

# BRIEFING ON COG'S COMMITMENT TO METRO

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## Report to the TPB Access for All Committee

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Metropolitan Washington  
Council of Governments

# COG and WMATA Partnership

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- WMATA Underground Communications Systems
  - COG Fire Chiefs and Chief Administrative Officers
- Metro Safety Commission
- Transit Oriented Development Around Metro Forums
- Funding for Metro
  - COG Chief Administrative Officers Technical Panel on Metro
  - COG Metro Strategy Group

# Chief Administrative Officers (CAOs) Technical Panel

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- COG Board identified restoring Metro as its #1 priority in 2016
- Created CAO Technical Panel in June 2016 to assess WMATA's funding needs, explore revenue options, determine economic value of Metro, and identify performance metrics for safety, reliability and financial management
- On April 26, 2017, the Technical Panel issued its Final Report on Metro to the COG Board focused on funding needs and sources of dedicated revenue options

# WMATA 10 Year Funding Needs Analysis

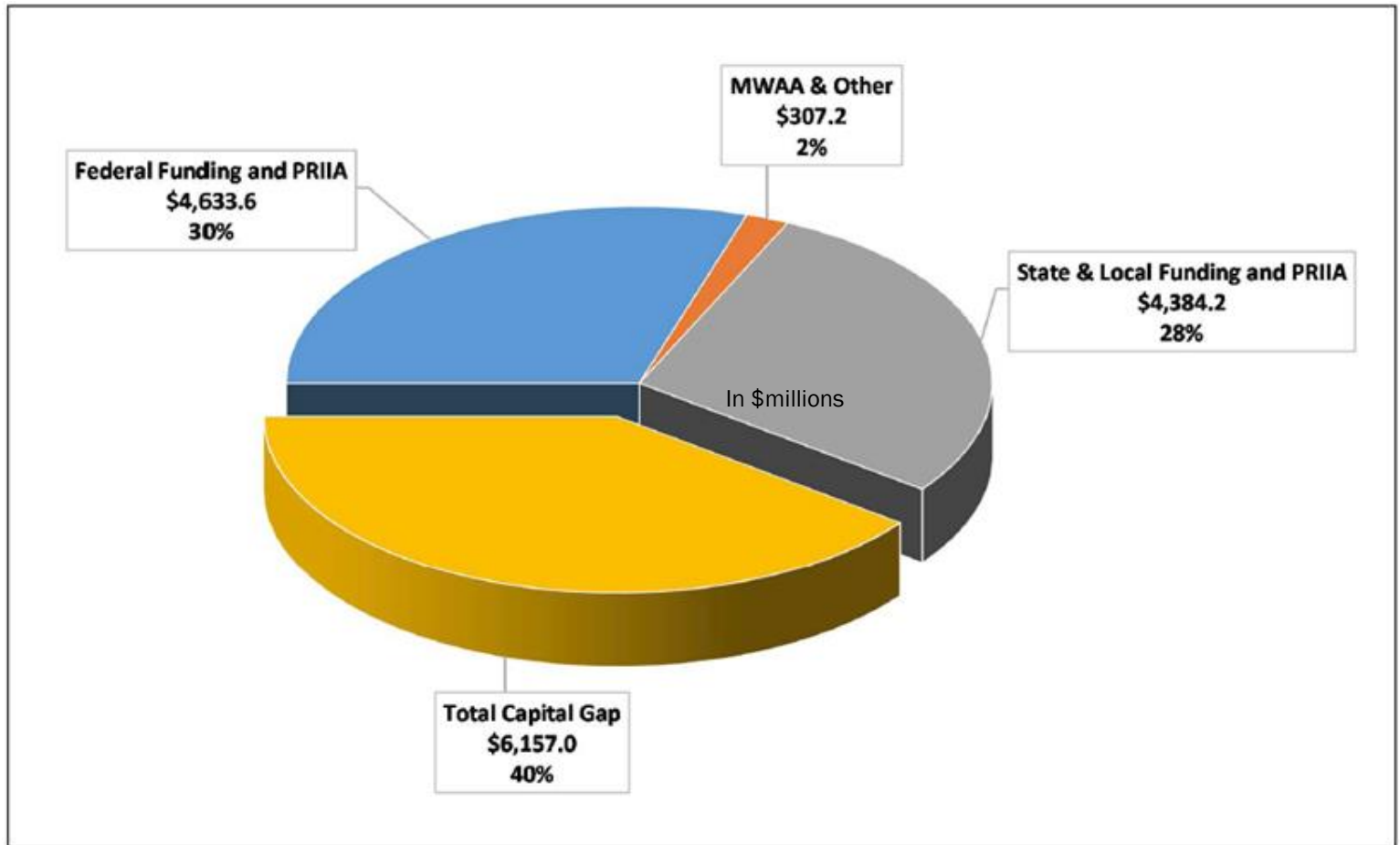
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- Prepared by DC CFO in consultation with WMATA; validated by jurisdiction CAOs and senior financial staff
  - Analyzed Metro's 10-year capital and maintenance needs.
  - Key assumptions:
    - Federal PRIIA and FTA grants continue at current levels
    - FY 2017 capital funding base; FY 2018 operating funding base for jurisdictional subsidies; escalated 3% annually
    - Personnel costs escalated at 3% annually; other costs 2%
    - Ridership flat until 2020, then passenger revenues increase 3% annually due to increased ridership/fare increases
    - Achieve State of Good Repair plus begin to address additional critical capital needs (Rosslyn connection, major station capacity increases, heavy overhaul rail facility, relining Red Line tunnels)



