



COMMONWEALTH of VIRGINIA

Office of the Governor

Shannon Valentine
Secretary of Transportation

July 28, 2020

The Honorable Dave W. Marsden, Chairman
Senate Transportation Committee
Post Office Box 10889
Burke, Virginia 22009

The Honorable Delores McQuinn, Chairman
House Transportation Committee
Post Office Box 406
Richmond, Virginia 23218

Dear Senator Marsden and Delegate McQuinn,

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, 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 June 30, 2020.

- 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.

Additionally, the WMATA Board amended its bylaws in 2018 to clarify roles of alternate directors, including prohibiting their participation in official actions when primary Board members are present. As required by Virginia law and CTB policy, WMATA sent certification to the Commonwealth Transportation Board on June 24, 2020, stating that it has complied with this bylaw during Fiscal Year 2020.

Lastly, during this quarter, the WMATA Board reappointed Virginia representative, Paul Smedberg, as chairman for Fiscal Year (FY) 2021. He has served in that role since June 2019.

III) Labor costs and labor relations

On June 17, 2020, the WMATA General Manager Paul Wiedefeld notified Arlington County, Fairfax County, the District of Columbia Department of Transportation, and the Maryland Department of Transportation that they would receive a one-time credit totaling \$1.9 million for service not operated during the two-month strike at the Cinder Bed Road garage in Lorton, Virginia. Service at the location is operated under contract by TransDev, and the employees at this location are represented by the Amalgamated Transit Union (ATU) local 689.

IV) Measures necessary to resolve WMATA's unfunded pension liability and other postemployment benefits

On May 8, 2020, WMATA reported on its calendar year 2019 fourth quarter investment performance for the employees' pension plans. Overall, the WMATA pension plans saw an increase of approximately \$250 million to grow to a market value of roughly \$4.7 billion.

In the budget adoption resolution on April 2, 2020, the Board authorized the General Manager to fund the Other Post-Employment Benefits (OPEB) trust fund in Fiscal Year 2021, which begins July 1, 2020. Per a long-standing policy, post-employment benefit obligations are shown on WMATA's audited financial statements but excluded from operating budget expenses.

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 (WMSC) 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. On June 29, 2020, the WMSC submitted its annual report to DRPT Director Jennifer Mitchell and me.

During the first quarter of the year, WMATA announced its plans for Metrorail platform replacement work during summer 2020. This project is a continuation of work completed on the Blue and Yellow line during the summer 2019. It required a seasonal closure of the above-ground stations on the western end of the Orange Line in Virginia; and the Virginia Metrorail stations impacted, to varying degrees, were East Falls Church, West Falls Church, Dunn Loring, and Vienna. Work began on May 23, 2020, and is anticipated to be completed fully in fall 2020. However, the West Falls Church station will reopen for service on August 16, 2020.

Additionally, five Silver Line stations – McLean, Tysons Corner, Greensboro, Spring Hill, and Wiehle-Reston East – closed on May 23, 2020, to allow for integration of the train control systems between Phases 1 and 2 of the Silver Line. These stations also are scheduled to reopen on August 16, 2020.

During these closures on the Orange and Silver lines, WMATA is operating free shuttles to replicate rail service, and DRPT has administered \$1.6 million to support supplemental services by other local transit agencies from a total of \$4 million allocated in the Fiscal Year 2020 SYIP.

As discussed in the last quarterly update, WMATA has taken numerous actions as a result of the ongoing COVID-19 pandemic. At its June 2020 meeting, the Board unveiled its recovery plan, including a plan to restore 70 to 80 percent of service between August and October of this year. WMATA anticipates a full service restoration by spring 2021. Phases will be based on employer return-to-work plans. On June 29, 2020, WMATA reallocated several bus trips to alleviate overcrowding, opened the first and last railcars to add capacity, and reopened 15 rail stations that had been closed to preserve cleaning supplies. Additionally, WMATA adopted a face covering requirement for all passengers on May 18, 2020.

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

At its June 11, 2020, meeting, the Board authorized a one-year extension of the Passenger Rail Investment and Improvement Act (PRIIA) with DRPT. The agreement was signed and executed by both parties on June 29, 2020. It obligates the Commonwealth to provide \$50 million in matching funds, one third of the total federal match, during Fiscal Year 2020. WMATA confirmed that it is in receipt of the federal funds in its Fiscal Year 2020 budget following Congressional enactment last December – an additional year of federal funding beyond the expiration of the ten-year authorization.

The United States House of Representatives passed legislation that includes a new 10-year PRIIA authorization for WMATA, escalating each year by \$5 million and by \$10 million in year ten. The bill also reserves a minimum seven percent each year to fund the WMATA Office of Inspector General (OIG). Under the current draft, it will be WMATA's responsibility to set-aside seven percent after the local match has been made. Therefore, local match obligations will begin to increase by Fiscal Year 2022; and the federal share going to capital will be at least seven percent less than the total combined local match. Additionally, the House Transportation, Housing, and Urban Development (THUD) appropriations subcommittee released its draft Fiscal Year 2021 legislation, also proposing a \$150 million appropriation for WMATA capital grants.

At its June 16, 2020, meeting, the Loudoun County Board of Supervisors approved its first WMATA capital funding agreement (CFA) as the Silver Line Phase II nears completion. The CFA describes the WMATA Compact jurisdictions' responsibilities for capital funding and projects, and this CFA specifically addresses the capital portion of Loudoun County's subsidy allocation. Beginning on July 1, 2020, Loudoun County will be a contributing jurisdiction of the WMATA Compact with the county providing approximately \$5.8 million annually.

At a special June 23, 2020, meeting, the WMATA Board unanimously approved a new seven-member independent oversight panel of the Metro Transit Police Department (MTPD). This new panel will be comprised of citizens and police members from Virginia, Maryland, and the District of Columbia. It will report quarterly while reviewing police investigations and offering recommended policy changes to the MTPD chief.

During this quarter, WMATA continued its work on the Blue/Orange/Silver Lines Capacity and Reliability Study. WMATA released initial alternatives to address congestion in the Rosslyn Tunnel in early 2019; these alternatives were developed with input from technical and stakeholder committees and extensive passenger surveying during the summer. The six concepts include operational turn-backs, a second Rosslyn station, rerouting Blue and Silver Line trains, creating a downtown loop, and several options for a separated Blue or Silver Line. The study is also looking at investments to improve reliability such as shortening signal blocks, upgrading communications equipment, building passing tracks, and returning to Automatic Train Operation. WMATA anticipates completing the study during 2021.

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

With warmest regards,

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal line and a small vertical stroke at the end.

Shannon Valentine