
**J00A0104 MDOT Washington Metropolitan Area Transit Authority
FY 2024 Operating Budget
Response to the Department of Legislative Services Budget Analysis**

Senate Budget and Taxation Committee
Public Safety, Transportation, and Environment Subcommittee
Chair Sarah Elfreth
February 10, 2023, 11:30 AM

House Appropriations Committee
Transportation and the Environment Subcommittee
Chair Marc Korman
February 20, 2023, 3:00 PM

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DLS Budget Analysis Issues

1. Fiscal Cliff for Transit Agencies Approaching as Federal COVID-19 Relief Funds Run Out (Page 21)

WMATA and the Secretary of MDOT should comment on how the projected structural operating deficits will be addressed and whether changes to service levels to align with changed commuting patterns might be required.

MDOT Response:

During the course of the pandemic and its recovery period, WMATA adjusted its service levels to adapt to shifting commute patterns and ridership levels. However, as mentioned in the DLS analysis, the apparent long-term adoption of telework has significantly impacted WMATA's ridership, most likely for the foreseeable future and perhaps permanently.

Facing future structural operating shortfalls, balancing its operating budget will pose a challenge for WMATA over the next several years. Creative thinking will be needed to bridge its upcoming funding gap.

Hundreds of thousands of Marylanders rely on WMATA's transit offerings for their transportation needs. It is important for the State to help ensure that these citizens, as well as others who live throughout the National Capital region, have access to a safe and reliable transit system to get them to work, their doctors' appointments, the grocery store, and wherever else life takes them. Through our participation on the WMATA Board of Directors and as part of WMATA's Jurisdictional Coordinating Council, MDOT will continue to actively collaborate with WMATA and the other regional funding partners to work toward finding a solution to this fiscal quandary.

WMATA Response:

With the projection that federal COVID relief funding will be fully expended during FY 2024, the region will need to collectively address WMATA's future funding model. WMATA will actively engage with its Board of Directors, regional leaders and the community in soliciting and examining funding concepts. As noted in the analysis, the structural deficit is expected to exceed \$700 million in FY 2025 and exceed \$900 million by FY 2029. Given the scope of the funding deficit, WMATA's future funding model will likely require multiple sources of funding to be sustainable in the long term. While specific concepts have not yet been identified, a review of funding mechanisms from peer transit systems will serve to inform the regional discussion.

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DLS Budget Analysis Issues (continued)

Changing commuting patterns, and reliance by customers on the rail and bus networks for non-commute trips, has already resulted in changes to current and proposed service levels. The pandemic demonstrated the dependence on transit, particularly bus transit, by essential workers. In response to demand and crowding, Metro has increased weekend service on targeted Metrobus routes and launched a frequent service network with 36 bus lines having consistent service of 12- or 20-min or better service from 7AM-9PM, 7 days per week. Metro continues to develop additional changes as part of the Better Bus Network Redesign in coordination with Prince George’s and Montgomery counties. Further changes to better align service to demand on the Metrobus network are the anticipated outcome from the Better Bus Network Redesign effort.

On Metrorail as well, while there is some more crowding during the traditional “peak” hours, the rush hour travel demand is much less than pre-COVID. To align service to demand, Metro is proposing more consistent rail headways throughout the day, with modest increases in rail frequency during AM/PM rush hours to address crowding. The chart below demonstrates the proposed Metrorail headways for FY 2024:

Proposed FY2024 Metrorail Service Levels

Line	<u>All Day Service</u>	<u>AM/PM Rush</u>	<u>Late Night</u>
	7 days a week	Weekdays only 6:30-9:30AM & 3-7PM	7 days a week
Red	6 min	5 min	10 min
Green, Yellow	6 min	6 min	10 min
Orange	10 min	7.5 min	15 min
Blue, Silver	12 min	10 min	15 min

All Day Service: Baseline service frequency from opening to 9:30 pm, 7 days a week

AM/PM Rush Service: Increased service frequency between 6:30 am – 9:30 am and 3:00 pm – 7:00 pm, Monday-Friday

