



Finance and Capital Committee

Action Item III-A

January 12, 2023

**Authorization for Public Hearings on GM/CEO's
Proposed FY2024 Operating and Capital Budget and
FY2024-2029 CIP and Associated Fare and Service
Changes**

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 203417	Resolution: <input checked="" type="radio"/> Yes <input type="radio"/> No
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TITLE:

Authorization of Public Hearings for FY2024 Budget

PRESENTATION SUMMARY:

Staff will review public hearing requirements and seek Board authorization to conduct public hearings on Metro's Proposed FY2024 Operating and Capital Budgets and FY2024-2029 Capital Improvement Program (CIP), including approval of proposed service and fare changes.

PURPOSE:

Request Board authorization to conduct Compact Public Hearings and related public participation activities on the Proposed FY2024 Operating and Capital Budgets and FY2024-2029 CIP as well as service and fare change proposals.

DESCRIPTION:

Identification of Parties with an interest in Metro's budget:

The following list includes Metro's top non-personnel multi-year contractors through FY2022 and to date (\$500 million) as well as the Metropolitan Washington Airports Authority. Some vendors have contracts spanning through FY2023 as well.

- Kawasaki Rail Car Inc.
- Kiewit Infrastructure Company
- Hitachi Rail Washington LLC
- Potomac Yard Constructors
- New Flyer of America, Inc.
- Transdev Services, Inc.
- C3M Power Systems, LLC
- Motorola Solutions Inc.
- Kone Inc
- MV Transportation
- Diamond Transportation Service, Inc.
- First Transit, Inc.
- The Aftermarket Parts Company LLC
- DJB Contracting Inc.
- Potomac Construction Co Inc.

- Dell Marketing LP
- Cubic Transportation Systems Inc.
- Jacobs Engineering Group, Inc.
- Challenger Transportation Inc.
- Toshiba International Corporation
- Gannett Fleming Engineers and Architects

A full list of Procurement Awards is available at:

<https://www.wmata.com/business/procurement/solicitations/index.cfm#main-content>

Furthermore, Metro has labor agreements with the following collective bargaining units:

- Fraternal Order of Police/Metro Transit Police Labor Committee, Inc. (FOP)
- Office and Professional Employees International Union Local No.2, AFL- CIO (Local 2)
- Local 639, International Brotherhood of Teamsters Law Enforcement Division (Local 639)
- Local Union 689 of the Amalgamated Transit Union, AFL-CIO (Local 689)
- Local 922, International Brotherhood of Teamsters (Local 922)

Key Highlights:

- On December 8, 2022, the General Manager's Proposed FY2024 Operating and Capital Budgets and FY2024-2029 CIP were presented for Board consideration.
- The proposed operating budget increases bus and rail service, simplifies fares, launches the Better Bus Network Redesign and funds crisis intervention specialists.
- The proposed capital budget funds zero emission buses and electrification of the Northern and Bladensburg bus garages, opens the new Potomac Yard Station, modernizes customer wayfinding, and funds the creation of the Metro Integrated Comms Center.
- Staff is seeking board authorization to conduct public hearings to gather comments, as well as comply with requirements of the Compact and Federal Transit Administrations grant requirements.
- Additionally, staff will develop and implement an outreach program (as outlined in the Board-adopted Public Participation Plan) to invite public input that will be part of the public record of the hearing.
- The Board will consider the hearing and outreach findings before adopting the FY2024 Operating and Capital Budgets and FY2024-2029 CIP.
- Metro's CIP advances investments in safety and state of good repair, and in projects which address reliability, resiliency and improved customer service.
- The Proposed FY2024-2029 Six-Year CIP totals \$14.4 billion, including debt service and the proposed FY2024 Capital Budget expenditures

forecast is \$2.4 billion.

Background and History:

The Proposed FY2024 Operating Budget includes revenue of \$509 million, expenses of \$2,322 million, total subsidy of \$1,252 million, and \$561 million of American Rescue Plan Act (ARPA) relief funding used. The proposed budget increases bus and rail service, simplifies fares, funds crisis intervention specialists, and customer liaisons.

The FY2024 budget timeline allows for completion of Title VI analysis and public hearings in February/March 2023, budget adoption in April 2023, and implementation by the start of FY2024.

The Proposed FY2024-2029 Capital Improvement Program is focused on Safety and Security, Reliability, State of Good Repair, Sustainability, Efficiency and Resiliency. The proposed capital budget funds zero emission buses and electrification of the Northern and Bladensburg bus garages, opens the new Potomac Yard Station, modernizes customer wayfinding, and funds the creation of the Metro Integrated Comms Center (MICC).

These efforts are in alignment with Metro's proposed strategic transformation plan: Your Metro, The Way Forward.

Discussion:

Capital Improvement Program Proposals

FY2024-2029 Capital Improvement Program

Metro's CIP invests in capital projects and programs necessary to achieve, and where achieved, maintain, a state of good repair and to continue safe and efficient operations of Metrorail, Metrobus, and MetroAccess. The CIP includes six investment categories to facilitate understanding of where funding is invested. The CIP includes a one-year authorization for capital budget expenditures and projects estimated investments over five fiscally constrained planning years.

Funding for the CIP is provided by the Compact Signatories of the State of Maryland, the District of Columbia, and the Commonwealth of Virginia through Dedicated Funding and match for Federal Passenger Rail Infrastructure Investment Act (PRIIA) grants. Funding from jurisdictions that are parties to the Capital Funding Agreement provides local match for federal grants and system performance funding. The FY2024 to FY2029 CIP assumes continued increases in Federal Formula grant funding associated with the Infrastructure Investment and Jobs Act, including an approximately \$126 million increase in formula grants in FY2024. Finally, Metro also issues debt, backed by Dedicated Funding, to address any shortfall in funding needs after the other funding sources are applied.

Metro's CIP is developed for budgeting purposes with one execution year and five, fiscally constrained planning years. A fiscally unconstrained ten-year is published by Metro each year as well. To support the budget and future organizational needs, staff will provide more consistent communications regarding upcoming projects and any special service needs that result in major service disruptions. Efforts will also be made to coordinate project delivery with regional partners. As with planned budgets, long-term project delivery is less certain based on climate and the economy.

The CIP also includes ongoing Capital Projects to address previously unmet or unfunded needs including:

- Acquisition of 8000-series railcars to replace aging 2000- and 3000-series cars
- Heavy Repair and Overhaul Facility
- Bladensburg Bus Garage Facility
- Northern Bus Garage Facility
- Replacement of escalators systemwide
- Tunnel Ventilation Pilot
- Yellow Line Tunnel and Bridge Rehabilitation project

FY2024 Operating Budget

Initially Metro anticipated an FY2024 budget gap of \$184.7 million. Metro expects to realize management savings from cost-cutting initiatives totaling \$10 million, including \$7 million from operating efficiencies and \$3 million of vacancy cost reductions. In addition, the FY2024 budget includes revenue growth of \$28.5 million, including \$11.4 million of fare revenue from improving ridership, \$3 million from parking and advertising revenues, and \$14.1 million from joint development revenues. These initiatives reduce the shortfall to \$146.2 million gap. The remainder of the budget will be balanced with fare revenue and increased Infrastructure Investment and Jobs Act (IIJA) Federal Formula Funding for Preventive Maintenance.

FY2024 operating expenses excluding reimbursables are projected to total \$2.322 billion, an increase of \$75 million over FY2023. FY2024 revenue is projected to total \$509.2 million, an increase of \$126.7 million over FY2023.

The FY2024 subsidy adheres to the legislatively mandated three percent annual growth gap with an FY2024 capped base subsidy of \$1,227.7 million. Proposed legislative exclusions add \$24.3 million for increased bus and rail service and the new Potomac Yard Station. The Proposed FY2024 subsidy totals \$1,252.0 million excluding debt service.

Service Optimization Proposals

The FY2024 service optimization proposal strengthens Metro's transit network by increasing frequency within the central portion of the system to serve fast

growing areas with high ridership potential, providing efficient and predictable transfers, and increasing job accessibility.

Increased Metrorail Service Frequencies

The proposal increases service frequency with trains every three to six minutes at stations in the core and trains every eight to 12 minutes (or better) systemwide, benefiting customers across the entire network.

- Green and Yellow Line trains would arrive every six minutes all day, with all Yellow Line trains turning around at Mt. Vernon Square station
- Orange line trains would operate every 7.5 minutes on average during peak service, and every 10 minutes during off-peak service

Increased Metrobus Service Frequencies

Building on the all-day service improvements introduced in Fall 2021, which upgraded 20 bus lines to every 12-minute frequency all day and 16 bus lines to every 20-minute frequency all day, the proposal includes improvements to three bus lines to increase frequency and expand access.

- The B2 line frequency would increase to every 12 minutes all day
- The A12 line would be restructured and extended into two routes connecting to Downtown Largo and New Carrollton, both operating every 20 minutes
- The 16M service would be a restructuring of the existing 16G service, connecting Skyline to Crystal City every 12 minutes all day

Fare Optimization Proposals

Simplified Rail Fares

The FY2024 fare optimization proposal simplifies the Metrorail fare structure for customers, grows ridership and revenue, and makes transit more affordable for most price sensitive customers. The proposed rail fare structure ranges from \$2 to \$6.50 for weekdays and maintains the \$2 late night and weekend fares.

- Weekday peak and off-peak fare structure would be consolidated
- The mileage rate would be standardized at \$0.40 per mile (after 3 miles)
- The rail base fare would match the bus base fare of \$2 all week
- Metro would administer a regional low-income fare program

This fare simplification offers advantages over a general across-the-board fare increase by growing ridership while maintaining a positive budget impact.

Low-Income Fare Program

The proposed low-income fare program would provide customers enrolled in

the Supplemental Nutrition Assistance Program (SNAP) a 50 percent discount on trips, similar to the senior and disabled reduced fares.

FUNDING IMPACT:

Approval for Public Hearing only - no funding impact.	
Project Manager:	Yetunde Olumide
Project Department/Office:	Finance

TIMELINE:

Previous Actions	<p>September through November 2022 – Committee and Executive Session discussions on FY2024 Budget Outlook</p> <p>December 2022 – Presentation of Proposed FY2024 Budget and FY2024-2029 CIP</p>
Anticipated actions after presentation	<p>February-March 2023 – Budget deliberations, public outreach and public comment period</p> <p>April 2023 – Board adoption of the FY2024 Budget and FY2024-2029 Capital Program</p> <p>May 2023 – Submit Federal grant applications</p> <p>July 2023 – Fiscal Year 2024 begins</p>

RECOMMENDATION:

Board authorization to conduct Compact Public Hearings and related public participation activities on the FY2024 Operating and Capital Budgets and FY2024-2029 Capital Improvement Program as well as service and fare change proposals.

Public Hearing Authorization FY2024 Budget and FY2024–2029 Capital Improvement Program

Finance and Capital Committee

January 12, 2023



Purpose

To seek authorization to conduct Public Hearings and related public participation activities for proposed FY2024 Operating Budget and FY2024–2029 Capital Improvement Program

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

FY2024 Operating Budget Summary

(\$ in millions)	FY2023 Budget	FY2024 Proposed	Variance	
			\$	%
Passenger Revenue	\$301.0	\$406.0	\$105.0	34.9%
Non-Passenger Revenue	\$81.5	\$103.2	\$21.7	26.6%
Total Revenue	\$382.5	\$509.2	\$126.7	33.1%
Personnel	\$1,518.4	\$1,567.9	\$49.6	3.3%
Non-Personnel	\$728.8	\$754.2	\$25.4	3.5%
Total Expenses	\$2,247.2	\$2,322.1	\$75.0	3.3%
Operating Deficit	(\$1,864.7)	(\$1,813.0)	\$51.7	2.8%
Subsidy	\$1,191.9	\$1,227.7	\$35.8	3.0%
Above Base Subsidy	\$0.0	\$24.3	\$24.3	0.0%
Total Subsidy	\$1,191.9	\$1,252.0	\$60.1	5.0%
Federal Relief	\$672.8	\$561.0	(\$111.8)	-16.6%
Funding Gap	\$0.0	\$0.0		

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

Passenger Revenue

Improving Ridership (53% to 70% Recovery, fare optimization)

Non-Passenger Revenue

Parking, advertising, and joint development growth

Personnel Expense

Increase related to contractual wage adjustments and related fringe costs, offset using IIJA Federal Formula Funding for Maintenance

Non-Personnel Expense

Increase related to Paratransit support, market related energy costs, and inflation

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

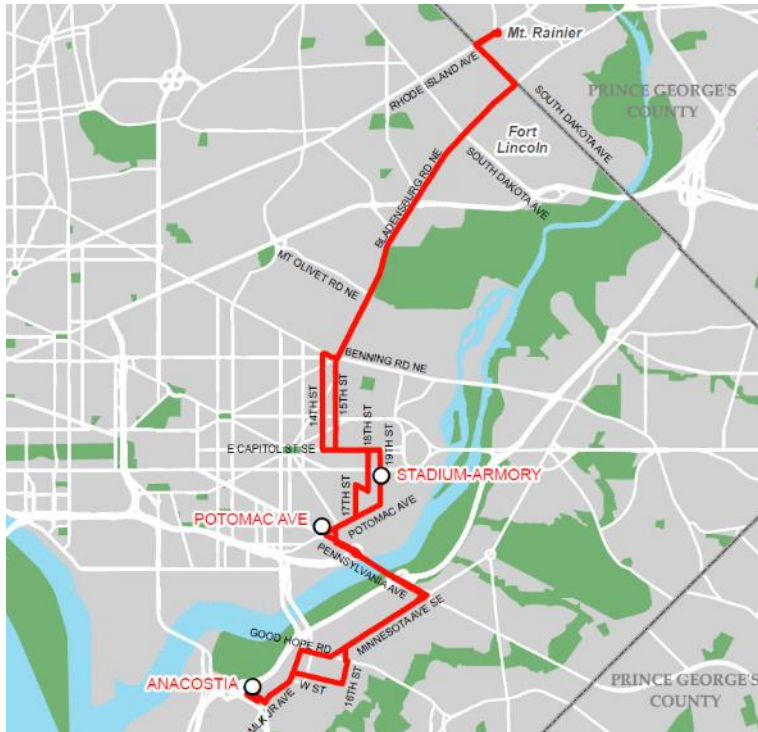


Improve Frequent Bus Service

Grow ridership, expand access, advance equity

B2 – District of Columbia

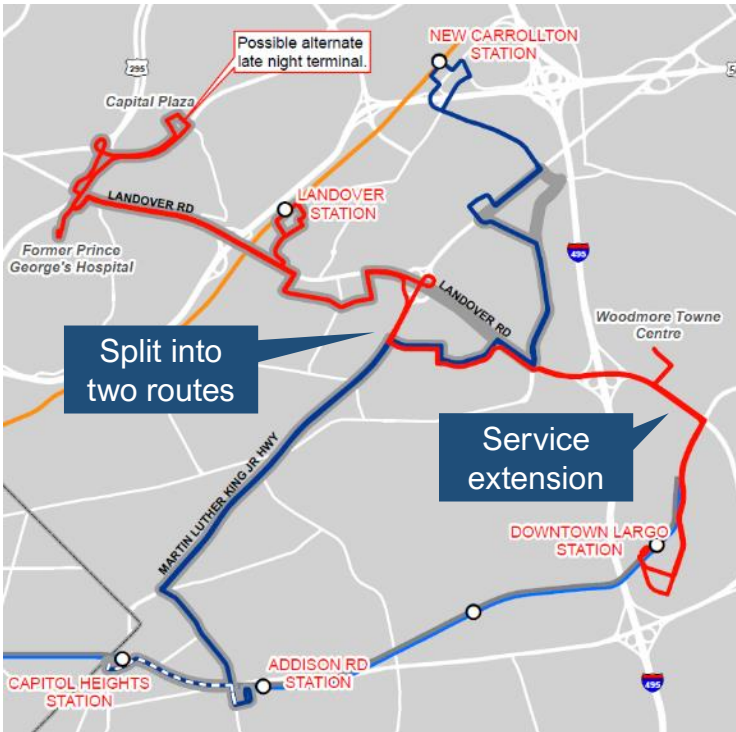
Upgrade busy **Bladensburg Road-Anacostia** line, a top 15 ridership route, to every 12 minutes all day



