



Briefing on Draft 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 draft 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)*
- Six peer agencies have formally developed roles or responsibilities for their Board, and seven have done so for their Chair.
- Until recently, WMATA has done so for neither, but it has 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 committees meetings.
- WMATA is in line with its peers, except for limiting how often someone can comment at Board meetings (each person is only allowed once every 3 months).

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, but a tri-state 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 has been the custom at WMATA, but proposed bylaws would allow members to annually elect a Chair without regard to jurisdiction of residence or representation.

Funding Needs

- All the peer agencies have operating funding shortfalls due to the economic downturn, including those with dedicated revenue sources such as sales or gas taxes.
- A 2009 FTA study suggests that WMATA has unfunded capital needs in line with peer agencies, and has identified its needs in a similar manner.
- In line with many of its peers, WMATA's MetroAccess ridership and funding needs have grown dramatically and are projected to continue to grow in the future.

Funding Needs

- A 2010 APTA survey found that most large agencies had responded to the downturn by reducing service, increasing fares, transferring capital funds to operations, or using funding reserves. It found they had also taken internal actions to reduce their costs, including hiring freezes, layoffs, and salary freezes.
- Since January 2009, WMATA has increased fares and reduced service. It has also reduced costs through consolidations, ending non-essential programs, and automating certain functions.

Conclusion

- For many of the governance practices that we were required to review for this work task, WMATA is broadly in line with its peers.
- Practices that are not in line include a limitation on how often a member of the public may comment at Board meetings, indefinite terms for Board members, and (pending the adoption of the proposed new bylaws) the jurisdictional rotation of the Chair.
- All of the peer agencies have significant unfunded capital needs and, even with \$1.5 billion in dedicated federal funding, WMATA faces significant near-term and long-term capital funding shortfalls.