Late Night Service: Service frequency from 9:30 pm to Close, 7 days a week

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DLS Budget Analysis Issues (continued)

2. **WMATA should provide an update on the efforts to fully return the 7000-series railcar fleet to service and remaining challenges needing to be addressed to ensure the continued ability to use 7000-series railcars.**

WMATA Response:

Investigation: The October 2021 derailment investigation and probable cause analysis are being led by the National Transportation Safety Board (NTSB). Other parties alongside WMATA include Federal Transit Administration and Washington Metrorail Safety Commission (WMSC), as well as Kawasaki (the original equipment manufacturer of the railcars), and ORX (the wheelset supplier). Various analyses of historical data, as well as static and dynamic testing of railcars have been conducted. The investigation has made significant progress in eliminating possible causes and identifying probable causes.

Return to Service: Since May 2022, WMATA has gradually reintroduced the 7000-series trains to service, in strict accordance with Return to Service Plans approved by WMSC. There has been no wheel movement since the 7000-series railcars were reintroduced.

- In May, WMATA took new baseline measurements to kick-start the new wheel measurement process and released up to 8 trains into service each day; those wheelsets were measured on a daily basis.
- In early September, WMATA moved to a 4-day measurement interval and released up to 20 trains in service, but only on the Red, Yellow and Green lines.
- In late October, more rail cars were eligible for service each day based on the force used to press on the wheels; rail cars could only be used on specific lines, and the wheels were measured every 4 days.
- In early December, all rail cars were eligible for service on every line, with wheelsets measured every 4 days.
- In late January, WMATA moved to a 7-day measurement interval without a limit of trains in service, and currently about 35 7000-series trains are in service each day.

Process Improvement: WMATA has been continuously working to improve the precision, criteria and quality of the measurement procedures. WMATA is now using 100% digital measurement tools, forms and processes, and has several safety measures embedded in software to prevent release of non-conforming cars.

Future work:

- Continue to work with the NTSB and parties to complete the investigation.
- Continue to work with the WMSC on review and refine the wheel measurement program based on data to manage trains in service.
- Implement any corrective actions that result from the NTSB investigation.

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Operating Budget Recommended Actions

- 1. Concur with Governor's Allowance (Page 23)**

MDOT Response:

The Department concurs with the DLS recommendation.