# Capital Funding Gap

Capital Budget Revenue and Funding Gap



# COG Metro Strategy Group

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COG Board established the COG Metro Strategy Group in January 2017 to move forward with determining the best way to establish a dedicated funding source for Metro.

## District of Columbia

- Kenyan McDuffie
- Phil Mendelson

## Maryland

- Derrick Davis, Prince George's County
- Roger Berliner, Montgomery County
- Bridget Newton, City of Rockville
- Brian Feldman, State of Maryland

## Virginia

- Sharon Bulova, Fairfax County (Chair)
- Matthew Letourneau, Loudoun County
- Martin Nohe, Prince William County
- Jay Fisette, Arlington County
- George Barker, Commonwealth of Virginia

# COG Statement of Principles on Metro

- On June 14 the COG Board unanimously adopted Resolution R37-2017 adopting the Metro Strategy Group's "Statement of Principles on Metro" to guide work to develop a regional strategy to secure funding to meet Metrorail's needs.

(ep\_jhu/Flickr)





# COG Statement of Principles on Metro

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- 1) The region adopts the goal of a fully restored, world class Metro system that is safe, efficiently managed in a fiscally responsible manner, and maintained in a state of good repair.
- 2) Bridging the gap in WMATA's long-term capital needs is the funding priority.
- 3) The optimal way to address WMATA's capital funding gap for state of good repair and critical capital needs is through a dedicated funding source or sources that are earmarked to WMATA, fully bondable at the highest possible financial rating, and enhances WMATA's overall financial standing.
- 4) WMATA's operating and maintenance funding needs should be addressed through application of management best practices and reforms, as well as funds derived from increased ridership, before determining if there is a need for additional funding to fill any remaining gap in operating and maintenance funding needs.



# COG Statement of Principles on Metro

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- 5) Local and state contributions for capital subsidies, as well as operating and maintenance subsidies, should be predictable with an annual growth rate of not more than three percent.
- 6) The local jurisdictions, the states, the business community and additional stakeholders will collaborate to accomplish these goals by the start of WMATA's Fiscal Year 2019.
- 7) Enhancement and reform of WMATA's governance and operations may be accomplished through agreements, policies, and legislative actions that optimally would be accomplished without reopening the WMATA compact at this time.
- 8) We call on the federal government to recognize its fiscal responsibility to America's transit system and the federal workforce utilizing the Metrorail system.

# Next Steps

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- These principles will guide the work of the Metro Strategy Group and the COG Board and help move forward on securing funding to meet Metro's needs.
- The Metro Strategy Group is coordinating with the business community, the District of Columbia, Maryland, Virginia, DOTs, congressional delegation, WMATA, NVTC, NVTa, representatives from state legislatures and other stakeholders on path forward for dedicated funding.
- Overall goal is to support introduction of funding legislation in January 2018 legislative sessions.

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