Frequency Improvement

A12 – Maryland

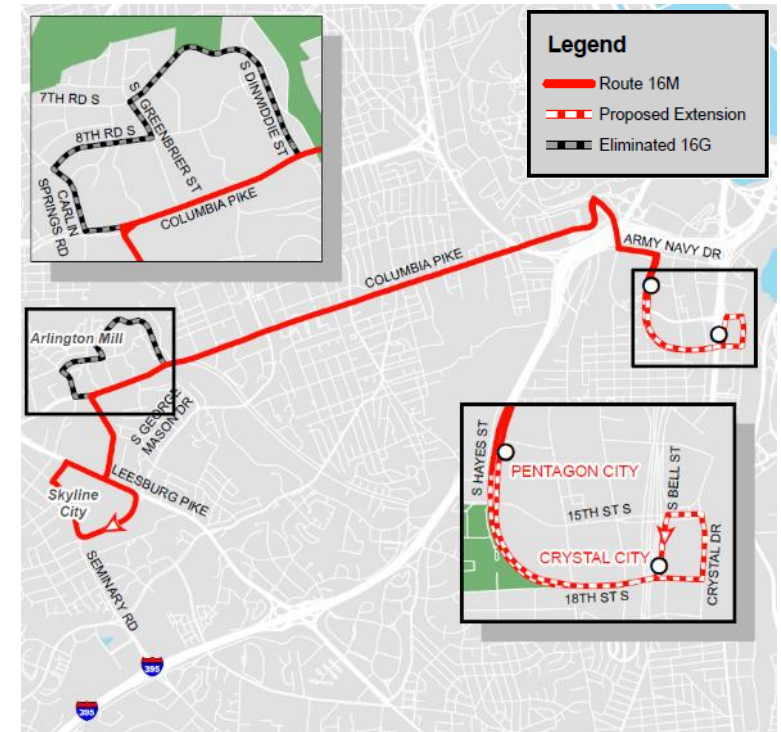
Restructure **Martin Luther King Jr. Highway** service, extending service every 20 minutes to **Downtown Largo**



Restructure/Extension

16M – Virginia

Restructure **Columbia Pike** service, connecting **Skyline** to **Crystal City** with service every 12 minutes all day



Restructure/Extension

Rail Optimization Summary

Make service more frequent to reduce travel times, expand destination access, and grow ridership

More frequent all day service

- **Core:** Trains arrive every 3 to 6 minutes
- **Systemwide:** Trains arrive every 8 to 12 minutes or better

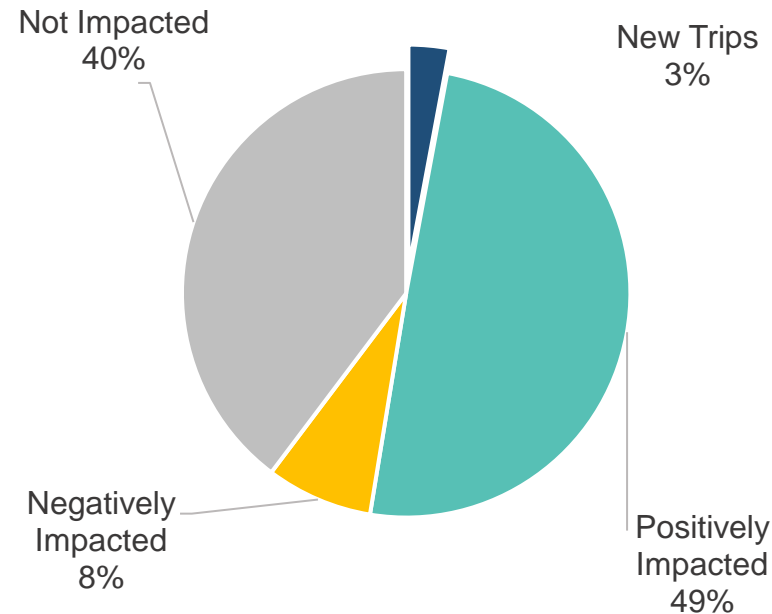
Running 62% more daily train trips systemwide than today

- 101% more than in July 2022




Faster trips for customers, less time waiting to transfer

Annual Customer Trips

Baseline: 112.3m
Proposal: 115.7m





Proposed Service Changes to Improve Frequency and Access

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

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	\$6.00	50% off the peak fare
After first 3 miles, 0.326 per mile After 6 miles, \$0.288 per mile			
Off-Peak Weekday	\$2.00	\$3.85	
After first 3 miles, 0.244 per mile After 6 miles, \$0.216 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 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

Service and Fare Optimization Summary







	Proposals		Trips Positively Impacted (Millions, Annual)	Trips Negatively Impacted (Millions, Annual)	Estimated Ridership Change (Millions, Annual)	Incremental Net Op. Budget Impact (\$M, Annual)
Service	Green/Yellow Line Investment 		23.3	8.9	2.8	(\$13.0)
	Orange Line Investment 		34.1	0	0.5	(\$6.0)
	Improve Frequent Bus Service 		-	-	0.7	(\$5.1)
	Potomac Yard Station 		-	-	0.2*	(\$0.3)
	Total Above Base New Service				4.0	(\$24.3)
Fare	Fare Structure Simplification 				0.3	\$11.1
	Low-Income Fare Program 				1.6	(\$4.0)
	Total Fare Optimization				1.9	\$7.1
Total					5.9	(\$17.2)

Chart and table totals may not sum due to independent rounding;
 *Potomac Yard ridership estimate is annualized

FY2024–2029 Capital Improvement Program



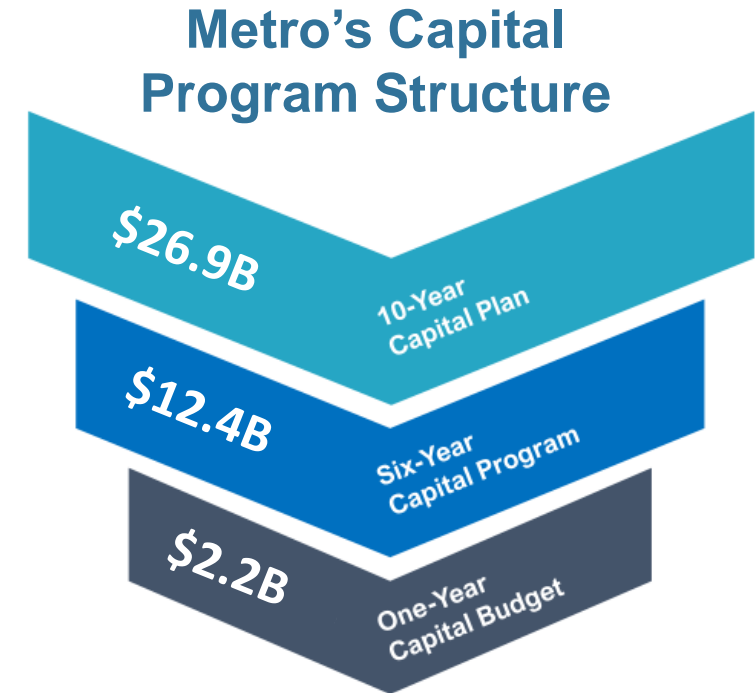
Capital Program Goals

Capital Budget

Funds replacement, rehabilitation, maintenance & modernization efforts

Capital Program Goals

- Transform Metro into a world class transit agency
- Demonstrate commitment to customers
- Focus on ensuring safety, customer experience and improving service
- Rehabilitate, replace, and modernize the system
- Advance sustainability and resilience
- Maintain fiscal accountability and commitments to region



10-Year Capital Plan

Identifies viable initiatives to address needs identified for next ~10 years; financially unconstrained

Six-Year Capital Improvement Program

Capital investments anticipated for, or continuing in, six-year capital program

One-Year Capital Budget

Expenditure forecast for capital projects and programs in current budget year

Capital Investment Categories

Capital Investment Categories (\$M)	FY2024 Proposed Budget	FY2025 – FY2029 Plan	Six-Year Total*
Railcars and Railcar Facilities	\$424	\$2,390	\$2,814
Rail Systems	\$323	\$1,273	\$1,596
Track and Structure Rehabilitation	\$284	\$1,512	\$1,796
Stations and Passenger Facilities	\$353	\$1,523	\$1,876
Bus, Bus Facilities, and Paratransit	\$528	\$2,256	\$2,784
Operations and Business Support	\$294	\$1,253	\$1,547
Total Capital Investments	\$2,205	\$10,207	\$12,412
Revenue Loss from Capital Projects	\$10	\$50	\$60
Debt Service - Dedicated Funding	\$173	\$1,739	\$1,912
Total Capital Program Cost	\$2,388	\$11,996	\$14,384

*FY2024-FY2029 Plan capital investment category allocation subject to change as project costs and schedules are refined.

Projected FY2024 Funding Sources

Funding Source* (\$M)	FY2024 Proposed Budget
Formula & Other Grants and Match	\$587
PRIIA Grant & Match	\$292
System Performance	\$177
Dedicated Funding	\$500
Reimbursable Projects	\$31
Debt	\$800
Total Funding Sources	\$2,388

**Estimated sources in millions of dollars; amounts subject to change. Pay-Go availability may change based on total debt issued. Numbers may not sum due to rounding.*

Addressing Overdue Needs, Safety, and State of Good Repair

Regional & Federal Investments Address Overdue Needs & On-going Requirements

ADDRESSING OVERDUE CAPITAL NEEDS

Substantial Progress (*Highlights*)

- Replacement of Legacy Railcars
- Track Rehabilitation
- Platform Program – 20 Stations Complete

More To Do to Catch Up (*Priority Needs*)

- Structures - Bridges, Platforms, Tunnels
- Systems - Train Control, Radio and Comms, Power
- Facilities - Bus Divisions, Rail Maintenance, Offices

INVESTING IN ONGOING PROGRAMS TO SUSTAIN SAFETY & STATE OF GOOD REPAIR

Recurring & Cyclical Maintenance, Rehabilitation & Replacement Programs

- | | | | |
|------------------------|--------------------------|--------------------|---------------------------|
| • Buses | • Track | • Traction Power | • Bus Customer Facilities |
| • Railcars | • Parking Facilities | • Signal Systems | • Bus, Rail & Admin |
| • Paratransit Vehicles | • Elevators & Escalators | • Lighting Systems | Maintenance Facilities |
| • Service Vehicles | • Mechanical Systems | • Cooling Systems | |

Public Engagement



Gathering Public Feedback on Budget Proposals

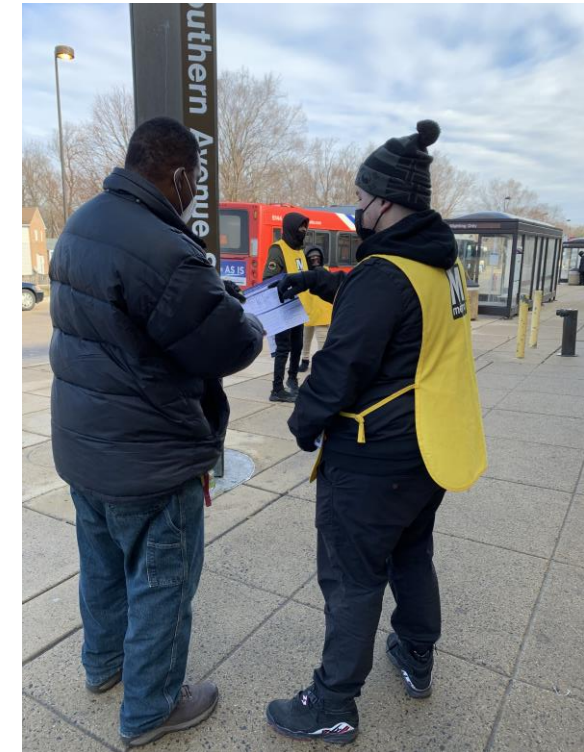
- Include customer voice in decision making
- Comment period open mid-February to mid-March
- Make extra effort to engage customers and communities most impacted by proposed budget



Public Outreach Tactics

Emphasis on reaching low-income and minority customers; customers with disabilities

- **In-person outreach:** Multi-lingual teams at stations and bus transfer locations
- **In-system Notification:** Printed and digital signs in English/Spanish at rail stations, onboard buses & MetroAccess vehicles
- **Ads:** social media, local and non-English publications
- **Public hearings:** required by Metro Compact; continuing a hybrid approach to expand reach
- **Survey:** primary source of feedback (*~95% of all inputs*)



Last year, one in six interactions (~20,500) with non-English speakers

Public Outreach Tactics

Provide accessible, multi-lingual documents using language that customers relate to

- **Website:** Primary source of information for customers, available in English/Spanish with multi-language information
- **Brochure:** Educate customers about the proposals and input opportunities in nine languages
- **Stakeholder toolkit:** Provide community partners with social media posts and flyers in multiple languages to share information broadly



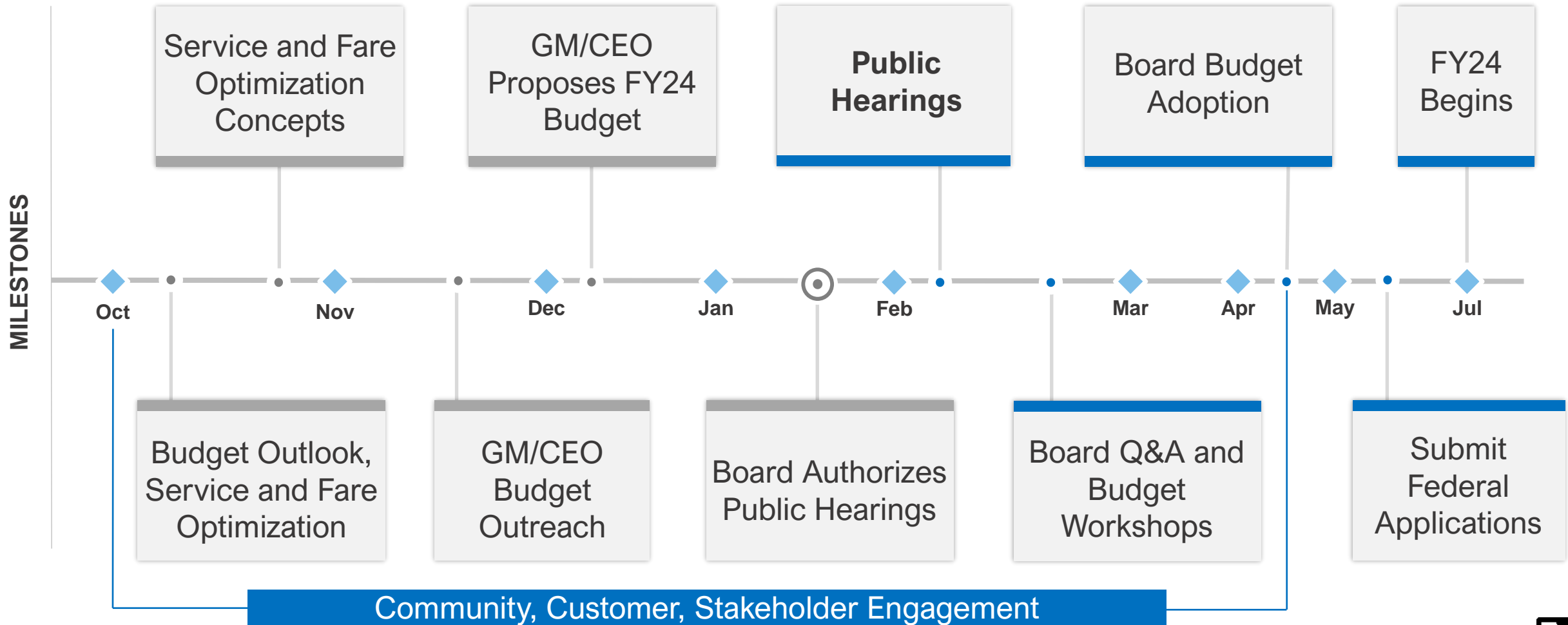
Recommendation



Recommendation

Provide authorization to conduct Public Hearings and related public participation activities for proposed FY2024 Operating Budget and FY2024–2029 Capital Improvement Program