Paygo Capital Budget Recommended Actions

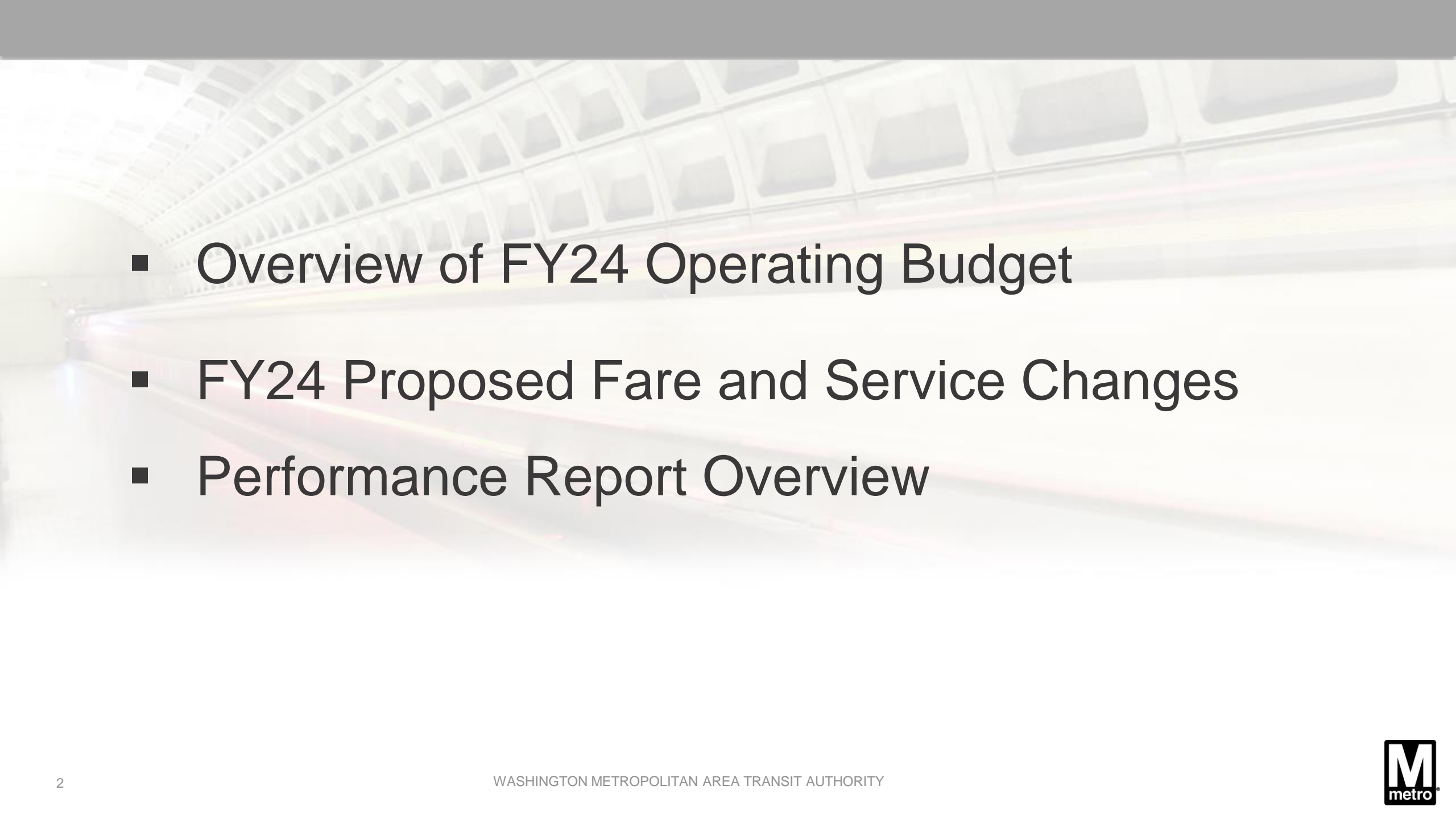
- 1. Concur with Governor's Allowance (Page 23)**

MDOT Response:

The Department concurs with the DLS recommendation.

WMATA FY24 Budget Overview



- 
- Overview of FY24 Operating Budget
 - FY24 Proposed Fare and Service Changes
 - Performance Report Overview

FY2024 Operating Budget Recommendation



FY2024 Proposed Budget Initiatives

Service Excellence

Deliver safe, reliable, convenient, accessible & enjoyable service for all customers

Regional Opportunity & Partnership

Design transit service to move more people & connect a growing region

Sustainability

Manage resources responsibly to achieve a sustainable operating, capital & environmental model

Talented Teams

Attract, develop & retain top talent where individuals feel valued, supported & proud of their contribution



Enhance Safety

- Safety Management System (SMS) implementation
- Metro Transit Police Officers
- Crisis Intervention Specialists
- Enhance technical training and staff development



More Frequent & Reliable Service

- Increased Bus and Rail Service Frequency
- Better Bus Network Redesign



Capital Improvements for a Better Metro

- Bus and Rail System State of Good Repair
- New Buses, Railcars, MetroAccess Vehicles
- Modernize Customer Information and Wayfinding
- Open Potomac Yard Station
- Rehab employee and customer restrooms



More Simplified & Equitable Fares

- Low-income Fare program
- Fare Simplification, eliminate peak fare, standardize mileage rates



Improved Customer Service & Communications

- Metro Integrated Comms Center (MICC)
- One stop shopping through consolidated call centers
- Enhanced Passenger Information Displays



Sustainability

- Northern and Bladensburg Bus Garage Electrification
- Zero Emission Buses
- LEED Certified Maintenance Facilities and Offices

Depletion of Federal Funds in FY2024 Results in Major Structural Funding Gap for FY2025

