

April 16, 2009

Board of Directors
Washington Metropolitan Area Transit Authority (WMATA)
600 Fifth Street, N.W.
Washington, D.C. 20001-2693

Re: WMATA Board Should Allow Greater Public Input to the Agency's Decision-making Processes; WMATA Efforts Begun in 2004-6 to Involve the Public Have Since Fallen into Disuse

Chairman Graham and Members of the Board:

MetroRiders.Org, representing the interests of transit users in the Washington, D. C., metropolitan area, applauds the Board's recent decision to sponsor six public hearings this week to receive community input on the current plan to eliminate an estimated \$28.8 million gap in the WMATA General Manager's Proposed Fiscal Year 2010 Operating Budget, beginning July 1, 2009. This would be achieved through a combination of \$15.2 million in increased subsidy payments from some of WMATA's Contributing Jurisdictions (the District of Columbia, City of Alexandria, Arlington County, City of Falls Church and the State of Maryland) and through \$13.6 million in savings through changes in Metrobus services that have been approved by the relevant Contributing Jurisdictions.

This letter is not about the FY'10 budget gap and how to eliminate it; instead MetroRiders.Org believes the far more important issue is whether your Board will increase opportunities generally for the public to provide meaningful and timely input to Board decision making. At the present time, opportunities for public input to WMATA are considerably less than offered by each of the Contributing Jurisdictions that appoint WMATA's Board Members.¹ Both the Board and Metro system users are disadvantaged by these lost opportunities.

¹ In fairness, however, WMATA does offer audio broadcasts of its Board and Board Committee meetings, and some Contributing Jurisdictions do not. Many MetroRiders.Org activists regularly listen to such meetings since their daytime employment doesn't allow personal attendance at these Thursday WMATA meetings. In addition, the WMATA Board recently amended its Procedures for WMATA Board of Directors -2009 to authorize Committee Chairs in their discretion to invite, inter alia, "other parties to make a presentation or comment on a particular issue" during a Board Committee meeting. MetroRiders.Org has long sought this flexibility since the opportunity for public comment at WMATA Board meetings, previously authorized, most often occurs too late in the Board's decision making process to be effective. Most issues are shaped during Board Committee meetings and the Board just approves Committee recommendations at the formal monthly Board meeting.

Specifically, as detailed below, we urge the Board to agree to schedule public hearings every year on WMATA's proposed budgets² and to present the public with a wide range of options on which comment is sought before critical decisions are set in stone, and to schedule "Town Hall Meetings"³ at least three times every year (one in each jurisdiction) to hear rider comments on Metrorail, Metrobus and MetroAccess service issues.

1. SCHEDULE ANNUAL PUBLIC HEARINGS ON WMATA PROPOSED BUDGETS

a. Should be Scheduled When Public Input Will be Relevant

This week's public hearings on the Proposed FY'10 WMATA Operating Budget are being held too late in the next fiscal year's budget shaping process to be relevant. There's virtually nothing important left for the Board to decide before the next fiscal year begins on July 1. All the important choices have already been made – and all without public input.

Months ago the Contributing Jurisdictions signaled to WMATA that they did not want to increase their FY'10 operating budget subsidy totals to WMATA above the FY'09 level (\$535 million) and this decision (without public input) was included in the WMATA General Manager's proposed budget as a "given." Then the General Manager and the Board determined that \$119 million of the resulting \$154 million FY'10 operating budget gap could be eliminated by administrative actions such as by reducing WMATA staff positions and system maintenance and cleaning costs, and by increasing some revenue estimates. Again, decisions already made with no public input.

The Board Members then negotiated to take many options off the table, such as a fare increase to cover part or all of the remaining budget gap, increasing parking revenue, closing some Metrorail station entrances on weekends, and increasing Metrorail headways. Finally, in early March, the Contributing Jurisdictions were asked whether that remaining budget gap should be eliminated by modest increases in jurisdictional subsidies or by reductions in Metrobus services, or by some combination of each. Their decisions (a combination, outlined above) were made public on March 26. All these other options were taken off the table without the benefit of any prior public comment.

What's left to decide for the FY'10 WMATA operating budget cycle? Nothing really; it's too late; all the major policy options were resolved earlier – without public input.

² While the Contributing Jurisdictions annually have public hearings to receive citizen comment on their proposed budgets for the next fiscal year, WMATA does not. Until this week, WMATA has had but one public hearing on any proposed budget (on March 21, 2006). (Even WMATA's own Riders Advisory Council (RAC) gets but one 30-minute presentation annually on some budget issue.)

³ While WMATA in the past sponsored "Town Hall Meetings" to listen to user comments on Metro service (one in 2004; three in 2005, and three in 2006), none have been held since that time. Fully half the current WMATA Board's twelve members were appointed after the last "Town Hall Meeting" was held. Since that time, WMATA has only scheduled public hearings when required by the WMATA Compact (whenever bus services are being changed and in November 2007 when a fare increase was proposed).

b. Should Provide Information and Seek Public Comment on WMATA Budgets for Two Fiscal Years

MetroRiders.Org believes that WMATA each year should schedule public hearings to receive comment on both the upcoming fiscal year's operating budget (this year – starting July 2009) and on the following fiscal year's operating budget outlook (this year – starting July 2010).