Next Steps to Get Customer Input



Appendix



FY2024 Operating Deficit Closure Proposal

\$ in millions	
Funding Gap	(\$184.7)
Improving Ridership	\$11.4
Non-Passenger Revenue Growth	\$17.1
Expense Reductions	\$10.0
FY2024 Base Funding Gap	(\$146.2)
Fare Optimization	\$7.1
New Base Gap	(\$139.1)
IIJA Federal Formula Funding for Maintenance	\$139.1
FY2024 Base Gap Closed	\$0.0

\$ in millions	
FY2024 Above Base New Services	
Orange Line Investment	(\$6.0)
Green/Yellow Line Investment	(\$13.0)
Improve Frequent Bus Service*	(\$5.1)
Potomac Yard	(\$0.3)
Total Above Base New Services	(\$24.3)
Additional Above Base Jurisdictional Contribution	\$24.3
Jurisdictional Contribution Closes Above Base Gap	\$0.0

*16M–Columbia Pike–Crystal City, A12–Martin Luther King Jr. Highway, and B2–Bladensburg Road–Anacostia

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

Service and Fare Optimization



Metrobus

- Launch the Better Bus network redesign
- Advance incremental changes to improve frequency and expand access



Metrorail

- More frequent service
 - Trains every 3 to 6 minutes in the core
 - Trains every 8 to 12 minutes systemwide
- Enable efficient and predictable transfers and increase access to destinations



Fares

- Simplify Metrorail fare structure
 - Eliminate peak / off-peak price difference
 - Align Metrorail and Metrobus base fare
- Launch a low-income fare discount program
- Encourage ridership, increase revenue, and advance equity

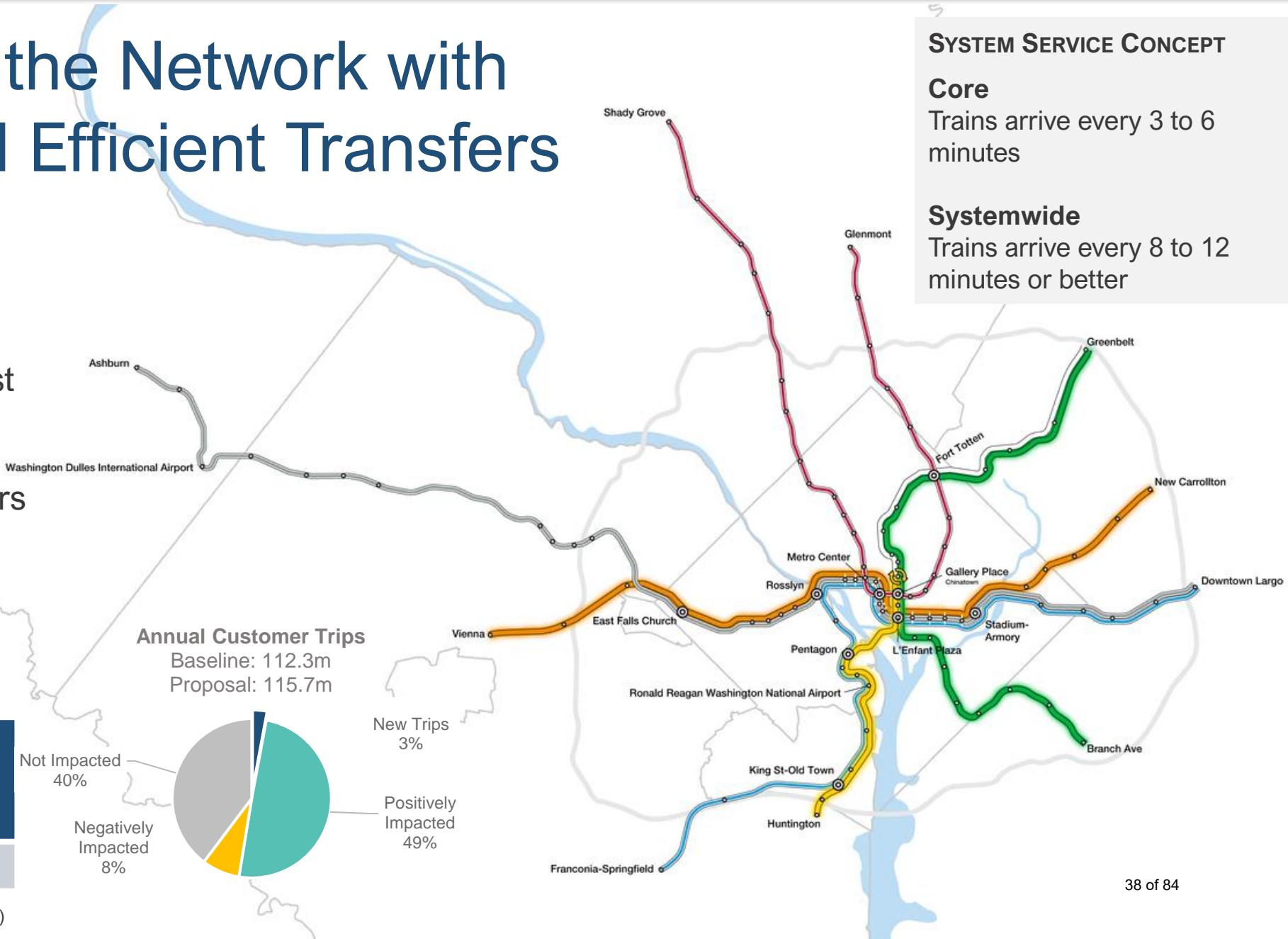
Strengthening the Network with Frequency and Efficient Transfers

- Increase core frequency on Green, Yellow, and Orange Lines
- Focuses service where the network is carrying the most customers and areas with high ridership potential
- Offers benefits for customers across the entire network, enabling efficient and predictable transfers and providing access to more destinations

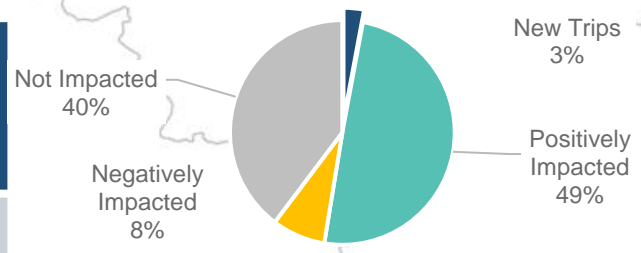
SYSTEM SERVICE CONCEPT

Core
Trains arrive every 3 to 6 minutes

Systemwide
Trains arrive every 8 to 12 minutes or better



Annual Customer Trips
Baseline: 112.3m
Proposal: 115.7m



Estimated Ridership Change (Annual)	Incremental Net Operating Budget Impact (\$, Millions, Annual)
3.4 million	\$ 19.0

28 Assumes railcar fleet fully available (including 7000 series)

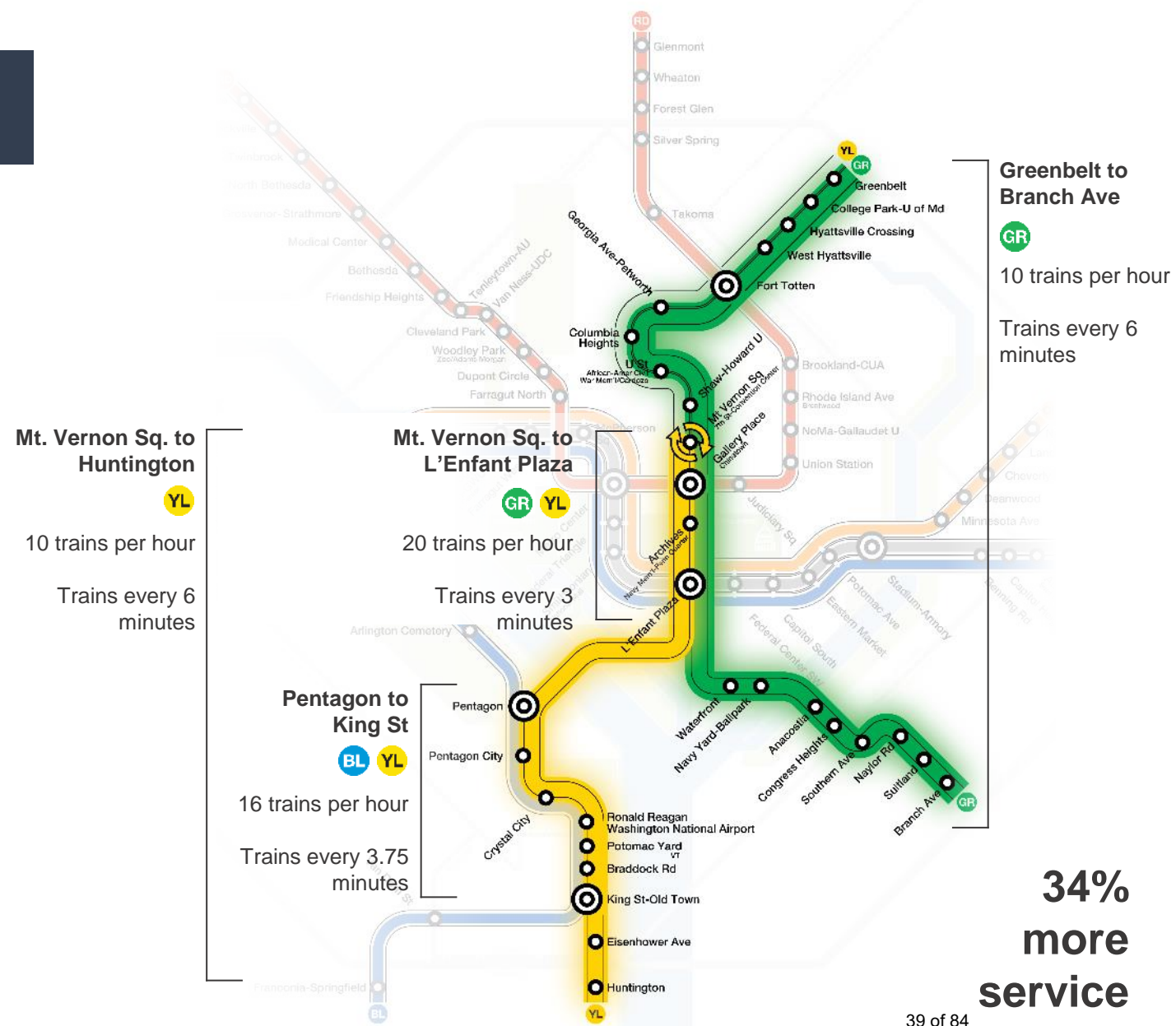
Green/Yellow Line Proposal

Increased Green and Yellow Service with Yellow Line Short Turns

By running more trains, the entire Green and Yellow Lines will receive 6 minute service all day, instead of only the combined parts

Opportunity to grow ridership with enhanced service for fast growing parts of system, games and other events at four major sports venues, airport travelers (DCA), and a new station (Potomac Yard)

Reduces transfer times at Gallery Place and L'Enfant Plaza, provides equity benefits on Southern Green Line, increases utilization of key assets (e.g., Yellow Line bridge)



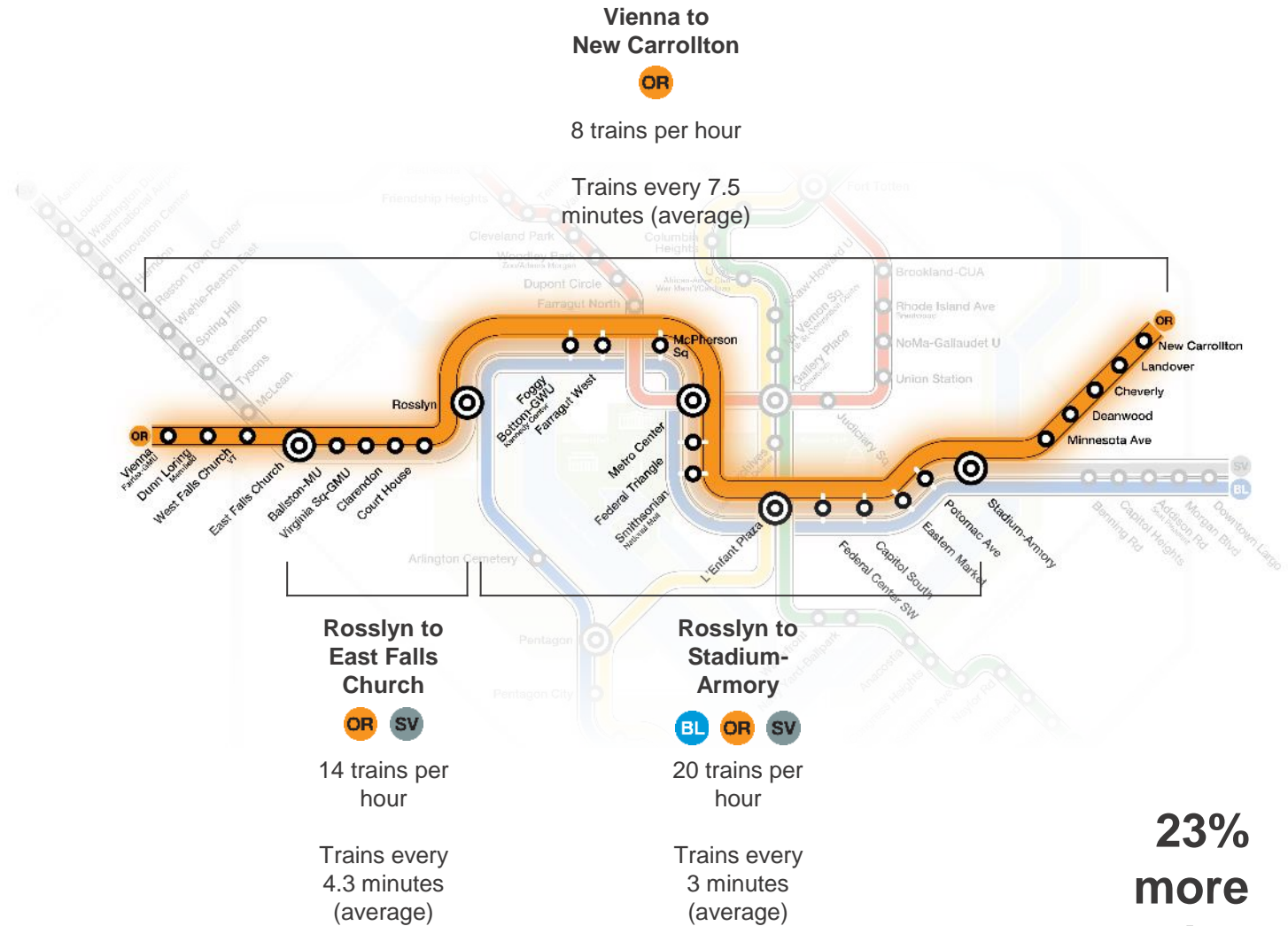
Orange Line Proposal

Improve Orange Line Service

Run more Orange Line trains to provide 7.5 minute peak frequency and 10 minute all day frequency

Improves potential connections at New Carrollton to Amtrak, MARC, and the future Purple Line and offers increased frequency in the busy Rosslyn to Ballston corridor

