interests of the Commonwealth during the establishment of WMATA (1967).

NVTC continues its role as funding partner, policy debater, and the voice of Virginia on WMATA matters.
Metrorail and Metrobus Help Drive Northern Virginia

500 thousand jobs within a 1/4 mile of a Metro stop or station

More than 131 million annual passenger trips

$18 billion private investment along the Silver Line

25 Metrorail stations

NoVa’s future depends on the health and success of Metro.
Metro Supports Land Use & Development Goals

Rosslyn-Ballston Corridor – Arlington

Source: Arlington County Government
Metro Connects Residents to Economic Opportunity

Wiehle-Reston East Metrorail Station and Surroundings

WMATA is 2nd largest heavy rail system, 5th largest bus system, 5th largest paratransit service in nation.

2016 Ridership:
- Rail: 206.4 million trips
- Bus: 130.8 million trips
- MetroAccess: 2.3 million trips

System Size:
- Metrorail: 118 miles, 91 stations
- Metrobus: 288 bus routes on 174 lines
What makes Metrorail unique poses maintenance challenges

118 miles, 91 stations  
(41.5 miles in Virginia)

613 escalators (operating system)  
275 elevators (stations and parking facilities)

Underground: 50.5 miles, 47 stations  
Surface: 58.01 miles, 38 stations  
Aerial: 9.22 miles, 6 stations

2 track system

All Metrorail stations are fully accessible to people with disabilities

Source: WMATA Metro Facts 2016
Like a 40-year Old House, Maintenance Can’t Be Deferred

Safety and reliability are paramount

The impacts of the types of delays associated with SafeTrack are significant.

DC CFO estimates Metrorail delays led to:

☑ lost productivity between $153 million and $235 million annually in the region
☑ ridership declines that reduce Metrorail’s fare box recovery

WMATA estimates that it needs $17 billion over 10 years just to maintain state of good repair

Source: District of Columbia Office of the Chief Financial Officer
Proposed Investments to Make Metro Safe & Reliable

New 7000 series railcars and replacement buses/paratransit vehicles

Reinvest in station escalators, elevators, lighting and platforms

Rehabilitate and maintain existing railcar and bus fleets

WMATA capital investment priorities total $1.25 billion in FY2018

Rehabilitate and replace track and structures, rail power, radio/wireless and bus garages

Reinvest in station escalators, elevators, lighting and platforms
Proposed FY2018 Jurisdictional Funding (Capital)

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>FY2017 Budget</th>
<th>FY2018 Proposed*</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>District of Columbia</td>
<td>$144</td>
<td>$282</td>
<td>$138</td>
</tr>
<tr>
<td>Maryland</td>
<td>$148</td>
<td>$283</td>
<td>$135</td>
</tr>
<tr>
<td>Commonwealth of Virginia</td>
<td>$50</td>
<td>$50</td>
<td>$0</td>
</tr>
<tr>
<td>City of Alexandria</td>
<td>$11</td>
<td>$37</td>
<td>$26</td>
</tr>
<tr>
<td>Arlington County</td>
<td>$20</td>
<td>$58</td>
<td>$38</td>
</tr>
<tr>
<td>City of Fairfax</td>
<td>$1</td>
<td>$2</td>
<td>$1</td>
</tr>
<tr>
<td>Fairfax County</td>
<td>$36</td>
<td>$101</td>
<td>$66</td>
</tr>
<tr>
<td>City of Falls Church</td>
<td>$1</td>
<td>$2</td>
<td>$1</td>
</tr>
<tr>
<td>Virginia Subtotal</td>
<td>$119</td>
<td>$250</td>
<td>$131</td>
</tr>
<tr>
<td>Total Contribution</td>
<td>$410</td>
<td>$815</td>
<td>$405</td>
</tr>
</tbody>
</table>

*Funding plan includes $150 million in FY2018 to repay short-term debt projected to be used in FY2017.
A Safe & Reliable Metro Needs Solid Operations

“Reality Check” operating budget seeks to close the gap

- Fund key safety improvements
- Improve train and track reliability
- Cut management and labor costs
- Outsource where possible
- Improve personnel productivity
- Scale service to current ridership
- Reduce dependence on federal grants for maintenance
- Shared sacrifice to balance budget

$290 Million

- Reduce FTA Grants for Maintenance $100M
- Ridership/Revenue Decline $103M
- Expense Growth $87M

Source: WMATA Proposed FY18 Operating Budget
Closing the budget gap will require shared sacrifice

A Safe & Reliable Metro Needs Solid Operations

$290M

Management/Labor
$50M

Riders
$50M

FTA Grants
$60M

Virginia
$39M

Maryland
$44M

DC
$47M

City of Fairfax
City of Alexandria
City of Falls Church
Fairfax County
Arlington County
Loudoun County (future)

Source: WMATA Proposed FY18 Operating Budget
## Proposed FY2018 Jurisdictional Funding (Operations)