-- The Upcoming Fiscal Year Budget

Again, as this year's experience (above) documents, WMATA's obtaining public comment in April for a fiscal year starting July 1 is too late to be relevant – unless the purpose of the public hearing is merely to satisfy a Compact requirement – such as a public hearing on a fare increase or on planned Metrobus service reductions before the fiscal year begins.⁴

In this case, WMATA didn't even provide the public with basic FY'10 operating budget information. It just urged the public to "Read the various budget documents on the WMATA webpage that the Board looked at over the last few months." Too little information; public feedback requested too late in the process.

-- The Following Fiscal Year Budget Outlook

In contrast, the WMATA Board and the Contributing Jurisdictions could benefit from hearing public comment now on the following fiscal year's WMATA operating budget outlook because all policy options for that budget year (July 2010 – June 2011) – including revenues, expenses, jurisdictional subsidy levels – are still open. Importantly, the Contributing Jurisdictions haven't yet made their decisions on WMATA funding levels for that year.

The WMATA staff estimated in March 2009 that, based on the current outlook, there will likely be a FY'11 WMATA Operating Budget gap of between \$125 - \$150 million. Even though the estimates in that fiscal year's budget will harden over the next few months, that budget outlook is already adequate to allow Metro riders and other members of the public to offer helpful comment on alternative ways to address that gap.

⁴ The WMATA Board has a habit of deciding at the last possible moment to squeeze in a Compact-required public hearing so that proposed fare increases or service adjustments can take effect on a pre-ordained date. The Board works back from the proposed effective date. MetroRiders.Org believes that public hearings should be held well in advance of those deadlines so that the Board can carefully consider customer views before deciding among a range of options.

c. Should Pose Specific Questions About That Following Fiscal Year's Budget Structure

Here are some questions that the WMATA Board might pose now for public comment in connection with this very large anticipated revenue gap in the Proposed FY'11 Operating Budget Outlook:

1. Can WMATA staff positions and expenses be further reduced from their FY'10 levels? Some riders may maintain that WMATA staff levels have been sharply reduced for two successive years and that the quality of Metro service (e.g., cleaning, maintenance) should not be further reduced.
2. Is a higher-than-planned fare increase needed for FY'11? How should increases be structured (e.g., rail, bus, paratransit, parking, peak, off-peak, peak of the peak)?⁵ When the last fare/parking increase was approved by the WMATA Board in December 2007, the Board Resolution assumed that future fare increases would occur only every two years with increases planned to mirror changes in the cost-of-living (COL) since the last increase. That formula would generate about \$30 million in additional Metro fare revenue in FY'11. Given the estimated FY'11 operating budget gap, will the Board have to propose a substantially higher fare increase next year?
3. Should the Contributing Jurisdictions' annual subsidy payments be increased a lot for FY'11? These payments haven't increased as fast as the COL these last two years but area government revenues have been seriously reduced by the continuing economic recession.
4. Can substantial reductions in Metrorail, Metrobus and MetroAccess service levels occur in FY'11 without seriously impairing ridership totals, particularly for transit-dependent users? The WMATA Board's service reductions for FY'10 only include Metrobus adjustments, not Metrorail or MetroAccess service reductions.
5. What other revenue raising/expenditure reducing options should WMATA consider to help close the anticipated funding gap for FY'11? Instituting parking fees on weekends and increasing ancillary revenue sources (advertising in trains/buses/stations, advertising on WMATA website, etc.) don't generate much revenue.

⁵ The WMATA Finance, Administration and Oversight Committee voted in December 2007 to "direct staff to study and report to the Board a recommended comprehensive fare policy." If that study has been completed it has not been made available to the public.

2. SCHEDULE REGULAR "TOWN HALL MEETINGS" WITH WMATA BOARD

As noted above, during 2004-2006 the WMATA Board held seven "Town Hall Meetings" in the District, Maryland and Virginia specifically to listen to the views of Metro riders and other members of the public. In fact transcripts were made of all these meetings. No such "Town Hall Meetings" have been held since September 2006.

MetroRiders.Org urges the WMATA Board to revive this past practice of scheduling at least three "Town Hall Meetings" each year (in the District, Maryland, Virginia) to find out "what's on the minds of our customers." Similar to the proposed public hearings on WMATA budgets (above), the WMATA Board might set out specific questions on which it would particularly encourage public comment.

MetroRiders.Org appreciates the opportunity to make recommendations on how WMATA might better obtain helpful input from its customers. Please contact the undersigned if additional information is desired.

Sincerely,



Jack Corbett
Director



Kevin Moore
Director

cc: boardofdirectors@wmata.com
MetroRiders.Org Policy Committee