Current ridership on the eastern Orange and Blue/Silver branches is roughly even, and the New Carrollton branch historically had 10-25% more customers



More Frequent Service for Customers

Trains every 3 to 6 minutes in the central part of the system, 8 to 12 minutes or better systemwide

Congress Heights
Weekend afternoon



Eisenhower Avenue
Weekday midday



Vienna
Weekday morning rush



Baseline:
Trains every
12 minutes → Proposed:
Trains every
6 minutes

Baseline:
Trains every
12 minutes → Proposed:
Trains every
6 minutes

Baseline:
Trains every
10 minutes → Proposed:
Trains every
7.5 minutes
(average)

LN	CAR	DEST	MIN
GR	8	Greenbelt	1
GR	8	Greenbelt	7
GR	8	Greenbelt	13

LN	CAR	DEST	MIN
YL	8	Mt Vernon	2
YL	8	Mt Vernon	8
YL	8	Mt Vernon	14

LN	CAR	DEST	MIN
OR	8	NewCrltn	ARR
OR	8	NewCrltn	6
OR	8	NewCrltn	15

Orange Line service would alternate between trains every 6 and 9 minutes in order to accommodate Blue and Silver Line services



Efficient and Predictable Transfers

Frequent service at transfer stations enhances regional access



L'Enfant Plaza

	Line	Destination	Minutes
North	GR	Greenbelt	1
	YL	Mt Vernon Sq	4
	GR	Greenbelt	7
East	BL	Downtown Largo	1
	OR	New Carrollton	4
	SV	Downtown Largo	8
South	YL	Huntington	2
	GR	Branch Ave	5
	YL	Huntington	8
West	SV	Ashburn	ARR
	BL	Franconia-Springfield	4
	OR	Vienna	7

Reduced Travel Times with Efficient Transfers

Passengers perceive waiting time to be about twice as long as equivalent time on the train

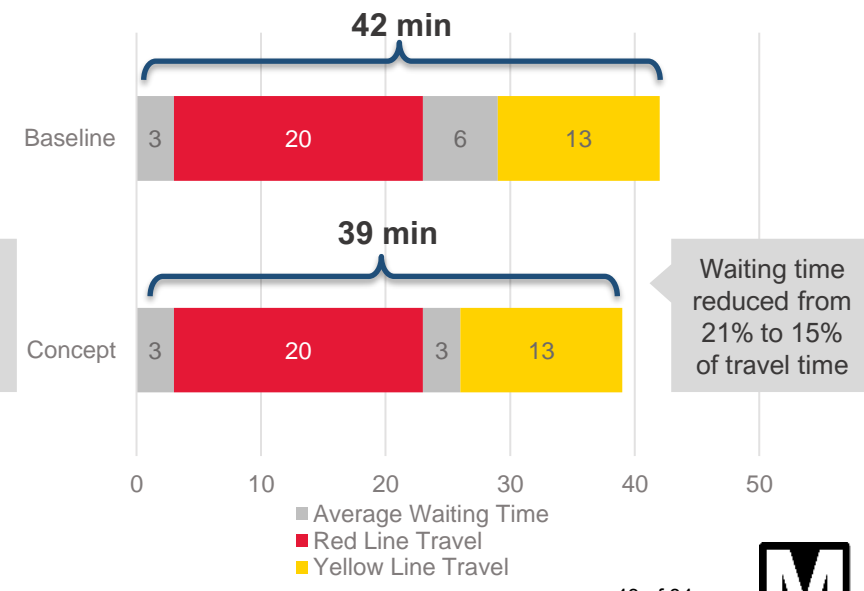
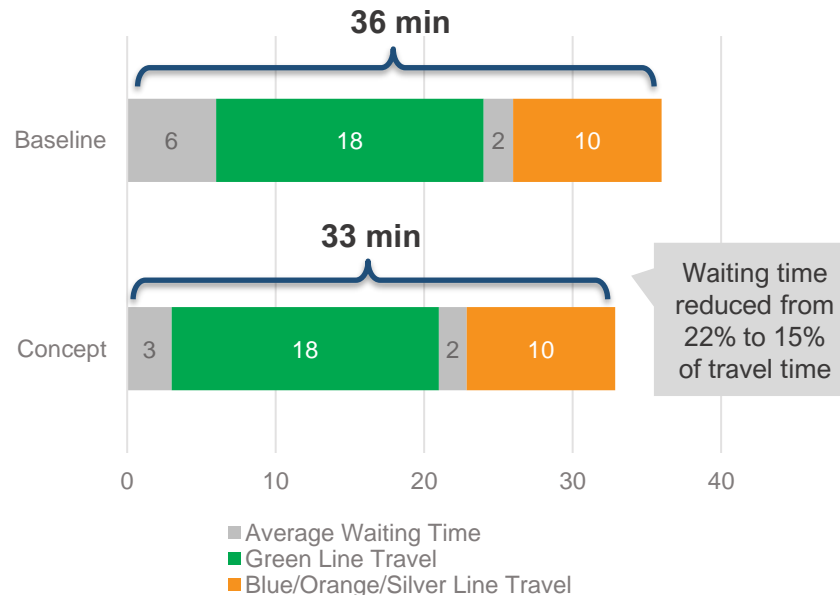
Example Trip:
Braddock Road to Navy Yard
Weekend afternoon travel
Transfer at L'Enfant Plaza



Example Trip:
Suitland to Foggy Bottom
Weekday mid-day travel
Transfer at L'Enfant Plaza



Example Trip:
Silver Spring to Reagan National Airport
Weekday mid-day travel
Transfer at Gallery Place



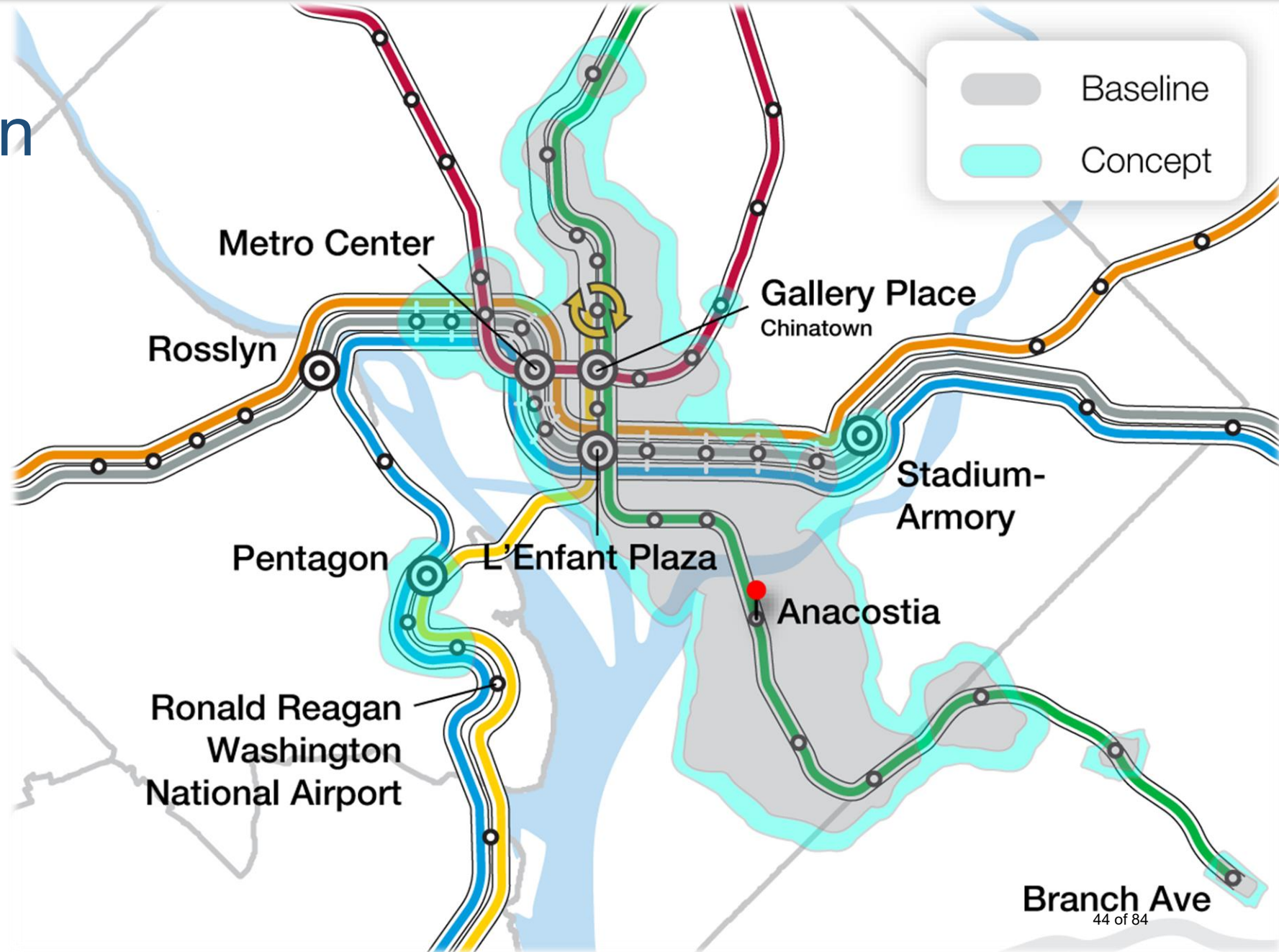
Destination Access Example

Anacostia Station

For a customer starting a short walk from Anacostia Metro Station...

By reducing average wait times for Green Line trains and enabling further time savings with quicker transfers to Yellow or Orange Lines:

Jobs accessible within 30 minutes increase approximately 25%



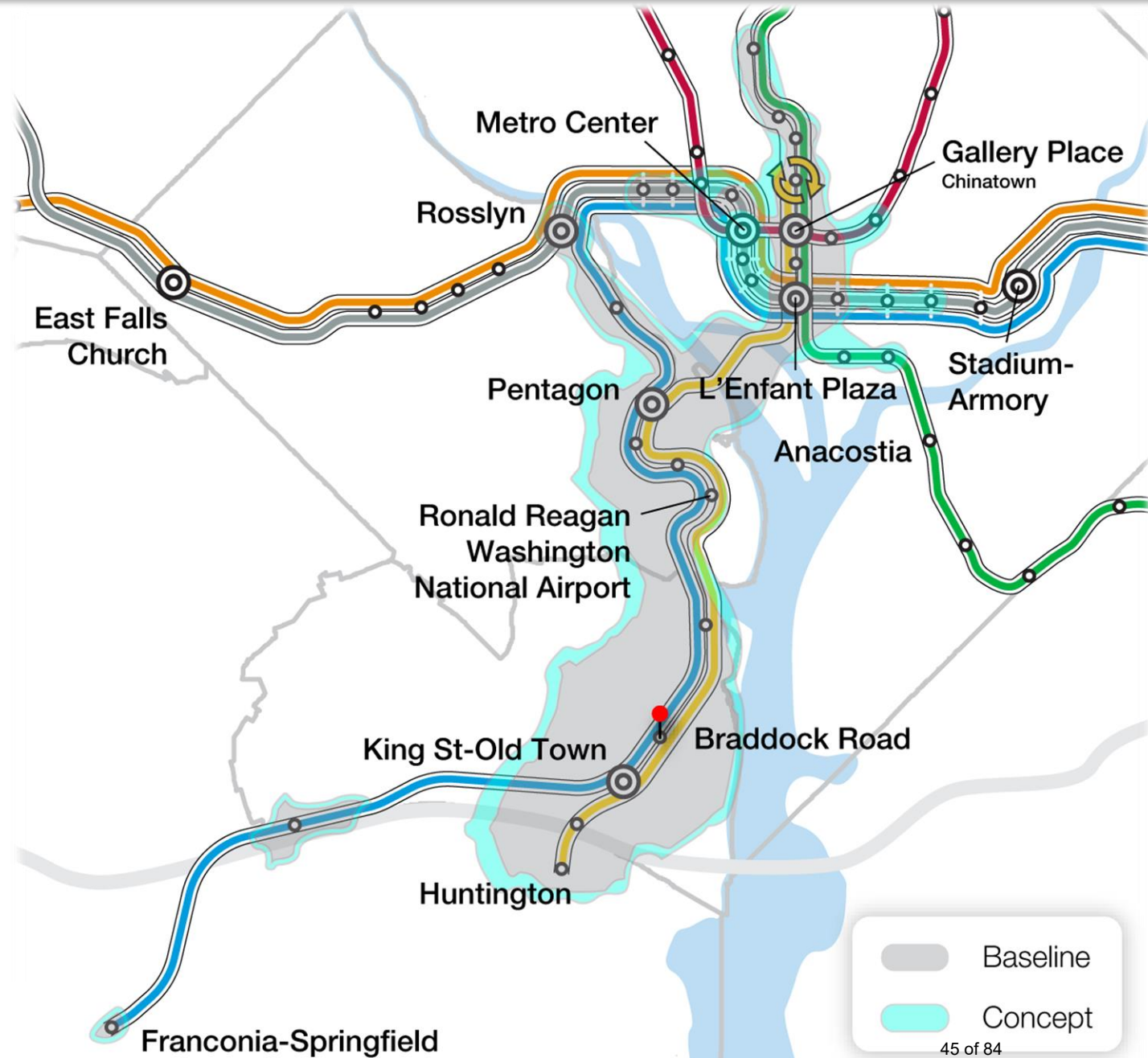
Destination Access Example

Braddock Road Station

For a customer starting at Braddock Road Metro Station...

By reducing average **wait times for Yellow Line trains** and enabling further time savings with quicker **transfers to Green or Orange Lines**:

Jobs accessible within 30 minutes increase approximately 15%



Delivering a Better Bus network

Metro is working to make bus service better and more frequent, addressing top customer priorities

FY2022 to FY2023

Launched all day service improvements

- 20 lines every 12 minutes
- 16 lines every 20 minutes

Implemented free rail-bus transfers

FY2024

Incremental changes to improve frequency and access

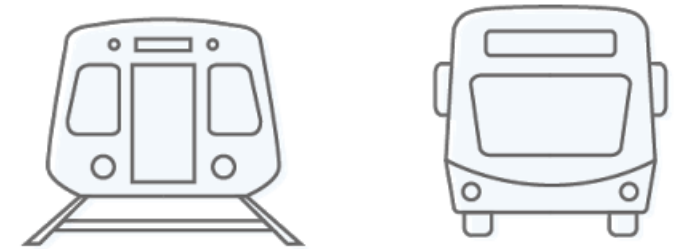
FY2024 and beyond

Designing a new network that is fast, frequent, reliable, and easier to understand

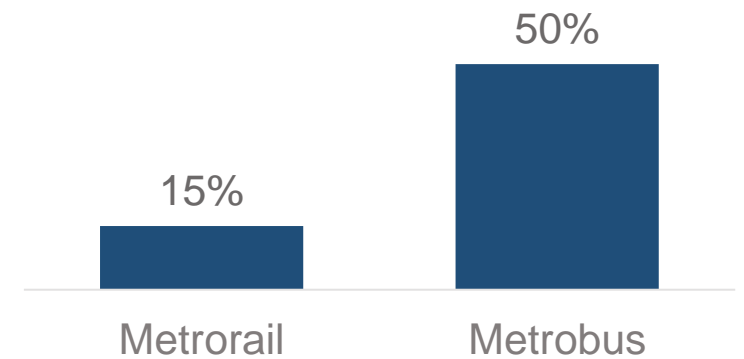
Improving the customer experience with enhanced bus priority and better real-time information

Implement Regional Low-Income Fare Program Administered by Metro

- Offer low-income customers a 50% discount, matching the discount for senior and disabled customers
- Customers qualify based on enrollment in jurisdictional Supplemental Nutrition Assistance Program (SNAP)
- Offer customers a straightforward sign-up process



Low Income Share of Ridership, %



Source: Rail and Bus Passenger Surveys

Estimated Ridership Impact (FY2024)	Estimated Budget Impact (FY2024)
1.6 million	-\$4.0 million

