



COMMONWEALTH of VIRGINIA

Office of the Governor

Shannon Valentine
Secretary of Transportation

October 17, 2019

The Honorable Charles W. Carrico
Chairman, Senate Transportation Committee
Post Office Box 1100
Galax, Virginia 24333

The Honorable David E. Yancey
Chairman, House Transportation Committee
Post Office Box 1163
Newport News, Virginia 23601

Dear Chairman Carrico and Chairman Yancey:

Virginia Code § 33.2-3102 requires the Secretary of Transportation to provide a quarterly update on Virginia's efforts to work with its counterparts in Maryland and the District of Columbia (DC), as well as the Northern Virginia Transportation Commission (NVTC), on necessary reforms of the Washington Area Metropolitan Transit Authority (WMATA) to support a viable transit system. This letter serves as the update for the quarter ending September 30, 2019.

- I) **Legal and organizational structure of WMATA**
- II) **Composition and qualifications of the WMATA Board of Directors and the length of terms of its members**

Chapter 429 of the 2018 Acts of Assembly directed the Secretary of Transportation to conduct a review of the WMATA Board of Directors (Board) membership provisions to determine whether the criteria used for membership eligibility serves the Commonwealth's best interests, and to determine whether any changes to such representation can be made without an amendment to the WMATA Compact. A copy of this report can be found on DRPT's website. DRPT determined that existing requirements in the *Code of Virginia* regarding Commonwealth representation on the Board sufficiently serves the best interest of the state.

In accordance with Enactment Clause 7 of Chapters 854 and 856 of the 2018 Virginia Acts of Assembly, the WMATA Board amended its bylaws to clarify roles of alternate directors, including prohibiting their participation in official actions when primary Board members are present. As required by Commonwealth Transportation Board (CTB) policy, WMATA provided certification to DRPT on June 28, 2019, that it adhered to this requirement during Fiscal Year 2019. At the same time, WMATA submitted a letter certifying that it had complied with the requirements of the General Assembly and CTB regarding the development and approval of a compliant strategic plan and capital improvement plan as well as the growth in Virginia's share of WMATA operating assistance. At the September 2019 CTB meeting, DRPT reported that WMATA demonstrated that it had met the requirements of the statute and CTB policy for Fiscal

Year 2019 and that no enforcement actions will be recommended. At its October meeting, the CTB voted to take no enforcement actions against WMATA related to its FY 2019 compliance with the CTB policy.

III) Labor costs and labor relations and;
IV) Measures necessary to resolve WMATA's unfunded pension liability and other postemployment benefits

In July 2019, DC, Maryland, and the Virginia member jurisdictions agreed to sign a one-year Capital Funding Agreement (CFA) for Fiscal Year 2020, later approved by the Board on September 26, 2019. WMATA is currently securing local jurisdictional approvals. All local approvals and final execution of the Fiscal Year 2020 CFA should be complete by the end of November 2019. The completion of the FY 2020 CFA provides the basis for Maryland to fully remit the funding that has previously been withheld from its Fiscal Year 2020 capital contribution to WMATA, and places all three jurisdictions in compliance with the 2018 capital funding legislation and governance reforms.

The jurisdictions also began negotiations on a new CFA six-year agreement to take effect in Fiscal Year 2021, with negotiations expected to continue through spring 2020. The new six-year CFA is anticipated to be approved by the WMATA Board in March 2020 alongside the approval of its Fiscal Year 2021 budget.

The CFA governs the traditional jurisdictional capital contributions allocated to WMATA, as opposed to the new annual dedicated funding adopted by the 2018 General Assembly; therefore, Virginia, Maryland, and DC each have separate funding agreements with WMATA for their respective dedicated funding contributions. Virginia was the first to require a new dedicated funding agreement, which was signed with WMATA on May 1, 2019. Maryland signed its agreement on September 26, 2019. The District of Columbia will sign its dedicated funding agreement in October upon WMATA Board approval of a required indemnification agreement.

V) Measures Necessary to Better Ensure the Safety of Riders and Employees

On March 18, 2019, the Federal Transit Administration (FTA) announced the certification of the Washington Metrorail Safety Commission State Safety Oversight Program. With this certification, independent responsibility for direct safety oversight of the WMATA Metrorail system immediately transferred from the FTA to the Commission.

During summer 2019, WMATA completed a major capital improvement program to repair the platforms at the six Metrorail stations south of Reagan National Airport. The Platform Improvement Program necessitated the full closure of those stations and suspension of Metrorail service from late May 2019 until early September 2019. Full service resumed at those stations on September 8, 2019. WMATA replaced the platforms at four stations during summer 2019 and will replace the remaining two platforms by the end of 2019 with only minor additional service disruptions. WMATA will soon announce plans for a similar summer 2020 closure of the above ground stations on the Orange Line in Virginia. Impacted Metrorail stations in Virginia will include East Falls Church, West Falls Church, Dunn Loring, and Vienna.

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On September 12, 2019, WMATA General Manager Paul Wiedefeld sent a series of letters to Metropolitan Washington Airport Authority (MWAA) CEO Jack Potter that detailed several issues of concern that MWAA must fully address before WMATA will agree to assume ownership of the Phase II extension of the Silver Line. The WMATA Inspector General concurrently issued a series of management alerts about deficiencies it has identified with the construction of the Silver Line Phase II project. Some of the concerns and deficiencies identified by WMATA and its Inspector General include issues with concrete panels, rail ties/cross-levels, and fouled ballast at the new Dulles Rail Yard.

VI) Financial and operational improvements necessary to ensure that WMATA's performance is at least as efficient as its closest comparable transit system in the United States

WMATA released its Bus Transformation Project Summary and Recommendations on September 4, 2019. WMATA initiated a Bus Transformation Study that is a regionally-developed mobility strategy to define the roles of buses and their operators, advance innovations, and create a plan to advance these goals. The project re-envisioned the bus network in the Washington, DC, region as a coordinated regional transportation solution that addresses the changing needs of customers, leverages innovative technology, and employs a sustainable cost structure. The four key recommendations are:

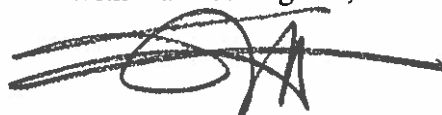
- i) provide frequent and convenient bus service;
- ii) give buses priority on roadways,
- iii) create an excellent customer service experience; and
- iv) empower a publicly appointed taskforce.

Work continues on an implementation plan which will be completed by the end of the year. DRPT staff serves on both the Technical and Strategy Committees of the Bus Transformation Project.

Additionally, WMATA recently launched a two-year study of options to address some of Metrorail's longstanding and unaddressed needs related to current and future throughput on the Metrorail Blue, Orange, and Silver lines (originating in Springfield, Vienna, and Ashburn respectively). The study will focus on capacity and reliability needs on these lines, including the need to increase capacity at the Rosslyn Tunnel between Arlington and Washington, DC. DRPT staff is serving on both the Technical and Strategy Advisory Committees.

Thank you for your continued support of WMATA. Please let me know if you have any questions or comments.

With warmest regards,



Shannon Valentine