(\$ in millions)	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Budget	FY2024 Proposed	FY2025 Scenario
Passenger Revenue	\$485.0	\$102.0	\$213.5	\$301.0	\$406.0	\$428.2
Non-Passenger Revenue	\$95.8	\$64.6	\$67.9	\$81.5	\$103.2	\$106.2
Total Revenue	\$580.8	\$166.6	\$281.4	\$382.5	\$509.2	\$534.4
Total Expenses	\$1,927.2	\$1,880.3	\$1,870.1	\$2,247.2	\$2,322.1	\$2,561.4
Operating Deficit	(\$1,346.4)	(\$1,713.7)	(\$1,588.7)	(\$1,864.7)	(\$1,813.0)	(\$2,027.0)
Subsidy	\$1,125.5	\$1,009.1	\$1,109.7	\$1,191.9	\$1,252.0	\$1,289.5
Federal Relief	\$221.0	\$704.7	\$479.0	\$672.8	\$561.0	-
Funding Gap	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$737.5)




Chart and table totals may not sum due to independent rounding.

FY25 assumes 75% recovery and subject to contractual obligations

Operating Budget Recommended Service and Fare Changes



Proposed Service Changes to Improve Frequency and Access



FY2023 Budget	<div>METROBUS 135 Lines</div> <div><div>12 Min. Frequency</div><div>20 Min. Frequency</div><div>20 lines</div><div>16 lines</div></div>	<div><div>METRORAIL 1,278 Railcars</div><div>(headways in minutes)</div><div><div>Line</div><div>AM/PM Rush</div><div>All Day</div><div>Late Night</div><div>RD</div><div>5</div><div>6</div><div>10</div><div>BL OR GR YL SV</div><div>10</div><div>12</div><div>15</div></div></div>	<div><div>METROACCESS 759 Vehicles</div><div><div>Vans</div><div>Sedans</div><div>532</div><div>227</div><div>On-demand paratransit vehicles</div></div></div>	
	FY2024 Proposed Budget	<div><div>Route</div><div>Improve Frequent Bus Service</div><div><div>B2 (DC)</div><div>Upgrade busy Bladensburg Road-Anacostia line, a top 15 ridership route, to every 12 minutes all day</div></div><div><div>A12 (MD)</div><div>Restructure Martin Luther King Jr. Highway service, extending service every 20 minutes to Downtown Largo</div></div><div><div>16M (VA)</div><div>Restructure Columbia Pike service, connecting Skyline to Crystal City with service every 12 minutes all day</div></div></div>	<div><div>Line</div><div>AM/PM Rush</div><div>All Day</div><div>Late Night</div><div>RD</div><div>5</div><div>6</div><div>10</div><div>GR YL</div><div>6</div><div>6</div><div>10</div><div>OR</div><div>7.5</div><div>10</div><div>15</div><div>BL SV</div><div>10</div><div>12</div><div>15</div></div>	<div>No Change</div>



Fare Simplification Proposal

Standardize peak and off-peak fares, align rail and bus base fares, and discount fares for low-income customers

Current Fare Structure



	Base Fare	Max Fare	Reduced Fare ¹
 Peak	\$2.25 After first 3 miles, 0.326 per mile After 6 miles, \$0.288 per mile	\$6.00	50% off the peak fare
Off-Peak Weekday	\$2.00 After first 3 miles, 0.244 per mile After 6 miles, \$0.216 per mile	\$3.85	
Late Night² and Weekend	\$2.00	\$1.00	
 Bus	\$2.00	\$1.00	

MetroAccess fares are twice the fastest comparable fixed-route fare with a maximum of \$6.50 per trip.

¹ For senior and disabled customers

² Late Night fares apply after 9:30pm

Proposed Fare Structure

	Base Fare	Max Fare	Reduced Fare ¹
 Regular	\$2.00	\$6.50	\$1.00 to \$3.25
After first 3 miles, \$0.40 per mile			
 Late Night² and Weekend	\$2.00	\$1.00	
Bus	\$2.00	\$1.00	

MetroAccess fares are twice the fastest comparable fixed-route fare with a maximum of \$6.50 per trip.