Fare Proposal

Simplify the Metrorail fare structure and offer discounts for low-income customers

- Proposal advances Metro’s Fare Policy Principles
 - Simplifies and standardizes fares for customers
 - Enables offering reduced fares to low-income customers and preserves \$2 bus and late night & weekend rail fares
 - Expected to generate increased revenue and grow ridership

Proposals	Ridership Impact (Millions)	Budget Impact (Millions)	Metro Fare Policy Principles					
			Customer Focused	Simple and Convenient	Equitable	Seamless	Drives Ridership	Generates revenue
Fare Structure Simplification with Low-Income Fare Program	+1.9	+\$7.1	✓	✓	✓	✓	✓	✓



Improve Frequent Bus Service

Grow ridership, expand access, advance equity

Annual Impact of Improved Service

Line	Jurisdiction	Cost (\$M)	Ridership(M)	Revenue (\$M)	Net Budget Impact (\$M)
B2 - Bladensburg Road-Anacostia	DC	\$2.5	0.30	\$0.19	\$2.3
A12 - Martin Luther King Jr. Highway	MD	\$2.0	0.25	\$0.15	\$1.9
16M – Columbia Pike – Crystal City	VA	\$1.0	0.10	\$0.08	\$0.9
Total		\$5.5	0.65	\$0.40	\$5.1

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

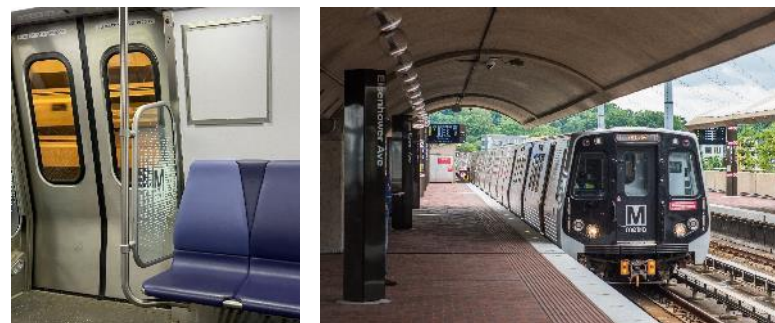
Railcars & Railcar Facilities

Vehicle Acquisition & Rehabilitation

- 8000-Series Railcar Acquisition • 7000-Series Railcar Acquisition
- Railcar Preventive Maintenance Program •
- 7000- & 6000-Series Railcar Scheduled Rehabilitation

Railcar Facilities & Systems

- Railcar Heavy Repair & Overhaul Facility •
- Railyard Rehabilitation • Railcar Wash Rehabilitation



**Proposed Program
Railcar & Railcar
Facilities**

\$2.8B

FY2024-FY2029
Proposed
Capital Program

\$424M

FY2024
Proposed
Capital Budget

Rail Systems

Train Control

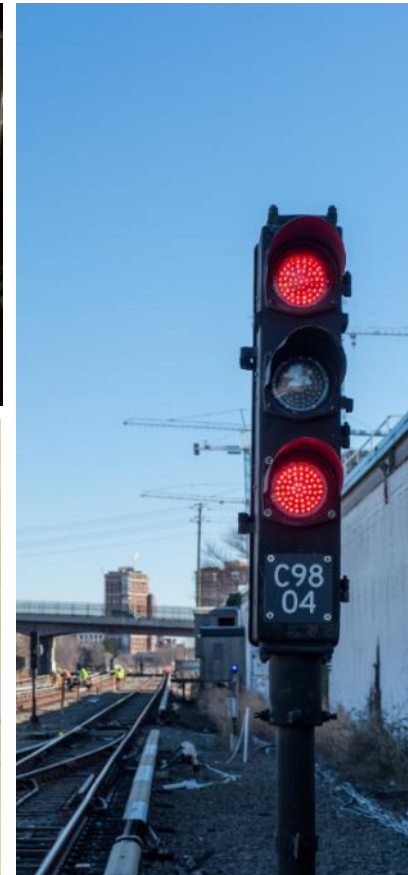
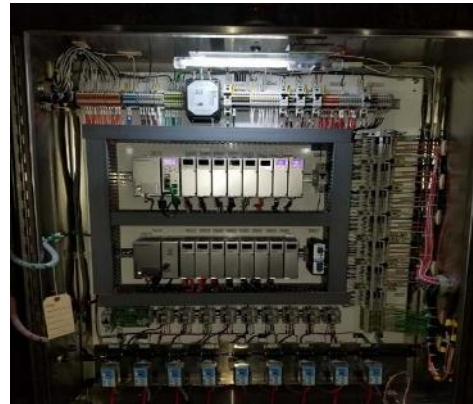
Train Control Room Rehabilitation • Track Circuit Cable Testing & Replacement • Switch Machine Replacement • New Carrollton and Brentwood Railyard Rehabilitation • Next Generation Train Control

Power Improvements

Traction Power State of Good Repair and Infrastructure Upgrades • Rail Power System Rehabilitation • Generator System Replacement

Other Rail Systems Investments

Radio Infrastructure Replacement • Fiber Installation • Braking Energy Recovery Installation



Proposed Program
Rail Systems

\$1.6B

FY2024-FY2029
Proposed
Capital Program

\$323M

FY2024
Proposed
Capital Budget

Track & Structures Rehabilitation

Track Equipment & Infrastructure

Track Rehabilitation • Track Maintenance
Equipment Replacement

Tunnel Investments

Yellow Line Tunnel Remediation • Water Leak
Mitigation • Tunnel Ventilation Improvements • Tunnel
Shaft Rehabilitation

Bridges & Aerials

Structural Rehabilitation of Priority Bridges and Other
Structures



Proposed Program
*Track & Structures
Rehabilitation*

\$1.8B

FY2024-FY2029
Proposed
Capital Program

\$284M

FY2024
Proposed
Capital Budget

Stations & Passenger Facilities

Fire Life Safety Improvements

Station Fire Control Infrastructure • Standpipe Systems •
Tunnel Smoke Detection System Implementation

Station Infrastructure Improvements

Escalator Rehabilitation & Replacement • Station Platform
Rehabilitation • Elevator Rehabilitation • Station Entrance Escalator
Canopies • Parking Garage & Surface Lot
Rehabilitation • Station Platform Canopy Rehabilitation •
Additional Station Entrances and Access Improvements •
Digital Signage and System Wayfinding Upgrades •
Planning for Blue Orange Silver Capacity + Reliability

Station Systems Improvements

Passenger Information Displays • Lighting •
Station Cooling Systems • Drainage Pumping Stations
Rehabilitation • Sewage Ejector Replacement •
Fare Payment Modernization •
AC Power Rehabilitation • Camera System Modernization



Proposed Program Stations & Passenger Facilities

\$1.9B

FY2024-FY2029
Proposed
Capital Program

\$353M

FY2024
Proposed
Capital Budget

Bus, Bus Facilities & Paratransit

Vehicle Acquisition & Rehabilitation

- Electric Bus Acquisition • Bus Rehabilitation
- MetroAccess Fleet Acquisition



Bus Garage Rehabilitation & Replacement

- Northern & Bladensburg Garage Replacement and Electrification
- Montgomery & Four Mile Run Bus Garage Rehabilitation
- Planning for Western Garage Replacement and Electrification
- Additional Electrification Efforts



Bus Station & Terminal Improvements

- Metrobus Shelter Replacement • Bus Stop Accessibility
- Metrobus Closed Circuit Television • Customer Information
- Electronic Display Signs • Historical Bus Terminals
- Bus Priority Program



Proposed Program *Bus, Bus Facilities & Paratransit*

\$2.8B

FY2024-FY2029
Proposed
Capital Program

\$528M

FY2024
Proposed
Capital Budget

Business & Operations Support

Facility Improvements

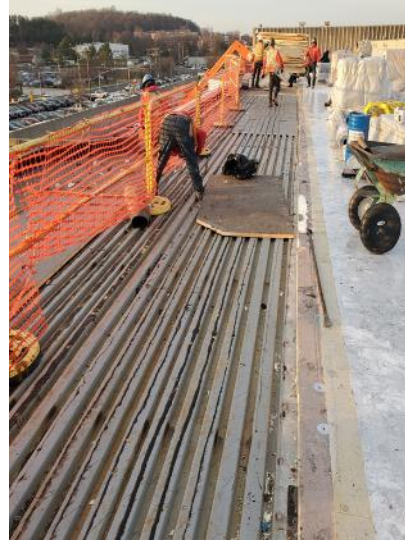
- DC, MD & VA Office Consolidation
- Data Center IT Infrastructure & Equipment
- Planning for Modern Training Facility

Hardware & Software Investments

- Enterprise Resource Planning System Replacement
- Edge Device Replacement
- Enterprise IT Infrastructure State of Good Repair

Other Support Investments

- Service Vehicle Replacement
- Roof Rehabilitation & Replacement
- Environmental Compliance Program
- Unified Communications Initiative



**Proposed Program
Business & Operations
Support**

\$1.5B

FY2024-FY2029
Proposed
Capital Program





















\$294M

FY2024
Proposed
Capital Budget

Metrorail Service Frequency Detail

Peak Headway
Minutes between trains

All Day Base Headway*
Minutes between trains

Line	Segment	August**	FY23 Budget	Proposal***	August**	FY23 Budget	Proposal***
	Shady Grove to Glenmont	10	5	5	10	6	6
 	Mt. Vernon Sq to L'Enfant Plaza	7.5	5	3	7.5	6	3
 	Greenbelt Terminal****	15	5	6	15	6	6
	Branch Avenue Terminal	15	10	6	15	12	6
	Huntington Terminal	15	10	6	15	12	6
 	Pentagon to Reagan National Airport	7.5	5	3.75	7.5	6	4
  	Rosslyn to Stadium-Armory	5	3.3	3	5	4	3.75
 	East Falls Church to Rosslyn	7.5	5	4.3	7.5	6	5.5
	New Carrollton Terminal	15	10	7.5	15	12	10
 	Downtown Largo Terminal	7.5	5	5	7.5	6	6
	Franconia Terminal	15	10	10	15	12	12
	Vienna Terminal	15	10	7.5	15	12	10
	Wiehle (Future Ashburn) Terminal	15	10	10	15	12	12

*Until 9:30pm, 7 days a week

56 of 84



Network concentrates connections in the center

Within a 3-mile radius from the system center:

High concentration of stations, destinations, and customers

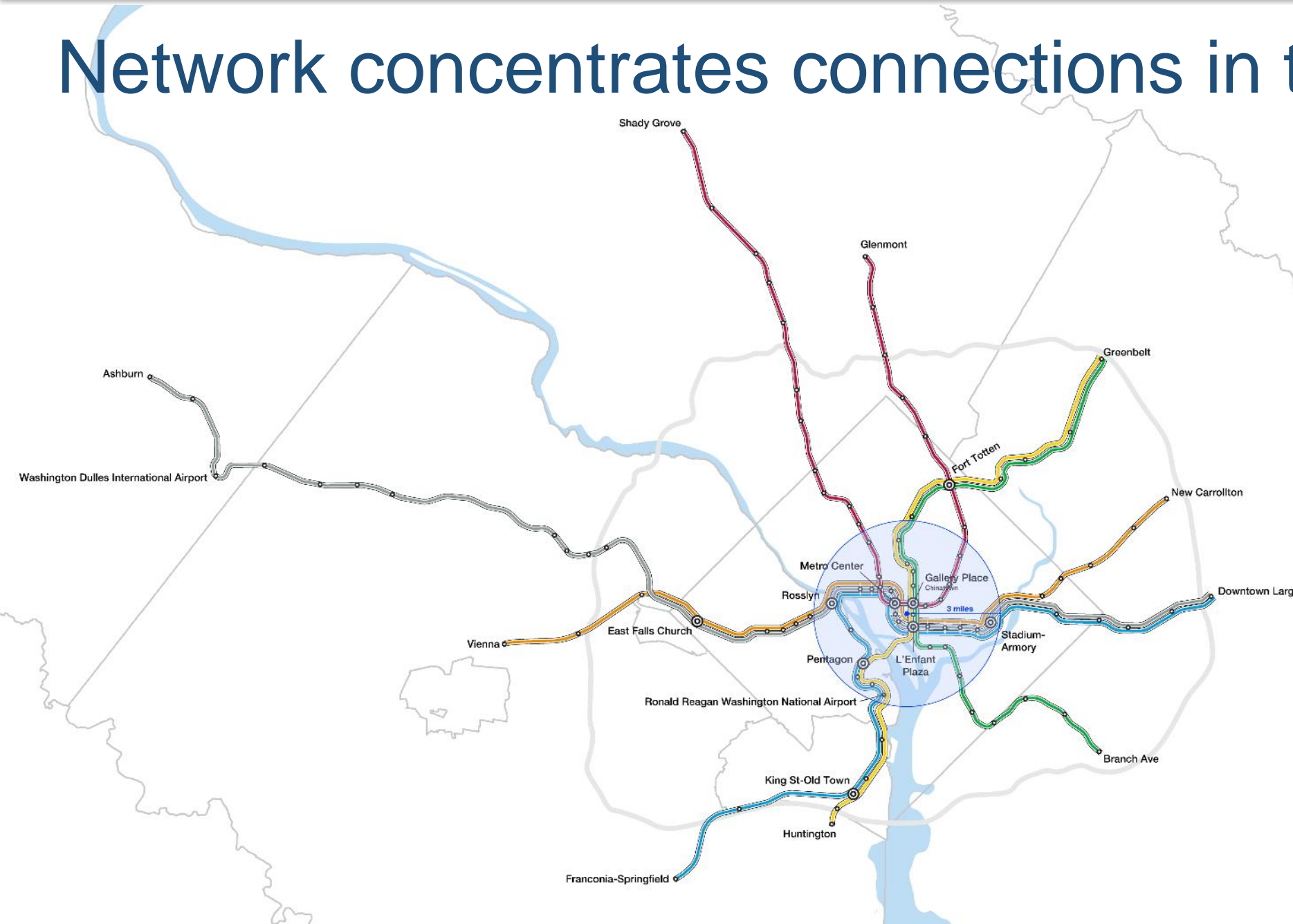
- 34 of 97 current stations (35%)
- 60% of station entries and exits
- 10 of the top 10 ridership stations
- 18 of the top 20 ridership stations

