

**J00A0104 – Washington Metropolitan Area Transit Authority
MDOT RESPONSE TO DLS ANALYSIS**

DLS Budget Analysis Issues

1. WMATA’s Proposed Budget Includes Fare Increases and Service Reductions (page 16)

The WMATA General Manager should comment on the challenges created by combining fare increases with service reductions and indicate how WMATA plans to address those challenges to ensure ridership does not continue to decline as a result of these actions.

MDOT Response:

WMATA shares the concern about potential ridership loss resulting from both fare increases and service reductions. The FY18 proposed operating budget anticipates a total loss of 15 million trips resulting from the increases in fares and reductions in bus and rail service. To address ridership losses, WMATA is aggressively focusing on improving rail reliability. During FY17, SafeTrack necessitated prolonged closures and single-tracking on the rail system, which has resulted in ridership losses, but has also restored much of the track infrastructure to a state of good repair. The next focus is on the rail fleet. For Metrorail, 60% of delays are associated with railcars, so Metro’s “Get Well” plan for railcars will result in noticeable improvements for our riders. By the end of 2017, Metro is committed to retiring all 1000 and 4000 series railcars and rebalancing the remaining fleet in the railyards to have the right number of cars per line and greater ability to operate train sets consisting of the same series of railcars. On the remaining legacy fleet (2000, 3000, 5000 and 6000 series) Metro will complete component fixes such as HVAC, propulsion systems and pneumatic brakes to reduce train offloads. Restoring the reliability of the rail system will improve rider confidence and help mitigate ridership losses that result from any fare increases or service reductions.

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DLS Budget Analysis Issues (continued)

2. Federal Transit Agency to Withhold Transit Funding until Metrorail Safety Oversight Program Is Certified (page 20)

MDOT should brief the committees on the estimated timeline for accomplishing the steps outlined by FTA to get MSC certified and how the reduction in federal transit funding will impact the activities supported by that funding.

MDOT Response:

Pursuant to MAP-21, DC, MD, and VA were required to create the Metrorail Safety Commission (MSC) to serve as the State Safety Oversight Agency (SSOA) for the Washington Metropolitan Area Transit Authority (WMATA) Metrorail System three years after the SSOA final rule was published by the Federal Transit Administration (FTA). Since the existing Tri-State Oversight Committee (TOC) was found non-compliant under revised authorities granted by the Fixing America's Surface Transportation (FAST) Act in October of 2015, MDOT has been working expeditiously with our partners in DC and VA to stand up the MSC. On February 8, 2016, US Department of Transportation Secretary Foxx sent a letter to the three jurisdictions establishing February 9, 2017 as the deadline for the MSC to be established even though FTA had yet to publish the SSOA final rule. This arbitrary deadline differed from the requirement of every other state in the nation. Under the FTA State Safety Oversight (SSO) Final Rule, which wasn't issued until March 16, 2016, all other states have until April 15, 2019 to establish and have certified their respective SSOA.

Given this accelerated timeline, a Memorandum of Understanding (MOU) was signed by the jurisdictions in February of 2016 and work began on drafting identical legislation.

On August 30, 2016, Secretary Rahn wrote to Secretary Foxx requesting he reconsider the February 9, 2017 deadline for compliance given the Maryland General Assembly and Virginia legislative session opening in mid-January. The legislation was passed in DC and introduced at the opening of the VA and MD legislatures in January 2017. In addition to passage of the identical legislation, the FTA will require the jurisdictions to complete the following milestones in order to be certified as a SSOA:

- Submit a certification application and documentation showing that the SSOA has independence from the rail transit system it oversees; enforcement and investigation authority; adequate staffing and training; as well as other general program requirements;
- Participate in a transitional hand-off period whereby FTA officials work side-by-side with the new SSOA officials to ensure they are capable of conducting all oversight responsibilities required by Federal law; and
- Verify with FTA that the new SSOA's enforcement and oversight capabilities, as well as their inspection, investigation and audit activities are adequate and meet all statutory requirements.

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Jurisdictional staff have been working diligently to meet all milestones required to establish the MSC including submitting the application and documentation to FTA for review in September 2017. Depending on the length of time for FTA review, the MSC could potentially be set up by the end of calendar year 2017.

Based on the current federal budget resolution, which provides FTA funding through April 28, 2017, the amount of 5307 funds being withheld from Maryland is approximately \$2.8M. However, further appropriations, including any additional funds for the remainder of FFY2017, will also be subject to the 5% withholding. MDOT estimates that the amount of federal funds that could be withheld for the full FFY2017 apportionment is \$4.8M.

This withholding will temporarily reduce the amount of capital funds available for activities such as planning, engineering, and design as well as capital investments including procurement of new buses and construction of new transit facilities. In addition, this temporarily reduces federal funds that can be used to reimburse preventive maintenance activities and in the case of urbanized areas of populations less than 200,000 reduces the amount of funding available for operating assistance.

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DLS Budget Analysis Issues (continued)

**3. WMATA Launches SafeTrack Initiative to Improve Rail Safety and Reliability
(page 22)**

The WMATA General Manager should brief the committees on the status of the SafeTrack effort and whether a return to pre-SafeTrack hours of rail service operation is feasible given the track access demand that will be required to carry out the planned preventive maintenance program once SafeTrack ends.

MDOT Response:

The SafeTrack effort has allowed Metro to address a considerable amount of deferred maintenance. To continue that progress, with less disruption to riders, the WMATA Board of Directors has approved a reduction in hours of rail service operation for two years, from July 1, 2017 to June 30, 2019.

SafeTrack will conclude in June, and by completion of SafeTrack, Metro is on track to replace 90% of defective crossties. Specifically, during SafeTrack Metro will replace approximately 47,500 crossties, more than three times the average replacement rate of 15,000 crossties. SafeTrack also accommodates an accelerated replacement for fasteners, insulators and grout pads as well as increased time to inspect critical components such as Emergency Trip Station boxes and the Intrusion Detection Warning system.

In December of 2016, the WMATA Board of Directors approved a plan to reduce weekly hours of service by eight hours (from the pre-SafeTrack hours of service) to provide increased windows of time for preventive maintenance. Beginning July 1, 2017, Metrorail will be open: Monday-Thursday, 5AM-11:30PM; Friday, 5AM-1AM; Saturday, 7AM-1AM; Sunday, 8AM-11PM. During FY18 and FY19, the Board of Directors will receive quarterly updates on the progress of repairs to the system. Based upon that information, the Board will determine whether to continue or modify these hours of operation beyond FY19.

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Operating Budget Recommended Actions

1. Concur with Governor's Allowance

MDOT Response:

The Department concurs with the DLS recommendation.

PAYGO Capital Budget Recommended Actions

2. Concur with Governor's Allowance

MDOT Response:

The Department concurs with the DLS recommendation.