



Virginia Department of Rail and Public Transportation

Proposed CTB Guidelines for Implementation of WMATA Legislative Requirements

Commonwealth Transportation Board

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WMATA Legislation

- Virginia legislation directs CTB to withhold state funds for WMATA under certain circumstances
- Maryland legislation also includes circumstances where state funds for WMATA are withheld
- Both VA and Maryland legislation include reporting requirements



CTB Proposed Guidelines

- Recommend the Board establish policies to provide clear guidance to WMATA Board and General Manager regarding Virginia legislation
- Clarify the criteria that CTB will utilize in future withholding decisions
- Provide clear expectations to NVTC jurisdictions to assist them with their expanded oversight of WMATA



WMATA Board Governance



Requirements

- Board shall withhold 20% of dedicated state funds (53.5% of Mass Transit Trust Fund) for WMATA for non-compliance
- Intent of legislation:
 - Scale back the size of the WMATA Board to eight Principal Directors
 - Revise WMATA bylaws to require that only Principal Directors are members of committees

WMATA Board Governance



Proposed CTB Guidelines

- By July 1, 2018 WMATA Board must adopt revised bylaws that clarify the role of Alternates
- Alternates shall not participate in Executive Session of Full Board or Executive Session of Committees **unless they are serving in absence of a Director**
- Alternates may not serve as members of a Committee
- In Committee meetings, Alternates may be invited to make presentations or contribute to a discussion
 - Expectation is that Alternates will not sit at dais unless serving in the absence of a Director

3% Cap on Growth in Operating Assistance



Requirements

- Board shall withhold 35% of dedicated state funds for WMATA (53.5% of Mass Transit Account)
- Operating costs related to the following is excluded from this calculation:
 - Any service, equipment, or facility that is required by any applicable law, rule or regulation
 - Any capital project approved by the WMATA Board before or after effective date
 - Any payment/obligation resulting from a legal dispute or proceeding

3% Cap on Growth in Operating Assistance



Proposed CTB Guidelines: Basis for Calculation

- Operating subsidies from Virginia jurisdictions must not increase more than 3% from prior year
- Will be evaluated in year-over-year basis, starting with FY20 budget compared to FY19 actuals
- Reimbursable projects will not be included in calculation if funded with 100% local funds
- Increase in DC or MD subsidies will not trigger CTB withholding
- Allow for release of withheld funds if WMATA Board adopts an amended budget to reduce year-over-year subsidy increase below 3%

3% Cap on Growth in Operating Assistance



Proposed CTB Guidelines: Budget Items not included in Calculation

- Actions required to comply with any federal law, including but not limited to:
 - Safety directives by MSC, FTA, NTSB or other relevant safety oversight bodies
 - Americans with Disabilities Act (ADA)
 - Title VI Requirements
- MetroAccess paratransit service, including ADA-required service
- Payments or obligations of any kind arising from or related to legal disputes or proceedings between or among WMATA and any other person or entity

3% Cap on Growth in Operating Assistance



Proposed Guidelines: Operating Costs Associated with Capital Projects not included in Calculation

- Intent is to exclude major expansion projects with operating subsidy impacts upon completion, such as Silver Line and Potomac Yard Metro Station
- Additional types of capital projects under consideration:
 - State of Good Repair projects with subsidy impacts
 - Future capital expansion projects with operating subsidy impacts, e.g. bus service expansion that requires purchase of capital equipment
- Retain flexibility to exclude impacts of major service disruptions resulting from capital projects

WMATA Strategic Plan



Requirements

- Board shall withhold 20% of dedicated state funding for WMATA for non-compliance
- WMATA must adopt or update within the preceding 36 months a strategic plan and hold a public hearing on the strategic plan in Northern Virginia
- First strategic plan must address the key recommendations in the report submitted pursuant to Item 436 R of Chapter 836 of the Acts of Assembly of 2017 (LaHood report)

WMATA Strategic Plan



Proposed Guidelines

- Beginning July 1, 2019, the WMATA Board must have adopted a strategic plan and have held at least one public hearing in an NVTC jurisdiction
- First strategic plan shall address recommendations in LaHood report, including but not limited to:
 - Aligning services with demand
 - Implementing “Bus Reset”
 - Improving Ridership
 - Increasing Employee Pension Contributions
 - Pursuing Other Revenue Opportunities
- Every 3 years thereafter WMATA must adopt or update a strategic plan

WMATA Capital Improvement Program



Requirements

- Board shall withhold 20% of dedicated state funding for WMATA for non-compliance
- WMATA must adopt by July 1, 2019 a capital improvement program that covers a 6-year period, and hold a public hearing in Northern Virginia
- Annually thereafter WMATA must update the 6-year program, similar to CTB policy

WMATA Capital Improvement Program



Proposed Guidelines

- Beginning July 1, 2019, WMATA must adopt a detailed capital improvement program (CIP) covering the current fiscal year and the next five fiscal years; and have held at least one public hearing on such capital improvement program in NVTC jurisdiction
- CIP must show detailed projects and revenue sources for the six-year period
- After July 1, 2019, WMATA must satisfy these requirements by July 1 of each year

NVTC Oversight and WMATA Reporting Requirements



Requirements

- NVTC shall request the following from WMATA:
 - Annual Capital Budget
 - Annual Independent Financial Audit
 - National Transit Database Profile
 - Single Audit Reports
- NVTC is responsible for coordinating delivery of documents
- NVTC shall provide annual certification to Comptroller that reports have been received

Annual NVTC Report



Requirements

- Beginning November 1, 2018, NVTC shall provide a report annually to the Governor and General Assembly that includes the following:
 - Safety and reliability of rail system
 - Financial performance of rail operations
 - Financial performance of bus operations
 - Potential strategies to reduce cost growth and improve efficiency of WMATA operations
 - Use of funds to improve safety and state of good repair of rail system
 - Bus and rail ridership

Moving Forward

- WMATA Board Approval of Bylaws by July 2018
- DRPT finalizing exclusions from operating subsidy caps and other details with input from NVTC and WMATA
- Resolution with detailed policies will be provided to CTB at July meeting in Northern VA
- Final policies will be provided to the Board for action at its September meeting
- Continued outreach to NVTC Board and other WMATA jurisdictions
- NVTC Board expected to endorse guidelines in September