Where customers systemwide are traveling to and from

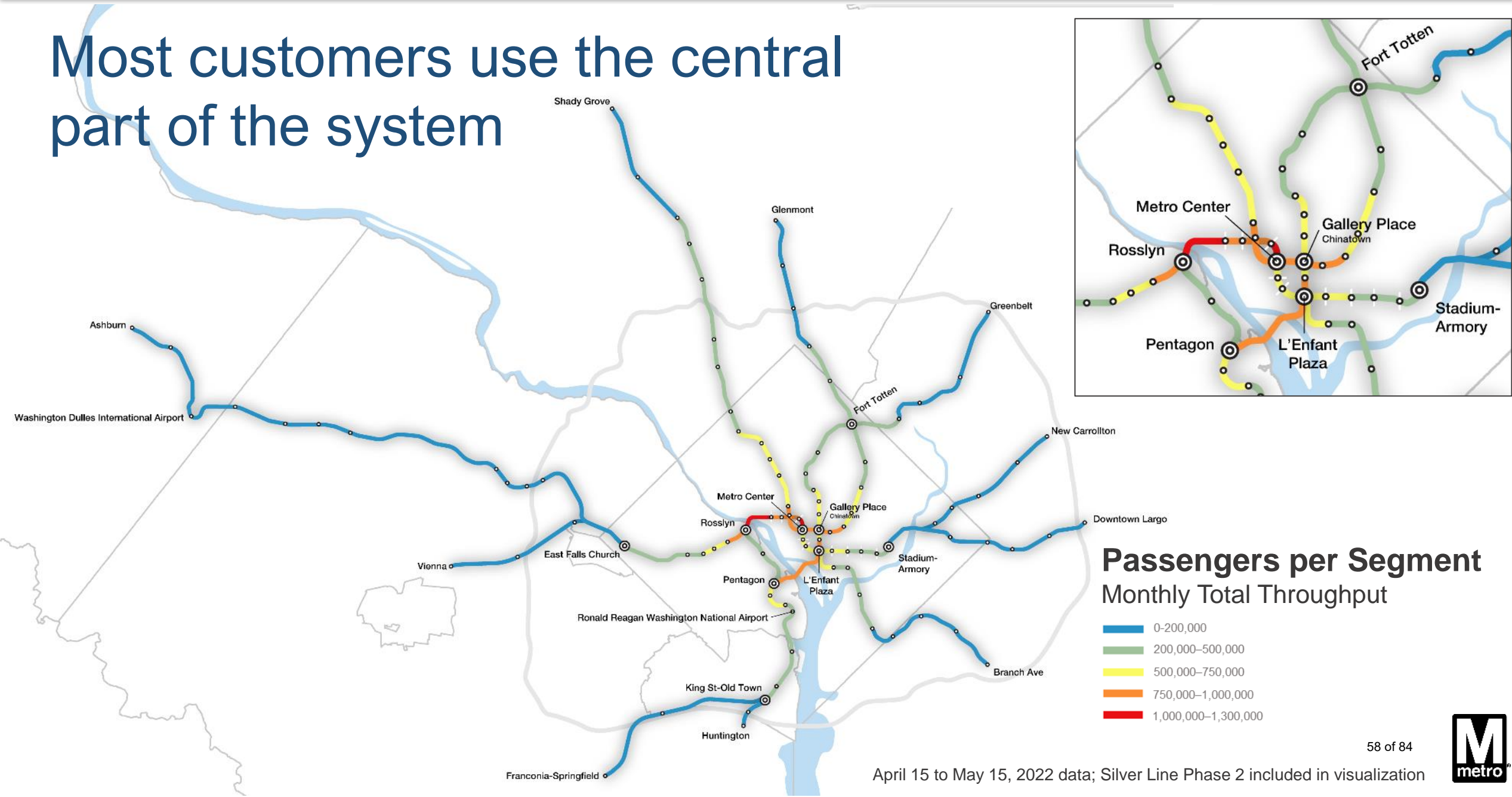
- 76% of weekday exits before 10 am – *where people are headed to*
- 75% of weekday entries after 7 pm – *where people are returning from*

Where customers transfer

- 92% of line transfers with 86% at Metro Center, Gallery Place, and L'Enfant Plaza

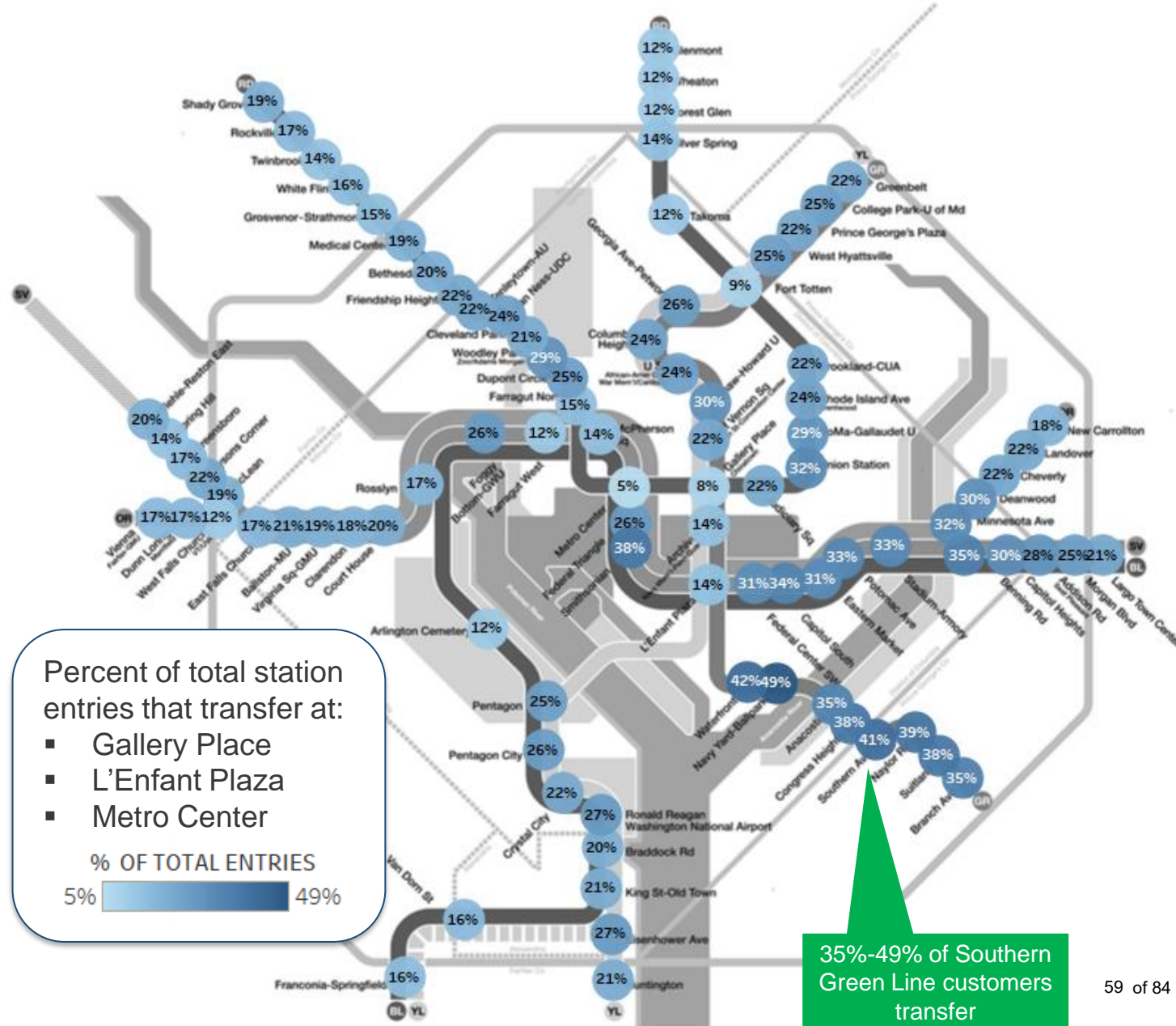


Most customers use the central part of the system



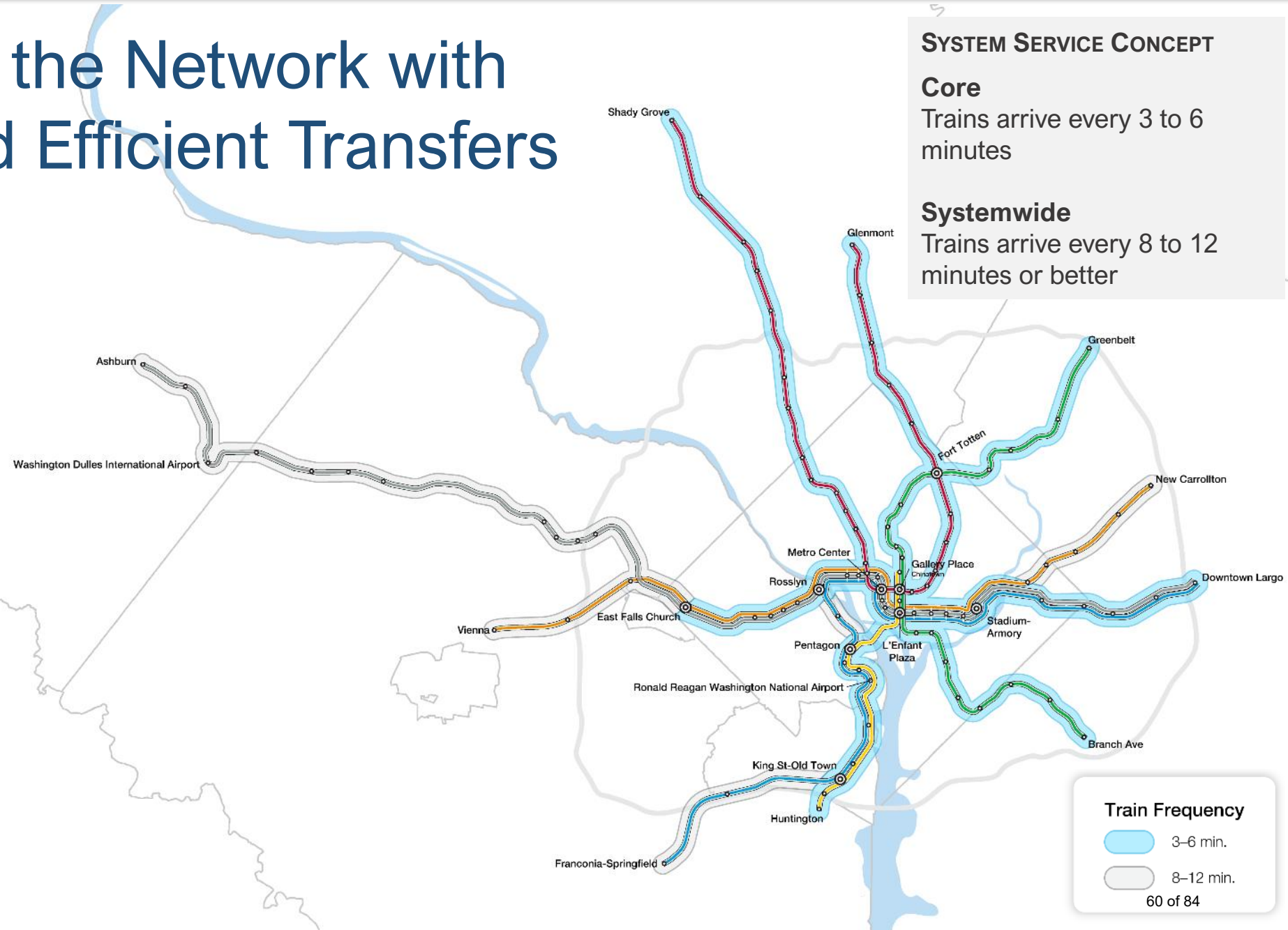
How many customers are transferring?

- Approximately 30% of customers transfer during their rail trips
- 86% of those transfers take place at Gallery Place, L'Enfant Plaza, and Metro Center
- For customers entering at non-transfer stations, transfer share ranges from 12% to 49%

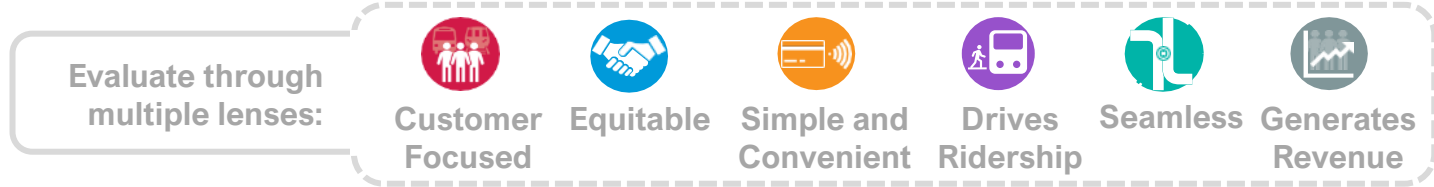


Strengthening the Network with Frequency and Efficient Transfers

- Proposal would increase the share of customer trips with 6 minutes or better service to 74% from 65%



Fare Optimization Concepts Considered



FY2024 Concepts

- Fare increase/decrease:** Consider fare level changes
- Peak/off-peak:** Change or eliminate time of day price difference
- Zone fare:** Establish zone fares to replace mileage charges
- Low-income fare:** Offer discounts for low-income customers
- Parking fees:** Reduce fees to increase utilization and ridership
- \$1 Bus fare:** Reduce standard bus fare to \$1 from \$2
- MetroAccess Fare:** Consider options to increase predictability

Post-FY2024 Concepts

- Fare capping**
- Fare integration**

Fare Structure Recommendations

Structural Concept	Recommendation	Rationale
Fare Free	Future consideration	Revenue replacement not feasible for FY2024; requires structural change in funding of transit
Flat Fare	Not recommended for FY2024 implementation; future consideration	High ridership and revenue tradeoffs, equity and Title VI challenges
Zone Fare	Not recommended for FY2024 implementation; future consideration	Continue staff analysis; design complications due to revenue, ridership, and equity considerations relative to benefits/value
Distance Fare Simplification	Eliminate peak/off-peak difference and adopt new distance charge in FY2024	Opportunity to simplify fare structure while encouraging ridership and maintaining revenue; also makes MetroAccess fares more predictable
Reduced Fares for Low-Income Customers	Implement in FY2024	Improves access for most price sensitive customers

Metro rail Fares by Time Period

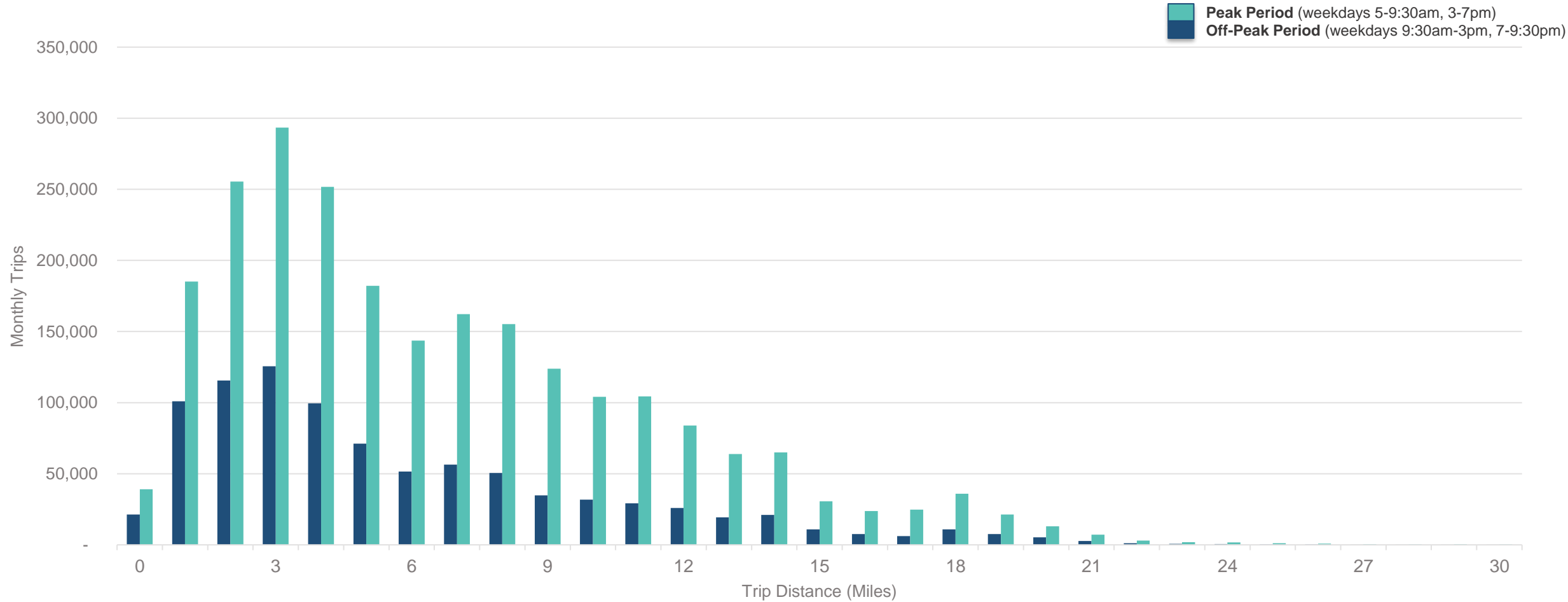
	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
5am							
7am	\$2.25-6.00	\$2.25-6.00	\$2.25-6.00	\$2.25-6.00	\$2.25-6.00	\$2.00	\$2.00
9:30am	\$2.00-3.85	\$2.00-3.85	\$2.00-3.85	\$2.00-3.85	\$2.00-3.85		
3pm	\$2.25-6.00	\$2.25-6.00	\$2.25-6.00	\$2.25-6.00	\$2.25-6.00		
7pm	\$2.00-3.85	\$2.00-3.85	\$2.00-3.85	\$2.00-3.85	\$2.00-3.85		
9:30pm	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00		
12am							
1am							

