

# **Briefing on Research Report for the WMATA Governance Work Group (GWG)**

**Presentation to the  
Transportation Planning Board**

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# Background and Methodology

- In March, the TPB amended the technical assistance program in the FY 2011 UPWP in response to a request from the WMATA Governance Work Group created by the two Governors and the Mayor.
- In accordance with this amendment, TPB staff has produced a research report based on reviews of the relevant literature and the practices of thirteen peer agencies in the United States and in Canada.
- The research focuses on the roles and responsibilities of the Board and Chair, public input processes in Board decision-making, the appointment of Board members, and funding needs.

# Roles and Responsibilities of Board and Chair: Board's Focus on High-Level Policy and Capacity to Act as a Regional Body

- *“The roles of board governance and management are often blurred and the distinction between oversight and interference is unclear.” (TRB)*
- Eight peer agencies have formally developed roles or responsibilities for their Board, and seven have done so for their Chair.
- Until recently, WMATA had done so for neither, but it has now proposed bylaws that detail the role and responsibilities of the Board and Chair.

# Public Input Processes in Board Decision-Making

- *“Board decision-making should include a clear and accessible public input process.”* (RAC)
- More than half the peer agencies have a standing citizen advisory committee.
- Most agencies do not post individual Board members’ contact information on their websites.
- All agencies have public comment at Board meeting, but most do not allow it at committee meetings.
- WMATA is in line with its peers, except for limiting how often someone can comment at Board meetings (proposed new procedures eliminate this constraint).

# Appointment of Board Members (Board)

- *“An effective transit board is balanced.” (TRB)*
- Board selection methods vary. One peer agency is composed entirely of elected officials, while two prohibit their inclusion. Most agencies have a blend.
- Five agencies have a formal experience requirement in their appointment process, four have a residence requirement, and three have a ridership requirement
- Most agencies have between 7 and 10 members.
- All the agencies have term lengths of 2-7 years
- WMATA is broadly in line with its peers except for its indefinite terms; a tri-state / federal arrangement adds a unique dimension to maintaining a balanced Board.

# Appointment of Board Members (Chair)

- Boards elect their Chair at most agencies (though a jurisdictional rotation is mandated at two of them). Of the four agencies whose Boards do not select their Chairs, the responsibility falls to the Governor in three cases, and to the City Council in the other.
- Most agencies have Chair term lengths of 1-3 years, and repeat terms are often allowed.
- Until recently, a jurisdictional rotation had been the custom at WMATA, but the proposed bylaws would allow members to annually elect a Chair without regard to jurisdiction of residence or representation.

# Funding Needs (Operating)

- All the peer agencies, including those with dedicated funding sources such as sales taxes, have operating funding shortfalls due to the economic downturn.
- A 2010 APTA survey found that most large agencies had responded to the downturn by reducing service, increasing fares, or transferring capital funds to operations. It found that they had taken actions such as layoffs and salary freezes to reduce their costs.
- WMATA has increased fares, made modest service cuts, and implemented several internal cost-cutting measures.

# Funding Needs (Capital)

- A 2009 FTA study suggested WMATA had significant unfunded capital needs in line with peer agencies, and had identified its needs in a similar manner.
- Since 2009, Davis bill funding has enabled WMATA to advance its capital program at a faster rate. However, funds are not guaranteed past 2020, and they are subject to annual appropriation.



# Funding Needs (Reauthorization)

- The 2009 FTA study suggested creating a temporary State of Good Repair fund, and modifying the fixed guideway fund formula to reflect the needs of larger, older systems.
- In his testimony to the U.S. Senate Committee on Banking, Housing, and Urban Affairs in May 2011, FTA Administrator Peter Rogoff called for a 6-year State of Good Repair program that would provide formula grants to improve the condition of existing capital assets.

# Conclusion

- Following the recent work of WMATA's Governance Committee, WMATA is broadly in line with its peers for most of the governance practices we examined.
- The main exception to this is the indefinite terms of WMATA Board Members. This issue, and others that are inherent in coordinating a tri-state / federal appointment process, can only be addressed by the appointing authorities.
- While the Davis bill has brought about notable progress in addressing WMATA's capital needs, Davis bill funding is not guaranteed past 2020 and is subject to annual appropriation.