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>FY2016 Budget</th>
<th>FY2017 Budget</th>
<th>FY2018 Proposed*</th>
<th>Change</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>District of Columbia</td>
<td>$322.9</td>
<td>$323.1</td>
<td>$370.3</td>
<td>$ 47.1</td>
<td>15%</td>
</tr>
<tr>
<td>Montgomery County</td>
<td>$144.1</td>
<td>$145.0</td>
<td>$168.1</td>
<td>$ 23.1</td>
<td>16%</td>
</tr>
<tr>
<td>Prince George’s County</td>
<td>$185.2</td>
<td>$185.9</td>
<td>$207.3</td>
<td>$ 21.4</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Maryland Subtotal</strong></td>
<td><strong>$329.2</strong></td>
<td><strong>$330.9</strong></td>
<td><strong>$375.4</strong></td>
<td><strong>$ 44.5</strong></td>
<td><strong>13%</strong></td>
</tr>
<tr>
<td>City of Alexandria</td>
<td>$ 33.8</td>
<td>$ 33.0</td>
<td>$ 39.5</td>
<td>$  6.5</td>
<td>20%</td>
</tr>
<tr>
<td>Arlington County</td>
<td>$ 58.2</td>
<td>$ 56.6</td>
<td>$ 68.4</td>
<td>$ 11.9</td>
<td>21%</td>
</tr>
<tr>
<td>City of Fairfax</td>
<td>$  1.8</td>
<td>$  1.8</td>
<td>$  2.2</td>
<td>$  0.4</td>
<td>20%</td>
</tr>
<tr>
<td>Fairfax County</td>
<td>$118.1</td>
<td>$118.7</td>
<td>$138.6</td>
<td>$ 19.9</td>
<td>17%</td>
</tr>
<tr>
<td>City of Falls Church</td>
<td>$  2.3</td>
<td>$  2.4</td>
<td>$  2.7</td>
<td>$  0.2</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Virginia Subtotal</strong></td>
<td><strong>$214.4</strong></td>
<td><strong>$212.5</strong></td>
<td><strong>$251.4</strong></td>
<td><strong>$ 38.9</strong></td>
<td><strong>18%</strong></td>
</tr>
<tr>
<td>Total Contribution</td>
<td><strong>$866.5</strong></td>
<td><strong>$866.5</strong></td>
<td><strong>$997.0</strong></td>
<td><strong>$130.5</strong></td>
<td><strong>15%</strong></td>
</tr>
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*Source: WMATA Proposed FY2018 Operating Budget Presentation*
Jurisdictional Operating Funding for Virginia Jurisdictions* (FY14-FY18)

*Virginia Jurisdictions include Fairfax County, Arlington County, City of Alexandria, City of Falls Church, and City of Fairfax.

Source: WMATA FY14-FY17 Approved Budgets, FY 18 Proposed Budget, and BLS CPI Calculator
Metrorail Fare History from 2003 to Present

Source: WMATA [History of Fare Increases](#) and [BLS CPI Calculator](#)  *Fares as shown in the proposed FY2018 Budget*
### Now and in the Future, Metro Must Remain Accountable

**WMATA benchmarking data (as reported in July 2016)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Benchmark</th>
<th>Overall performance</th>
<th>Rail</th>
<th>Bus</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>WMATA</td>
<td>Peers</td>
<td>WMATA</td>
</tr>
<tr>
<td>Fiscal sustainability</td>
<td>Farebox recovery ratio, 2014</td>
<td>45%</td>
<td>44%</td>
<td>62%</td>
</tr>
<tr>
<td></td>
<td>Realized fare per trip</td>
<td>N/A</td>
<td></td>
<td>$2.33</td>
</tr>
<tr>
<td></td>
<td>Ridership percentage change, CAGR 11-15</td>
<td>N/A</td>
<td></td>
<td>(1.6%)</td>
</tr>
<tr>
<td></td>
<td>Staffing level trend, passenger trips/FTE CAGR, FY2011-15</td>
<td>N/A</td>
<td></td>
<td>(4%)</td>
</tr>
<tr>
<td></td>
<td>Labor expense growth, FY2011-15</td>
<td>4%</td>
<td>3.5%</td>
<td>4.3%</td>
</tr>
<tr>
<td></td>
<td>Fringe benefit expense growth, FY2011-15</td>
<td>7%</td>
<td>4.6%</td>
<td>5.4%</td>
</tr>
<tr>
<td></td>
<td>Headcount growth, FY2011-15</td>
<td>4.6%</td>
<td>1.4%</td>
<td>5.7%</td>
</tr>
<tr>
<td></td>
<td>Overhead exp as % of total op exp, 2014</td>
<td>11.6%</td>
<td>13.8%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Service reliability</td>
<td>Fleet availability</td>
<td>N/A</td>
<td></td>
<td>79%</td>
</tr>
<tr>
<td></td>
<td>Maintenance cost per revenue mile</td>
<td>N/A</td>
<td></td>
<td>$7.14</td>
</tr>
<tr>
<td></td>
<td>Average fleet age, years</td>
<td>N/A</td>
<td></td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>Capital spend per revenue mile, 2003-2013</td>
<td>$4.46</td>
<td>$4.58</td>
<td>$5.11</td>
</tr>
<tr>
<td></td>
<td>Capital planning process</td>
<td>WMATA lacks a target-based capital strategic plan and independent capital decision-making authority</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Capital portfolio optimization</td>
<td>Project prioritization is not centralized and does not use clearly defined evaluation criteria</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safety</td>
<td>Collisions derailments and fires by service size rank, Jan 2013-Aug 2015</td>
<td>N/A</td>
<td></td>
<td>2/6</td>
</tr>
<tr>
<td></td>
<td>Security incidents per by service size rank</td>
<td>N/A</td>
<td></td>
<td>3/6</td>
</tr>
<tr>
<td></td>
<td>Total injuries + fatalities by svc. size rank</td>
<td>N/A</td>
<td></td>
<td>4/6</td>
</tr>
</tbody>
</table>
Our Goal: Getting Metro Back on Track

Metro’s health and safety are critical to Northern Virginia’s people, economy, and quality of life

The Metro investment is in need of reinvestment

FY2018 proposed budget moves in the right direction

Will need shared sacrifice to achieve

We will continue to keep Metro accountable
Questions and Discussion
Thank you for coming!

More information available at:

www.wmata.com/budget

www.novatransit.org