



Washington Metropolitan Area Transit Authority

# Board Strategic Planning Message

Stakeholder Discussions  
January – February 2012



# A Strategic Vision for Metro

**Mission:** Metro leads the region forward by providing safe, equitable, reliable, and cost effective public transit

**Vision:** Our Future Rides with Metro

## Operational Goals

- ✓ Create a Safer Organization
- ✓ Deliver Quality Service
- ✓ Use Every Resource Wisely
- ✓ Retain, Attract, Reward the Best and Brightest
- ✓ Maintain and Enhance Metro's Image

## Board Strategic Goals

- ✓ Improve Mobility in the Region
- ✓ Support Development of "Complete Communities"
- ✓ Ensure Financial Sustainability



# Building Blocks for the Vision

- ❑ Improving Governance
  - ❑ Progressing on Immediate Priorities
    - ❑ Preparing for the Future



# Improving Governance

## The Board has taken dozens of actions to improve governance

- **Modernizing the Board** – New members, orientation, Board values, use of transit system
- **Strengthening Governance Frameworks** – First-ever bylaws, clarified Code of Ethics, revised role and responsibilities, limit jurisdictional veto, streamlined meetings, eliminated Chair rotation
- **Enhancing Oversight Role** – Policy focus, delegated authority to GM/CEO, performance-based management of GM/CEO, smooth FY12 budget process
- **Strengthening Communications** – Transparent deliberations, outreach on governance, budget, opportunities for public input, customer research, launch of strategic plan process



# Progressing on Immediate Priorities

## Safety Accomplishments

- **Changing Culture from Top to Bottom**
  - Board of Directors Safety Committee
  - Safety culture survey completed by 98% of employees
  - Safety Hotline; Non-punitive Whistleblower Policy
- **Putting Tools in Place and Equipping Employees**
  - Safety Measurement and Roadway Worker Protection programs
  - Revised Rail Rules
  - DriveCam on all 1492 buses; adding 636 multi-camera systems
  - More training at all levels
  - Revised incident, accident investigation policies and instruction
- **Rebuilt Safety Department-** Increased staffing by 64% in two years



# Progressing on Immediate Priorities

## Safety Accomplishments

- **Fulfilling NTSB Recommendations**
  - \$1 billion to address replacement of 1000 series rail cars, track circuits, power cables; ATC comprehensive analysis
  - Currently have 27 “open and acceptable” recommendations
    - 17 submitted for closure; awaiting NTSB response
    - 15 are related to Fort Totten; 7 in-progress
    - 12 pre-date Fort Totten
- **Improved TOC Relationship**
- **Addressing FTA Audit- December 2009**
  - FTA audit of Tri-State Oversight Committee (TOC) and Metro
  - FTA closed all 10 recommendations as of January 11, 2011
  - 2011 FTA triennial audit- No new recommendations



# Progressing on Immediate Priorities

## Safety Accomplishments

### Fatigue Management

- TOC and Metro conducted joint study in June 2011
- Among actions implemented to date
  - 16-hr maximum on all trades now; 14-hr limit on certain safety-sensitive positions by end of 2012
  - By April, pilot program to limit pre-planned OT work to 14 hours
  - Accelerating Fatigue Awareness Training for all supervisors
  - Cross referencing accident data with hours worked to find possible links to fatigue
  - Rail wayside and shop employees- minimum of a consecutive 8 hour rest period within every 24 hour period
  - Aligning shifts to match work windows – Union has worked closely with management to provide alternative work hour schedules

**Results: Customer and employee injury rates down**



# Progressing on Immediate Priorities

## Capital Accomplishments

- Launched largest Capital Program since original construction--\$5 billion
  - \$1 billion dedicated to NTSB, safety
- Maturing Program
  - FY2010 \$383 M invested
  - FY2011 \$611 M invested
  - FY2012 \$917 M investment forecast
- Invested \$1 Billion in capital improvements since July 2010



