



Washington Metropolitan Area Transit Authority

Keeping Metro Safe, Reliable and Affordable

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WMATA Overview

- The Washington Metropolitan Area Transit Authority (WMATA) was created in 1967 by an Interstate Compact between VA, MD & DC
- WMATA began operation in 1976 and has three modes: Metrorail, Metrobus, MetroAccess
- Serves population area of over 3.9 million covering a 1,500 square-mile area
- Metro provides over 1 million trips on an average weekday





Metro Keeps the Region and Prince George's County Working

- \$235B of real estate value within half-mile of rail stations
- Proximity to rail increases property values by 7-9%
- Land value near Metrorail generates \$3.1B per year in jurisdiction tax revenues
- If there were no transit in the region, congestion would increase by 25%, costing over \$1.5 billion annually





Metro's Value to Prince George's County

Metro provides over 186,000 trips to Prince Georgians on a typical weekday

- Metrorail
 - 94,000 average weekday trips to Prince Georgians
- Metrobus
 - 89,000 average weekday trips to Prince Georgians
- MetroAccess
 - 3,200 paratransit customers in Prince George's County on an average weekday



WMATA and Region Must Address Challenges in Three Horizons

2019 and beyond

③ Larger-scale transformation

World-class US transit system across safety, operating, and financial performance

2017-2018 ② Back2Good

New initiatives on customer experience, revenue, and accelerating capital investments

2016-2017 ① Right the ship

Emergency actions to address crisis



Right the Ship

- Safety above service reinforced at all levels
 - One day shutdown in March 2016
 - Launch of SafeTrack in June 2016
- Service reliability and customer service
 - 7000 Series railcars
 - 15 minute grace period on Metrorail
- Fiscal management
 - Accountability—“at will” employees—terminations
 - Revised ethics and nepotism policies
 - 800 positions eliminated
 - Containing absenteeism, overtime, workers’ compensation
 - Timely audits
 - Capital program delivery





Back2Good

- Railcars and Track Infrastructure
 - More 7000 Series, retiring 1000/4000 series
 - Railcar “get well” program
 - Railcar offloads down 50% in Q1 of 2017
 - SafeTrack will have refurbished 20 percent of all track
 - Preventive Maintenance and Inspection Program
- Customer Service Improvements
 - Escalator availability at 95%
 - Cell phone coverage in tunnels
 - WiFi at 30 underground stations by end of 2017
 - Station cleaning/painting
 - Improvements in customer announcements



2019 and Beyond

- Metrorail is a \$40B regional asset that is critical to the economic vitality and future of the region
- Years of deferred maintenance combined with the aging of the system has impacted service reliability that requires major capital investment to address
- Operating expenses are growing at nearly twice the rate of revenues and requires significant changes in the business model
- To address these financial concerns, WMATA has released a comprehensive funding plan



Capital Budget

- Jurisdictional capital contributions should be capped at 3% annual growth
- \$15.5 billion in capital funds needed over the next 10 years
- Recommend the region establish a multi-year, stable revenue source generating \$500 million per year for capital
- Capital Trust Fund should be dedicated to capital investment
- Congress should reauthorize federal capital investment (PRIIA) in safety and reliability for WMATA at least at current level of \$150 million per year



Operating Budget

- Jurisdictional operating subsidies should be capped at 3% annual growth
- Preserve pension commitment to active employees and retirees, but provide a defined contribution plan for new hires
- Enhance flexibility to reduce costs with innovative approaches including competitive contracting of targeted functions
- Congress should amend the National Capital Area Interest Arbitration Standards Act (Wolf Act) to require arbitration process that considers financial condition of WMATA
- Create a “Rainy Day Fund” to incrementally provide 10% of the operating budget over 10 years



Future Benefits

- Enhanced Economic Opportunity
 - Reliable regional mobility drives economic growth through greater access to jobs for employees and employers
- Transit-Oriented Development
 - Trend of region's commercial and residential construction around Metro stations will continue
- Workforce Stability
 - Sustainable operating budget will mitigate need to reduce service
 - Preserves benefits for current employees
- Restored pride in Metro
 - The public, our riders and our employees will once again take great pride in a safe, clean and reliable Metro system

THANK YOU!