- Peak Fare Periods
 - 51% of customer trips
 - 62% of fare revenue
 - 32.5% of operating hours
- Off-Peak Fare Periods
 - 20% of customer trips
 - 18% of fare revenue
 - 30.5% of operating hours
- Late Night and Weekend Fare Periods
 - 29% of customer trips
 - 20% of fare revenue
 - 37% of operating hours

Peak Fare (42.5 hours/week)
 Off-peak Fare (40 hours/week)
 Weekend/Late-Night Fare (48.5/hours week)
 System Closed



Peak vs. Off-Peak Ridership by Trip Distance



Note: Ridership data from April 15 to May 15, 2022



Simplify Metrorail Fares for Customers

Current Fare Structure

1. Higher fares during rush periods when more customers are riding; Regular fare range from \$2.25 to \$6, off-peak range from \$2.00 to \$3.85
2. Mileage rates that start after 3 miles and decrease after 6 miles
3. Peak rail base fare higher than bus and non-peak rail base fare

Proposed Fare Structure

1. Consolidate weekday peak and off-peak fares
2. Standardize the mileage rate
3. Match rail and bus base fare

Bus and Rail Base Fare Integration

- Aligning base bus and rail fares further simplifies the customer experience
- Metrorail's base fare range is equivalent to the average bus trip distance (3 miles)
- Builds off past integration efforts, including free transfers (crediting full fare paid up to \$2)



Metrobus



Metrorail

Base Fare (Boarding Charge)

\$2

\$2 to \$2.25
Consolidate, align with bus

Base Fare Applicability Range

Entire distance

3 miles

Average Trip Distance

3 miles

6+ miles

Range of options to consolidate rail fare periods

Opportunity to simplify fares while collecting as much or more revenue

- Structures are flexible to different price levels – could accommodate a fare increase
- Possibility to offer consistent base charge across rail and bus all week as well as maintain flat night and weekend fares
- Options affect customers differently depending on where and when they travel

Concept	Base Fare	Max Fare	Night/ Weekend Fare	Max / Base Fare Ratio	Mileage Charge	Mileage Charge as a Percent of Base Fare	Ridership Impact (Million)	Revenue Impact (Million)	Preliminary Equity Scan
Compressed Range: \$2 to 5	\$2.00	\$5.00	\$2.00	2.5	\$0.40	20%	2.3	-\$1.9	✓
Consistent Range: \$2 to 6	\$2.00	\$6.00	\$2.00	3	\$0.40	20%	2.0	\$5.1	✓
Increased Range: \$2 to 6.50	\$2.00	\$6.50	\$2.00	3.25	\$0.40	20%	1.9	\$7.1	✓
Increased Range: \$2 to 7	\$2.00	\$7.00	\$2.00	3.5	\$0.40	20%	1.8	\$8.6	✓
Increased Range: \$2 to 7.50	\$2.00	\$7.50	\$2.00	3.75	\$0.40	20%	1.8	\$9.6	✓

Fare Increase and Fare Simplification Comparison

- Restructuring fares offers advantages over a general fare increase
 - Similar net budget impacts but structural change expected to increase ridership versus ridership loss expected with an across-the-board fare increase
 - Simplifies and standardizes fares for customers
 - Enables offering reduced fares to low-income customers
 - Preserves \$2 bus and late night & weekend rail fares

Fare Concepts Structure with Low-Income Fare	Rail Base Fare	Rail Max Fare	Rail Night/Weekend Fare	Bus Fare	Bus Ridership Impact (Million)	Rail Ridership Impact (Million)	Total Ridership Impact (Million)	Budget Impact (Million)
6% Fare Increase (current structure)	\$2.10	\$6.35	\$2.10	\$2.10	-0.6	-2.0	-2.6	\$7.8
Fare Simplification: \$2 to 6.50	\$2.00	\$6.50	\$2.00	\$2.00	1.2	0.7	1.9	\$7.1

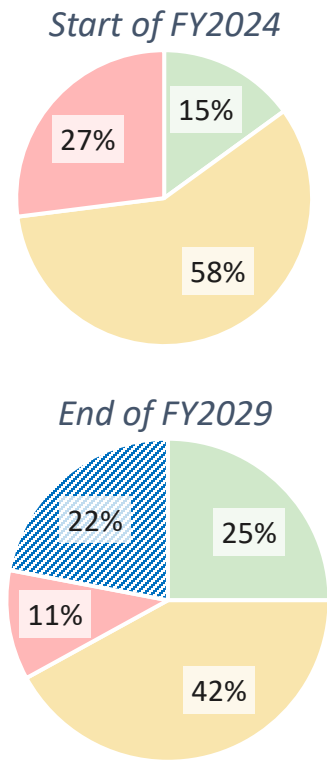
Note: Ridership and budget impacts include low-income fare discount program impact

Six-Year Program Advances State of Good Repair

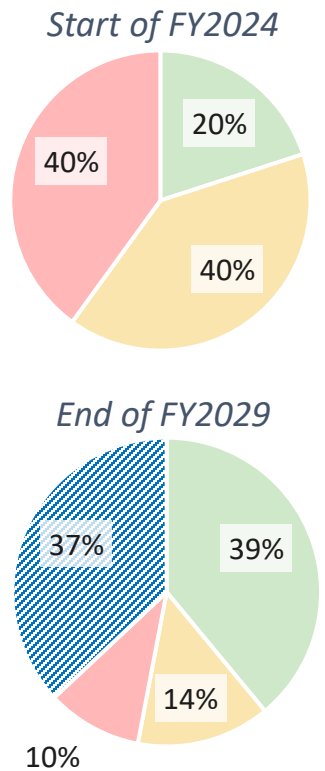
Percentage of State of Good Repair Assets Addressed Start of FY2024 vs. the End of FY2029

Total
SGR
Value

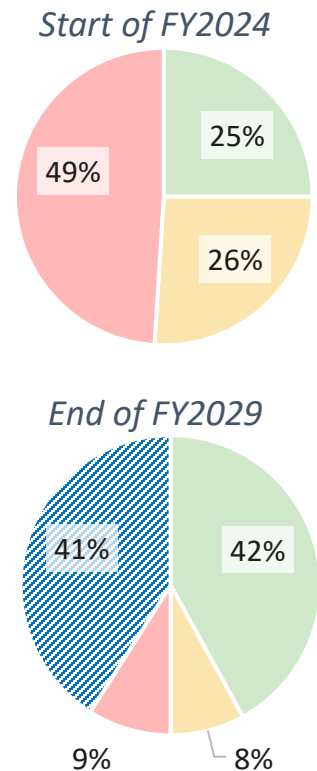
Infrastructure \$36.7B



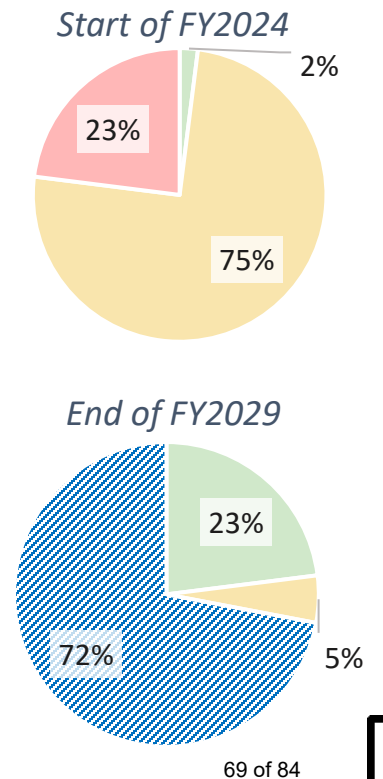
Equipment \$964M



Facilities \$29.4B



Vehicles \$5.2B



Capital Performance Outcome Measures

New Initiative to Measure Performance Outcomes of Capital Investments

Identified Outcome Measures:



Safety



Security



Reliability/
SGR



Customer
Experience



Employee
Experience



Community/
Equity



Energy
Efficiency



Operational
Capacity/Efficiency



Financial
Stewardship

Two sample investments with outcome measures under development are provided below:

Northern Bus Garage Replacement



- Reduce employee injuries & improve employee experience
- Improve mean distance between failure
- Increase on-time performance
- Increase community engagement & promote equity
- Reduce energy use & reduce carbon footprint

Stations Platform Rehabilitation Program – Phase 4



- Reduce customer injuries
- Increase security
- Increase asset lifespan
- Improve customer experience & promote equity
- Reduce energy use

SUBJECT: AUTHORIZATION FOR PUBLIC HEARINGS ON PROPOSED FY 2024 OPERATING BUDGET, FY 2024 CAPITAL BUDGET, AND FY 2024-2029 CAPITAL IMPROVEMENT PROGRAM, TOGETHER WITH A TITLE VI EQUITY ANALYSIS AND PUBLIC PARTICIPATION ON SERVICE AND FARE CHANGES

RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, The Federal Transit Administration (FTA) requires all recipients of Urbanized Area Formula Program ("Section 5307") grant funding to annually develop, publish, hold a public hearing, and submit for approval a Program of Projects that is part of its capital budget; and

WHEREAS, Enactment Clause 8 of the 2018 Virginia dedicated funding statute (VA Acts of Assembly Ch. 854 Enact. Cl. 8) requires WMATA to hold a public hearing on a capital improvement program (which includes the capital budget) in a locality embraced by the Northern Virginia Transportation Commission; and

WHEREAS, The proposed \$2.4 billion Fiscal Year (FY) 2024 capital budget (Attachment A), which includes WMATA's Program of Projects, funds critical safety investments and state of good repair investments to improve the safe, reliable and effective performance of the transit system; and

WHEREAS, The proposed \$14.4 billion FY 2024-2029 Capital Improvement Program (included in Attachment A) includes federal funding from FTA annual formula grant programs, including Section 5307 funding; and

WHEREAS, the Board desires to obtain public comment on the proposed FY 2024 \$2.3 billion operating budget (Attachment B); and

WHEREAS, Compact Section 62(a) requires a public hearing for service changes to Metrorail and Metrobus (Attachment C) and fare increases (Attachment D);

NOW, THEREFORE, be it

RESOLVED, That in accordance with the Federal Transit Administration Urbanized Area Formula Program (Section 5307) requirements, the Board of Directors will conduct at

least two public hearings, one to be held within a locality embraced by the Northern Virginia Transportation Commission as required by the Virginia dedicated funding statute (VA Acts of Assembly Ch. 854 Enact. Cl. 8), to obtain public comment on WMATA's proposed Fiscal Year 2024 capital budget, which incorporates WMATA's Program of Projects, and proposed Fiscal Year 2024-2029 Capital Improvement Program as set forth in Attachment A, and be it further

RESOLVED, That the Board of Directors directs the General Manager and Chief Executive Officer to report on the findings of the public hearings on WMATA's Program of Projects, and proposed Fiscal Year 2024-2029 Capital Improvement Program, as well as the findings of the Title VI Equity Analysis and other outreach efforts on the proposed Fiscal Year 2024 operating budget, service changes, and fare increases; and be it finally

RESOLVED, That in order for the Board of Directors to incorporate public input in its deliberations on the proposed Fiscal Year 2024 operating budget and capital budget, proposed Fiscal Year 2024-2029 Capital Improvement Program, and related matters, this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,

/s/

Patricia Y. Lee

Executive Vice-President, Chief Legal Officer
and General Counsel

WMATA File Structure No.:
18.8 Public Hearings and Meetings

FY2024 Capital Budget and FY 2024-2029 Capital Improvement Program

Overview

WMATA is committed to improving the safety, reliability, and affordability of its system by substantially improving its assets — from rail stations, tracks and traction power infrastructure to the vehicles, maintenance facilities and cooling systems — and providing a better transit experience for hundreds of thousands of customers each day.

The proposed FY2024 capital budget of \$2.4 billion and six-year capital improvement program of \$14.4 billion include investment in ongoing projects, prioritized system preservation and renewal needs and investments to provide safe and efficient service delivery informed by asset management and reliability plans.

Capital program publications detail the following:

- Capital Program Strategy outlining the vision and goals for capital investments.
- Six-year Capital Improvement Program investments of \$14.4 billion and a FY2024 capital budget of \$2.4 billion with a list of priority projects and programs constrained by affordability and delivery capacity.
- Ten-Year Capital Plan projecting \$25.0 billion in investments constrained by delivery capacity for major projects. (Note: Due to delivery capacity constraint, there are potentially significant investment needs beyond the ten-year planning horizon.)

Major capital program investments to further improve service and customer experience include:

- **Railcars and Rail Facilities.** Major *vehicle* investments include the 8000-series railcar acquisition program. Major *facilities and systems* investments include the public address system, Heavy Repair and Overhaul Facility, and rehabilitation of railyards, and the railcar wash.
- **Rail Systems.** Major investments include Train Control Room Rehabilitation, Switch Machine Replacement, Rail Power System Rehabilitation, AC Power Rehabilitation, Radio Infrastructure Replacement, and Braking Energy Recovery Installation.
- **Track and Structures Rehabilitation.** Major investments include track rehabilitation and maintenance; tunnel remediation and water leak mitigation; and bridge and aerial structural rehabilitation.
- **Station and Passenger Facilities.** Major investments include Station Fire Control Infrastructure improvements; station infrastructure rehabilitation, replacement, and improvements; parking garage, surface lot, canopy, and elevator rehabilitations; passenger information, lighting, and station cooling system work.
- **Bus, Bus Facilities, and Paratransit.** Major *vehicle* investments include bus acquisition and rehabilitation and paratransit vehicle purchases. Major *facilities* investments include Northern and Bladensburg garage replacements and Montgomery and Four Mile Run garage rehabilitation; closed circuit television, shelter, stop accessibility, display signs, and terminal rehabilitation.
- **Operations and Business Support.** Major investments include office construction; data center replacement; enterprise IT infrastructure state of good repair; service vehicle replacement; roof rehabilitation and replacements; and environmental compliance.

The six-year plan includes reimbursable projects such as the Potomac Yard infill station and the Purple Line.

Financial Plan by Investment Category

Capital Investment Categories (\$M)	FY2024 Proposed Budget*	FY2025 – FY2029 Plan*	Six-Year Total*
Railcars and Railcar Facilities	\$424	\$2,390	\$2,814
Rail Systems	\$323	\$1,273	\$1,596
Track and Structure Rehabilitation	\$284	\$1,512	\$1,796
Stations and Passenger Facilities	\$353	\$1,523	\$1,876
Bus, Bus Facilities, and Paratransit	\$528	\$2,256	\$2,784
Operations and Business Support	\$294	\$1,253	\$1,547
Total Capital Investments	\$2,205	\$10,207	\$12,412
Revenue Loss from Capital Projects	\$10	\$50	\$60
Debt Service - Dedicated Funding	\$173	\$1,739	\$1,912
Total Capital Program Cost	\$2,388	\$11,996	\$14,384

*FY2024-FY2029 Plan capital investment category allocation subject to change as project costs and schedules are refined; columns may not sum due to rounding.