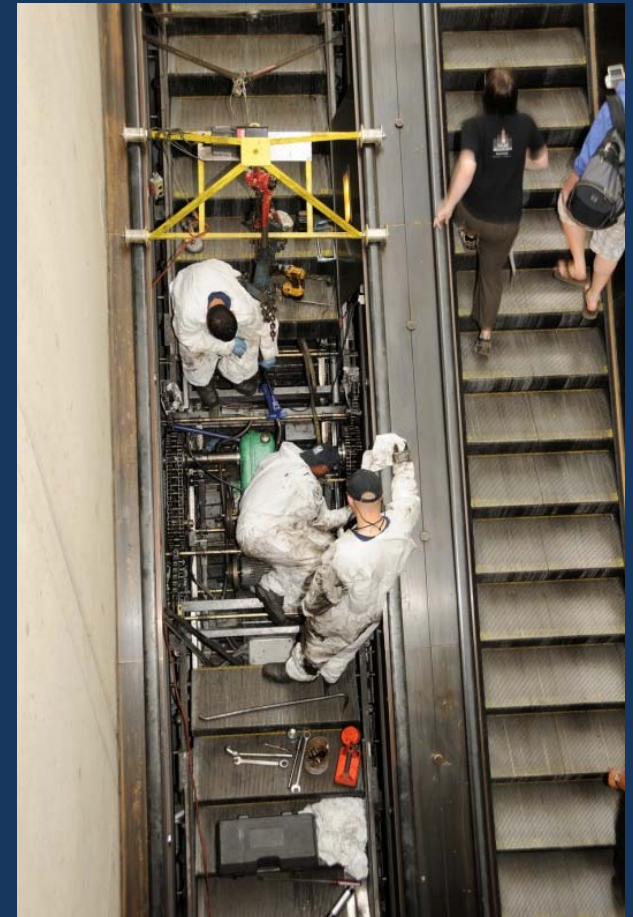




# Progressing on Immediate Priorities

## Customer Experience

- Accelerated track work to meet NTSB recommendations and improve reliability
- Strengthen system and improve customer experience
  - 116 new hybrid electric buses
  - Rehabilitated 112 existing buses
  - 241 new MetroAccess vehicles
  - Nearly 15 miles of new mainline running rail
  - Rehabilitated or replaced 37 escalators and 3 elevators
  - Over 10 station platform, structural and paver tile rehabilitations





# Progressing on Immediate Priorities

## Vital Signs Report

- Improves accountability/transparency
  - Progress discussed quarterly
  - Scorecard on wmata.com
- Key measures monitor progress toward strategic goals
- Performance is improving
  - Bus & rail on-time performance better
  - Employee & customer injuries down
  - Crime down
  - Escalator availability improving

**KPI: Escalator System Availability (July - September)**

**Objective 2.1 Improve Service Reliability**

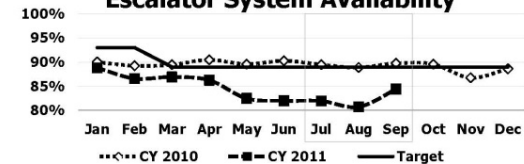
**Reason to Track:** Customers access Metrorail stations via escalators to the train platform. An out-of-service escalator requires walking up or down a stopped escalator, which can add to total travel time and may make stations inaccessible to some customers. Escalator availability is a key component of customer satisfaction with Metrorail service. This measure communicates system-wide escalator performance (at all stations over the course of the day) and will vary from an individual customer's experience. For this measure higher is better.

### Why Did Performance Change?

- July and August availability remained consistent with recent months, but September marked a notable improvement mainly due to a decrease in unscheduled maintenance. Metro has demonstrated efficiency improvements from recent reconfiguration of service call maintenance teams into east and west regions. This best preventive maintenance teams. At heavy rains to the DC area. In addition, manpower was 23<sup>rd</sup> earthquake.
- A higher number of inspections also brought down availability in July and August when repairs outside of scheduled maintenance took units out of service until they passed re-inspection.
- Escalator preventive maintenance compliance reached a new high in July (70%) and remained strong in August (78%) and September (88%). Since July, two managers have focused exclusively on preventive maintenance planning/scheduling in order to increase compliance and repair quality. Although this work takes units out of service in the short term (on average 14 per month), resulting unit reliability will improve in the long-term.
- Metro continued to modernize (aka overhaul) more escalators than last year. In July and August 14% of out-of-service hours were due to modernization. This critical work took on average 20 units out of service at 9 stations during the July-September timeframe.

