
WMATA Annual Reporting Requirements

September 16, 2020

Commonwealth Transportation Board

Jennifer DeBruhl, Chief of Public Transportation



Virginia Department of Rail and Public Transportation

WMATA Reporting Requirements

- **WMATA must annually certify compliance with applicable law and CTB policy for the following items:**
 - » *Board Governance*
 - » *Operating Assistance*
 - » *Strategic Plan*
 - » *Capital Improvement Plan*
- **WMATA provided the required documentation/certifications to DRPT on June 24 (governance) and July 1 (all others)**
- **OAG has reviewed for compliance with statutory requirements**
- **DRPT has reviewed for compliance with CTB policy requirements**

WMATA Board Governance

Legislative Requirement:

- Board shall withhold 20% of state WMATA allocation for non-compliance (estimated \$32.5M in FY21)

CTB Guidelines:

- Alternates shall not participate in Executive Session of Full Board or Executive Session of Committees unless they are serving in absence of a primary member
- Alternates may not serve as Chair of a Committee
- In Committee meetings, alternates may be invited to make presentations or participate in discussion

DRPT Recommendation:

- **WMATA has met the requirements of the statute and Board policy.**
- **No enforcement action is recommended.**

3% Cap on Growth in Operating Assistance

Legislative Requirement:

- Board shall withhold 35% of state WMATA allocation (estimated \$56.8M in FY21)
- Operating costs related to the following are 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*

CTB Guidelines:

- Provided additional clarity on definitions and calculations

DRPT Recommendation:

- **WMATA has met the requirements of the statute and Board policy.**
- **No enforcement action is recommended.**

WMATA Strategic Plan

Legislative Requirements

- Board shall withhold 20% of state WMATA allocation for non-compliance (estimated \$32.5M in FY21)
- 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

CTB Guidelines

- First strategic plan was to address recommendations in LaHood report
 - » *Bus Transformation Project endorsed January 2020 addressed one recommendation – match service with actual demand.*
- Every 3 years thereafter WMATA must adopt or update a strategic plan

WMATA Strategic Plan

DRPT Recommendation:

- **WMATA has met the minimum requirements for compliance with the statute and CTB policy.**
- **No enforcement action is recommended.**
- **CTB policy requires an update every 36 months, with the next update currently due in 2022.**
- **The next strategic plan will likely need to focus on service optimization and recovery from the ridership impacts of COVID.**

WMATA Capital Improvement Program

Legislative Requirements

- Board shall withhold 20% of state WMATA allocation for non-compliance (estimated \$32.5M in FY21)
- WMATA must adopt every year by July 1 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

CTB Guidelines

- By July 1 every year, WMATA must adopt a detailed capital improvement program 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

WMATA Capital Improvement Program

DRPT Recommendation:

- **WMATA has met the requirements for compliance with the statute and CTB policy.**
- **No enforcement action is recommended.**
- **For the FY21 budget cycle, WMATA revised and implemented a new capital planning and programming process. Features included:**
 - » *Project level detail in the CIP*
 - » *Enhanced capital program reporting*
 - » *Early policy guidance from GM, ten year capital strategy*
- **The development of the FY2021-26 CIP reflected these negotiated terms.**
- **The local jurisdictions have requested that WMATA distribute the 10 year capital strategy. DRPT concurs with that request.**

Biennial Review of CTB Policy

- **Policy Resolution adopted in September 2018 states that the CTB will consider revisions or updates to the policy every two years**
- **There are two actions from the 2020 General Assembly that require a review of the policy:**
 - » *HB 1586 - Provides that increases in service approved by the Washington Metropolitan Area Transit Authority Board shall not be included in the calculation of the annual three percent cap on Virginia's annual operating subsidy.*
 - » *HB 30 (Budget Amendment) - Northern Virginia Transportation Commission shall convene a workgroup to review the impact of the three percent cap on operating assistance in the approved WMATA budget and report to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees on the usefulness of the cap and whether additional items should be excluded.*

NVTC 3% Working Group

- The 2020 General Assembly directed the Chair of NVTC to convene a working group to discuss the effectiveness of the 3% cap on WMATA operating expenses and determine if additional exceptions were warranted.
- The working group consists of the Director of DRPT, local transportation directors, and representatives of the private sector.
- Staff privately interviewed other compact members, the WMATA General Manager, and all of the working group members.
- The Working Group has met twice since June and is required to deliver a report to the General Assembly by November 10, 2020.
- NVTC is expected to act on the report at its November meeting.

Next Steps

- **October – DRPT will present the annual certification resolution to the CTB for action on compliance recommendations**
- **November – NVTC will submit their working group report on the Effectiveness of the 3% Cap on WMATA Operating Expenses to the General Assembly**
- **December – NVTC will submit their Annual Report to the CTB and present their findings**
- **December – DRPT will brief the CTB on recommendations to update the CTB policy**

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