¹ 50% discount for senior, disabled, and low-income customers

² Late Night fares apply after 9:30pm



FY23 Q2 Metro Performance Report



Summary



Customer satisfaction is improving, reflecting actions taken to improve reliability



- Most measures met target or are trending in the desired direction



- System-wide ridership is above forecast, and rush hour is returning



- Focusing on addressing customer and employee safety through cops, cameras and compassion

See the full FY23 Q2 Metro Performance Report under the “Performance” section of our [Public Records](#) page at wmata.com. Please also refer to the new performance measure data tables for additional detail, now included as a downloadable spreadsheet file at the same website location.



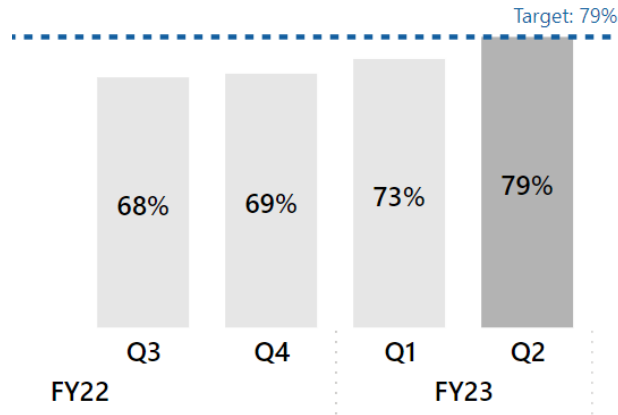
Customer Satisfaction

Customer satisfaction continued to increase, reflecting more frequent and reliable service and accurate arrival times



Rail Customer Satisfaction

79% of customers satisfied | target $\geq 79\%$

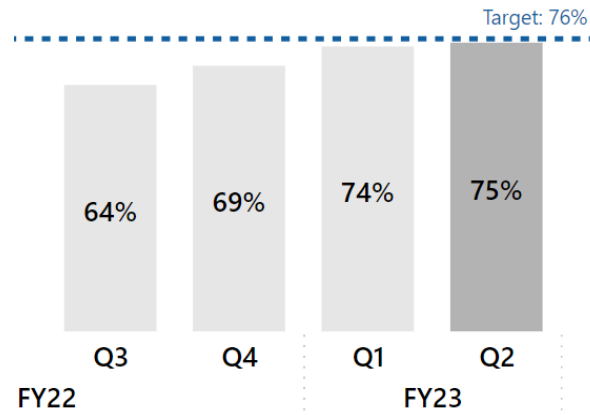


35% increase in train capacity during Q1 and Q2. Lower wait times, more 8-car trains



Bus Customer Satisfaction

75% of customers satisfied | target $\geq 76\%$

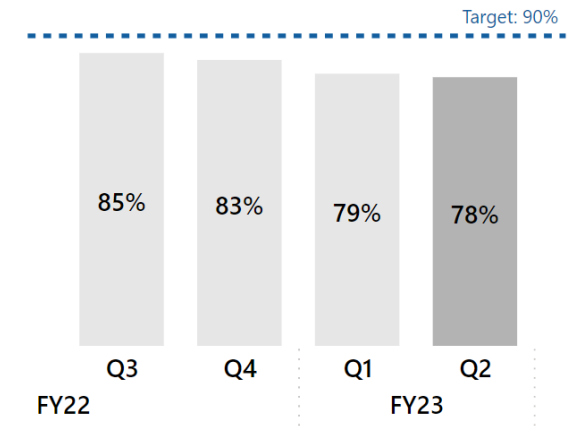


86% of arrival predictions are accurate
Added frequency to **4** routes in December: S2, N2/N4, L2, 70



Access Customer Satisfaction

78% of customers satisfied | target $\geq 90\%$



Designated dispatchers to monitor “late trip board” to proactively identify dwelling operators + routes experiencing delays

Ridership

Metro ridership is steadily increasing in FY23, carrying on average 50,000 more customers on Bus and 81,000 more customers on Rail per weekday compared to the first two quarters of FY22. On an average Tuesday - Thursday, we carry 625,000 customers.