## Why Did Performance Change?

**Escalator System Availability**



### Actions to Improve Performance

- Continue to strengthen the "getting it right the first time in an inspection, the unit must stay out of service" policy.
- Evaluate the efficiency gains from the realignment of service call maintenance into east and west regions.
- Implement a new business model concept that supports maintain escalators and elevators at stations in Virginia.
- Continue to evaluate the management of parts to support for repairs versus parts needed for "one-time" fixes.
- Metro is planning to shut down the entrance in order to expedite replacement.

## What Actions are Being Taken to Improve Performance?

**Conclusion:** Metro continued to strengthen its maintenance efforts resulting in increased preventive maintenance compliance and improved availability in September.



# Preparing for the Future

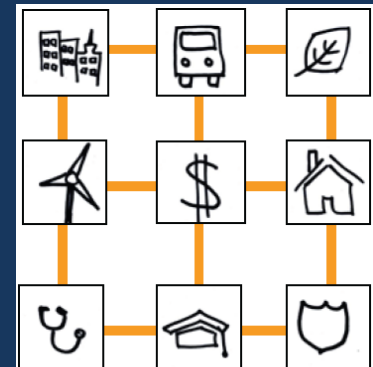
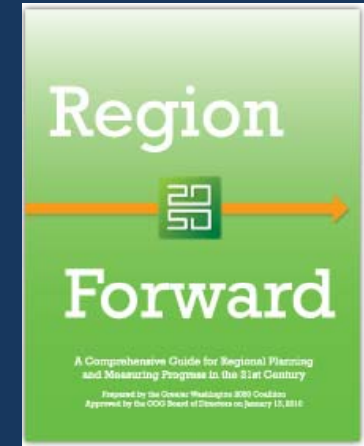
- Metro carries over 1 million bus and rail trips a day, 40% of peak period trips to the core
- Without Metro, the region would need 1,000 new lane-miles to maintain current speeds; equivalent of two Beltways
- By 2040, the region's population growth will equal adding the City of Philadelphia
- In the core, Metro's capacity is already strained and there is no new funding for expansion beyond the Silver line





# Preparing for the Future

- Metro endorses the Region Forward vision plan that addresses Accessibility, Sustainability, Prosperity, Livability
- Metro will play a key role in helping to achieve Region Forward's goals and targets. It is a key contributor to ensuring accessibility by:
  - *Improving Mobility in the Region*
  - *Supporting Development of Complete Communities*
  - *Ensuring Financial Sustainability*





# Financial Sustainability - Rising Operating Costs

## Key issues:

- Annually operating costs projected to rise at a faster rate than ridership
- Regional ability to afford current/future Metro service