Capital Program Funding Sources

Funding Sources (\$M)	FY2024 Proposed Budget*
Federal Grants	
Formula and Other Grants	\$470
PRIIA	\$144
Subtotal Federal Grants	\$614
State and Local Contribution	
District of Columbia	\$334
State of Maryland	\$316
Commonwealth of Virginia	\$292
Subtotal State and Local	\$942
Jurisdiction Reimbursable Projects	\$31
Debt and Other Fund Sources	\$800
Grand Total	\$2,388

*FY2024 Funding Sources are estimates and may change; columns may not sum due to rounding.

FY2024 Operating Budget Proposal

WMATA's Proposed FY2024 Operating Budget totals \$2.3 billion, not including operating reimbursables and debt service. The budget is funded by system generated revenues of \$509.2 million, jurisdictional subsidy of \$1.3 billion and \$561.0 million of federal relief. The jurisdictional subsidy consists of \$1.2 billion in contributions adhering to the three percent annual subsidy growth cap and \$24.3 million in legislative exclusions.

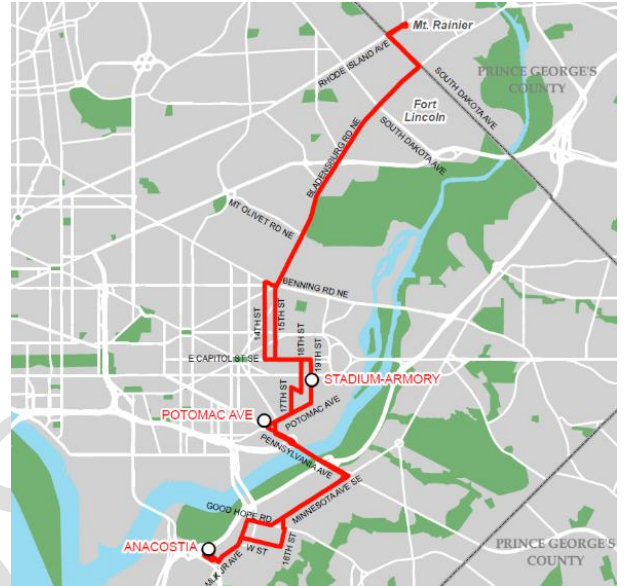
The proposed operating budget includes projected ridership at 70% of pre-pandemic levels and would fund continuation of service at or near pre-pandemic levels that became effective in September 2021. In addition, the budget funds additional service to be phased in during 2023, Potomac Yard station operations, and equity improvements.

(\$M)	FY2022 Actual	FY2023 Budget	FY2024 Proposed
Passenger Revenue	\$213.5	\$301.0	\$406.0
Non-Passenger	\$67.9	\$81.5	\$103.2
Total Revenue	\$281.4	\$382.5	\$509.2
Expenses	\$1,870.1	\$2,247.2	\$2,322.1
Operating Deficit	(\$1,588.7)	(\$1,864.7)	(\$1,813.0)
Subsidy	\$1,109.7	\$1,191.9	\$1,252.0
Federal Relief	\$479.0	\$672.8	\$561.0
Funding Gap	\$0.0	\$0.0	\$0.0

Proposed Metrobus Service Changes

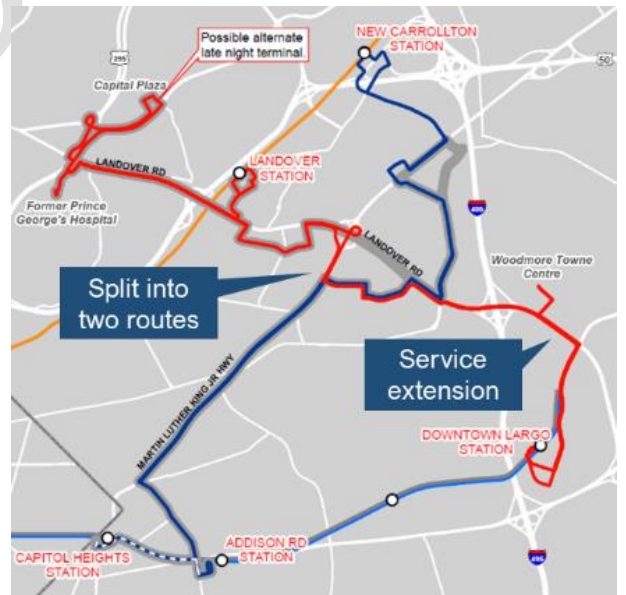
1. Improve B2 Frequency

Improve service frequency on the B2 Bladensburg Road-Anacostia line to every 12 minutes between 7 am and 9 pm, 7 days a week.



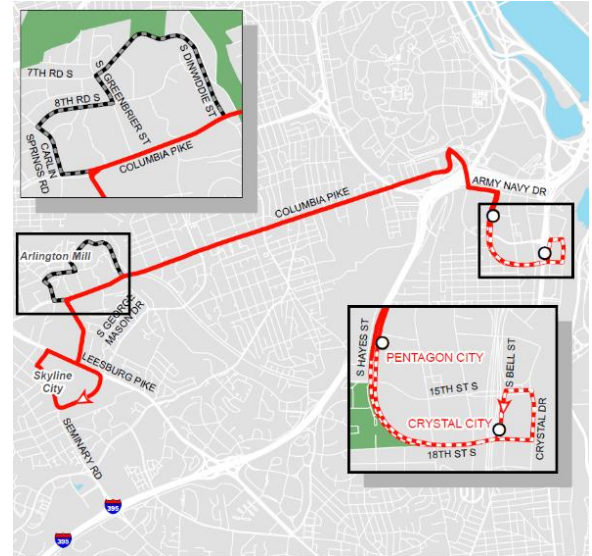
2. Restructure A12 into Two Routes

Restructure A12 Martin Luther King Jr. Highway service into two new routes, and extend service to Downtown Largo station. Both new routes would operate every 20 minutes between 7 am and 9 pm, 7 days a week, while maintaining the existing A12 schedule outside of those hours.



3. Restructure 16G, 16H Service into new 16M Service

Restructure Columbia Pike service, with 16M replacing 16G and 16H service between Skyline and Crystal City. The 16M would operate every 12 minutes from 7 am to 9 pm, 7 days a week, and maintaining existing frequencies at all other times. Arlington Transit (ART) routes 42, 45, and 75 will replace 16G service in the Arlington Mill neighborhood.



4. DC Late Night Bus Service Proposal

Expand the span of bus service on the 12-minute Frequent Service Network within the District of Columbia, to offer service every 20 minutes between 9 p.m. and 7 a.m. Improvements would extend the span of service from 2 a.m. to 4 to 5 a.m. and increase the existing frequency on lines not already operating at least every 20 minutes.

Proposed Metrorail Service Changes

1. Improve Green Line Frequency

Improve Green Line headways to 6 minutes all day until 9:30 pm, improved from 10 minutes during peak hours and 12 minutes during off-peak hours. Late night and weekend service would operate every 10 minutes, improved from 15 minutes.

2. Improve Yellow Line Frequency and New Service Pattern

Improve Yellow Line headways to 6 minutes all day until 9:30 pm, improved from 10 minutes during peak hours and 12 minutes during off-peak hours. Late night and weekend service would operate every 10 minutes, improved from 15 minutes. All Yellow Line trains would operate between Huntington and Mt. Vernon Square station, instead of operating to Greenbelt.

3. Improve Orange Line Frequency

Improve Orange Line peak headways to an average of every 7.5 minutes, improved from 10 minutes. Increase off-peak headways to every 10 minutes, improved from 12 minutes. Late night and weekend service would continue to operate every 15 minutes.

4. Open Potomac Yard Station

The Metrorail system will expand to include the Potomac Yard station, served by the Yellow and Blue lines.

PROPOSED

Proposed FY2024 Metrorail Service Levels

Line	<u>All Day Service</u> 7 days a week	<u>AM/PM Rush</u> Weekdays only 6:30-9:30 am & 3-7 pm	<u>Late Night</u> 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 9:30pm, seven days a week

AM/PM Rush Service: Increased service frequency between 6:30 a.m. – 9:30 a.m. and 3:00 p.m. – 7:00 p.m., Monday-Friday

Late Night Service: Service frequency from 9:30 p.m. to Close, seven days a week

PROPOSED

Proposed Fare Changes

1. Simplify Metrorail fare structure

The FY2024 budget proposes consolidating the Metrorail weekday structures (peak and off-peak) into a single structure with a base fare of \$2 and maximum fare of \$6.50. The mileage charge would be standardized at \$0.40 (incurred after traveling over three miles). The proposal maintains the flat \$2 weekend and late-night (after 9:30 p.m.) fare.

2. Pass Products

Additional monthly unlimited pass options (priced at \$200 and \$208) would be added to reflect the proposed increase in the maximum fare (from \$6.00 to \$6.50). One-, three-, and seven-day unlimited pass prices would not be affected. The seven-day short-trip pass price would not change, but the product would be adjusted to cover trips up to \$4 (from \$3.85).

3. Launch low-income fare discount program

The proposed low-income fare program would provide a 50 percent discount on trips on Metrorail and Metrobus for customers enrolled in the Supplemental Nutrition Assistance Program (SNAP).

Metrorail Fares	FY2023 Fares/Fees	Proposed FY2024 Fares/Fees
Peak Fares¹		
1 · Boarding charge (up to 3 miles)	\$2.25	Eliminate
2 · Composite miles between 3 and 6 miles	\$0.326	Eliminate
3 · Composite miles over 6 miles	\$0.288	Eliminate
4 · Maximum peak fare	\$6.00	Eliminate
5 · Charge for senior/disabled	\$1.10 - \$3.00	Eliminate
Off-Peak Fares²		
6 · Boarding charge (up to 3 miles)	\$2.00	Eliminate
7 · Composite miles between 3 and 6 miles	\$0.244	Eliminate
8 · Composite miles over 6 miles	\$0.216	Eliminate
9 · Maximum off-peak fare	\$3.85	Eliminate
10 · Charge for senior/disabled	\$1.10 - \$3.00	Eliminate
Regular Fares (New)		
11 · Boarding charge (up to 3 miles)		\$2.00

¹ Peak fares are currently in effect on weekdays from opening through 9:30 a.m. and from 3:00 p.m. to 7:00 p.m., except on national holidays, and will be eliminated.

² Off-peak fares are currently in effect on weekdays from 9:30 a.m. to 3:00 p.m. 7:00 p.m. to 9:30 p.m. and all national holidays, and will be eliminated.

12	· Composite mileage charge over 3 miles		\$0.40
13	· Maximum fare		\$6.50
14	· Reduced Fare for Senior/Disabled/Low-income ³		\$1.00 - \$3.25

Late Night and Weekend Fares⁴

15	· Late Night and Weekend Flat Fare	\$2.00	No change
16	· Reduced Fare for Senior/Disabled/Low-income ³	\$1.00	No change

Unlimited Combo Passes⁵

17	· Monthly unlimited passes (32 times single fare)	\$64 to \$192	\$64 to \$208
18	· 1-day unlimited pass	\$13.00	No change
19	· 3-day unlimited pass	\$28.00	No change
20	· 7-day short-trip unlimited pass ⁶	\$38.00	No change
21	· 7-day unlimited pass ⁷	\$58.00	No change

Other Rail Fares

22	· Bus-to-rail transfer utilizing SmarTrip® card	\$2.00 discount	No change
23	· Monthly TransitLink Card on MARC and VRE ⁸	\$114.00	No change
24	· Monthly TransitLink Card on MTA ⁷	\$176.00	No change
25	· Surcharge on Entry/Exit for station improvements, two stations per Compact jurisdiction ⁹	\$0.05	No change

Metrobus Fares

Regular Fares

26	· Cash boarding charge for local bus	\$2.00	No change
27	· Cash boarding charge for express bus	\$4.25	No change
28	· Cash boarding charge for designated airport routes	\$7.50	No change
29	· SmarTrip® boarding charge for local bus	\$2.00	No change
30	· SmarTrip® boarding charge for express bus	\$4.25	No change
31	· SmarTrip® boarding charge for designated airport routes	\$7.50	No change

Senior/Disabled/Low-Income³: One-Half Regular Fares

32	· Cash boarding charge for local bus	\$1.00	No change
33	· Cash boarding charge for express bus	\$2.10	No change
34	· Cash boarding charge for designated airport routes	\$3.75	No change
35	· SmarTrip® boarding charge for local bus	\$1.00	No change
36	· SmarTrip® boarding charge for express bus	\$2.10	No change
37	· SmarTrip® boarding charge for designated airport routes	\$3.75	No change

³ Low-Income fare discount offered to customers enrolled in jurisdictional Supplemental Nutrition Assistance Program (SNAP).

⁴ Late-Night and Weekend flat fares are in effect on weekdays after 9:30 p.m. and from Saturday opening until Sunday closing.

⁵ Unlimited Combo Passes shall be valid on Metrorail, Metrobus and Regional Bus Providers (including but not limited to ART, DC Circulator, CUE, DASH, Fairfax Connector, The Bus, and Ride On) instead of only Metrorail and Metrobus upon the implementation of and subject to WMATA entering into a revenue sharing agreement with regional providers.

⁶ 7-day Short Trip Pass proposed to cover unlimited trips on Metrorail up to a fare of \$4 (twice the base fare), changed from current pass coverage of up to the off-peak maximum fare (proposed to be eliminated) of \$3.85.

⁷ The FY2023 Budget included a 6-month promotional pass offer for the 7-day unlimited pass at \$29.00.

⁸ Metro's portion of the TransitLink Cards on MARC, VRE, and MTA.

⁹ A \$0.05 surcharge on entry and exit at up to two stations in each jurisdiction in the Compact Transit Zone to fund station-specific capital improvements to Metro facilities at the station(s) where the surcharge is levied may be imposed with further Board approval.

Cash Upload to SmarTrip®

38	· Surcharge for cash upload to SmarTrip® on board bus	\$0.00	No change
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Bus Transfers utilizing SmarTrip® card

39	· Local to local bus	Free	No change
40	· Local to express bus	\$2.00 discount	No change
41	· Local to designated airport routes	\$2.00 discount	No change
42	· Rail-to-bus transfer	\$2.00 discount	
43	· Transfer from MARC, VRE, & MTA with weekly/monthly pass	Free	No change
44	· Transfer from regional bus partners	Varies	Varies

Bus Passes

45	· 7-Day Regional Bus Pass	\$12.00	No change
46	· 7-Day Regional Senior/Disabled Bus Pass	\$6.00	No change

Other Fare Media

47	· Package of 10 tokens, available to organizations	\$20.00	No change
48	· DC student tokens - 10 trips per pack	\$10.00	No change

MetroAccess Fares¹⁰

49	· MetroAccess fare (within ADA 3/4 mile service corridor)	Varies	Varies
50	· Maximum fare	\$6.50	No change

Parking Fees¹¹

51	· District of Columbia	\$4.45 - \$4.95	No change
52	· Montgomery County	\$4.45 - \$5.20	No change
53	· Prince George's County	\$3.00 - \$4.95	No change
54	· Virginia	\$3.00 - \$4.95	No change
55	· Monthly reserved parking fee	\$45.00 - \$65.00	No change
56	· Parking meters \$1.00/60 minutes	\$1.00	No change
57	· Prince George's parking garage at New Carrollton (monthly)	\$85.00	No change
58	· Non-Metro rider parking fees	\$7.50 - \$15.00	No change
59	· Special event parking fees	Up to \$25.00	No change

Other Fees

60	· Bicycle locker rental	\$120.00 (annual)	No change
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Additional Notes

Virtual bus-to-bus transfers between lines serving the Addison Road and Capitol Heights Metrorail stations via Metrorail at no charge with the use of a SmarTrip® card authorized in Resolution 2017-52 shall continue in effect.

Additional Proposal**Fare Buy-Down for District of Columbia Metrobus Services**

Implement a fare buy-down agreement with the District of Columbia to offer bus service at no charge to customers within the District of Columbia.

¹⁰ MetroAccess fare is twice the equivalent fixed route SmarTrip® fare based on fastest trip.

¹¹ Parking fees consist of Metro's base fee plus jurisdiction surcharge, if any.