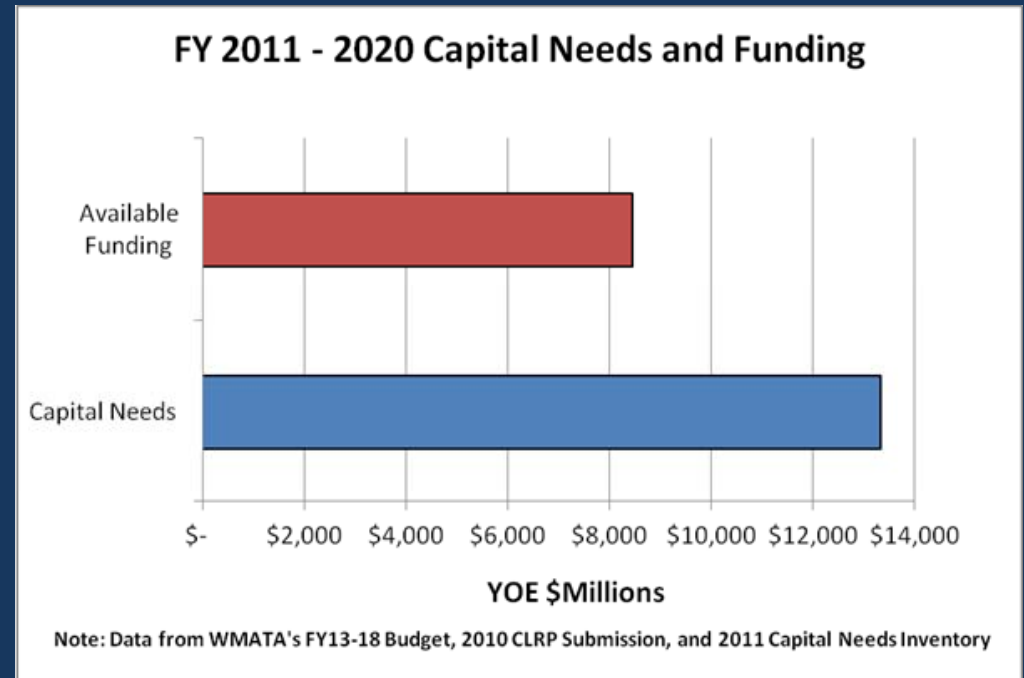




# Financial Sustainability – Unfunded Capital Needs

## Key issues:

- Current program reducing the backlog of capital infrastructure rehabilitation needs
- Reliability of funding stream is uncertain
- Unfunded capital needs, particularly for system capacity
- Ridership growth will lead to increased crowding without capacity investments





## Role of Metro

**Q:** What are the top priorities in your jurisdiction for improving mobility and developing complete communities (balance of jobs, housing and other amenities)?

What role should Metro play in supporting these priorities?

How can Metro contribute to the Region Forward Vision Plan components (Accessibility, Sustainability, Prosperity, Livability)?



# Strategic Planning Steps

Over the next 12 months:

- Stakeholder Outreach in first quarter of CY12
- Board approves Mission and Vision
- Staff develops detailed Strategic Plan components including short term business plans with guidance from Board
- Board adoption of Strategic Plan by the end of 2012 to guide FY14 and beyond budgeting and resource allocation decisions





# Appendix



# GM/CEO Proposed FY13 Budget

## Operating Budget

- \$1.6 billion FY2013 operating budget represents a net increase of \$116 million over the prior fiscal year, and is balanced through cost sharing
  - From jurisdictions--\$53 million (8%) increase
  - From customers--\$66 million in fare increases
- \$55 million of the increase provides for improvements in safety, security, reliability & preparation for the Silver line
  - Fatigue management program, National Transportation Safety Board recommendations, more police officers, enhanced bus service, added rail rush hour service
- Remainder supports existing operation, including labor-related increases of \$55 million with \$29 million for pension contribution
- Continues \$200 million in cost reductions done over the last four years with an additional \$5 million reduction included in the proposed FY2012 budget



# GM/CEO Proposed FY13 Budget

## Proposed Fare Changes

- Operating budget requests \$66 million in new fare revenues

### Rail fares:

- Eliminate the peak-of-the-peak (POP) surcharge
- Increase peak-period SmarTrip® fares by an avg. of less than 5% with a max. peak fare of \$5.75
- Better align off-peak SmarTrip® fare structure to peak-period fare structure -- increase base off-peak fare from \$1.60 to \$1.70 per trip; index off-peak mileage fares to peak fares
- Set the maximum off-peak fare at \$3.50
- Simplify paper farecard pricing to two-period flat-fares – a \$6 for peak, \$4 for off peak
- Eliminate the short-trip pass and day pass

### Bus fares:

- Increase SmarTrip® local and limited stop bus fares by a dime, from \$1.50 to \$1.60
- Round cash boarding to nearest dollar -- \$2 for local/limited stop bus; \$4 for express bus

### Other adjustments:

- 25-cent increase in parking fees, rebalance reserved parking permits, decrease bike locker rental fee to \$120 annually
- MetroAccess fares would be adjusted commensurate with rail and bus increases, with a maximum of \$7.40 per trip



# GM/CEO Proposed FY13 Budget

## Capital Budget

- Accelerates efforts to rebuild Metro, with nearly a billion dollars (\$997M) in investment projected in the year
  - 90% to projects that improve the safety and reliability of the system
  - Advances NTSB recommendations
- Safety and reliability improvements include signal system upgrades , replacement of Metro's oldest railcars, track and infrastructure projects, rehabilitation and replacement of escalators and elevators
- Under the aggressive Metro Forward rebuilding effort, since FY2011, Metro:
  - Installed more than 21 miles of new rail
  - Rehabilitated or replaced 43 escalators and three elevators
  - Completed multiple station projects
  - Rehabilitated 100 older buses and placed in service 116 new hybrid electric buses and 241 MetroAccess vehicles