

**WRITTEN TESTIMONY OF PAUL WIEDEFELD  
WMATA GENERAL MANAGER AND CEO**

**BEFORE  
HOUSE OVERSIGHT & REFORM SUBCOMMITTEE ON  
GOVERNMENT OPERATIONS**

Hearing on  
Metro: Report Card for America's Subway

**OCTOBER 22, 2019**

Good afternoon Chairs Connolly and Norton, Ranking Member Meadows, Members of the House Oversight & Reform Subcommittee on Government Operations and Members of the National Capital Area regional delegation and Paul Wiedefeld, General Manager and CEO of the Washington Metropolitan Area Transit Authority (commonly referred to as Metro) and I thank you for the opportunity to testify today at this important oversight hearing of Metro.

I also want to thank Chairs Connolly and Norton and the members here from the national capital region delegation for their leadership in supporting dedicated federal funding for Metro. As you know, our transit system plays a critical role in federal government operations, emergency evacuation for region, and tourism in our nation's capital.

Metro continues to follow a strategic plan committed to improving the safety, reliability, and affordability of the system by substantially improving our assets and providing a better transit experience for hundreds of thousands of customers each day.

These continuing capital investments, which are partly funded by Congress, have enabled Metro to turn the corner. Some examples of that improvement include:

- When the American Public Transit Association recently compared the ridership from transit properties across the country, they found Metro had the largest percentage increase in riders
- In the first eight months of this year, Metrorail has provided two million more trips compared to the same period last year. This progress is despite the federal government shutdown, which cost Metro 50,000 riders daily, and the summer shutdown of service south of Reagan National Airport, during which we replaced six station platforms, upgraded infrastructure and enhanced customer amenities along those lines.
- Further, according to a recent Washington Post-Schar School poll, 68 percent of Washington-area residents rate Metrorail positively, up from 42 percent in 2017.

This public vote of confidence is due to the ongoing investments being made to the system, and the resulting improvements for our customers:

- Metrorail-on time performance of approximately 88 percent - 92 percent for rush hour trips - represents Metro's highest level in seven years. This level of service reliability is attributable in part to our newest, state-of-the-art railcars – the 7000-Series – that now make up more than half of the rail fleet.
- Cell phone service is now available in two-thirds of our tunnels and will be fully available by next summer
- New LED lighting has been installed in 15 underground stations, making them an average of 6x brighter
- Free public Wi-Fi is now available at all 91 Metrorail stations.
- Escalator availability is at a high of 93 percent.

These dramatic improvements would never have been possible without ongoing federal support, and the support of our jurisdictional partners in Virginia, Maryland and the District of Columbia.

## **METRO BUDGET**

Metro capital program investments totaled \$1.525 billion in FY2019 – 99 percent of the FY2019 Budget. In FY2015, Metro invested \$715 million through the capital program, just 65 percent of the capital budget for that year.

Since FY2015, Metro has doubled its pace of capital investment to meet safety, reliability and state of good repair needs. As a result of the improved program delivery, Metro is also now quickly putting Federal funding to use - spending down Federal Transit Administration formula and PRIIA grants in less than 18 months on average.

Metro also completed a dedicated funding agreement with Maryland, Virginia and the District of Columbia to provide \$500 million of additional guaranteed funding for capital program needs.

For FY2020, the budget continues a focus on the three pillars of our strategic plan– Keeping Metro Safe, Reliable and Affordable. The capital program fully funds system safety and compliance, improves the customer experience, focuses on system preservation and state of good repair, and, maintains the \$1.5 billion in annual capital investment. The operating budget also includes initiatives to further increase ridership and improve the customer experience, as well as management actions to generate cost savings and additional non-fare revenues.

The FY2020 budget, which went into effect on July 1 of this year, began a new decade of dedicated regional funding to support our capital investment needs. The FY2020 budget keeps base fares unchanged while making many Metro passes more affordable and providing free Metrobus service with all rail

passes. It continues the Rush Hour Promise guarantee but with a lowered threshold of 10 minutes from 15 minutes, and the budget funds doubled rush-hour service at 12 Metrorail stations on the Yellow and Red Lines. It also continues to advance the replacement and rehabilitation of Bladensburg and Northern bus garages.

As part of the dedicated funding agreement with our regional funders, Metro is now legally required to maintain a 3 percent growth cap on the base operating subsidy. As we look ahead to FY2021 with the cap in mind, the Authority must determine how to continue to make strategic capital investments that maintain the safety and reliability turnaround, fund rail service improvements that retain and grow ridership, and begin to transform bus service in response to market demand.

## **IMPROVING PERFORMANCE & RIDERSHIP**

We've recently seen Metrorail ridership stabilize, and we're even starting to see ridership growth. In fact, Metrorail has posted modest year-over-year ridership gains each month starting in February and continuing through the spring. Metrorail ridership has increased 1.6 percent in calendar year 2019 to-date and we project average weekday trips will hit 610,000 this year (including real statistics up to September). This improvement occurs after years of decline driven by a number of factors including, service and reliability concerns – for example, single tracking efforts through our year-long SafeTrack rebuilding program. We also believe the low price of gas and growth in mobility options play a role in our ridership.

Stronger ridership this year is especially encouraging because the increase is happening despite losses of nearly 50,000 riders a day during the federal government shutdown in January and losses related to the summer-long closure of six Blue and Yellow line stations for a platform rebuilding project.

To sustain and grow the ridership I discussed earlier, this year's budget provided additional improvements: Starting in July, the Red and Yellow line service was extended, reducing wait times for 100,000 riders, doubling the number of rush-hour trains at 12 stations, and establishing a direct (no transfer)

ride to Virginia from stations north of Mt. Vernon Square in Washington, DC. Early results show ridership at stations with improved service growing faster than the rest of the system by one to four percentage points during peak periods.

Programs designed to retain customers and maintain satisfaction include Rush Hour Promise, the transit industry's only automatic, 10-minute service guarantee. Rush Hour Promise has proven successful in maintaining customer loyalty following service delays. When a customer's trip takes more than 10 minutes than expected, Metro follows up the next day with an email apologizing for the experience, and then places a credit for future Metro travel on the customer's SmarTrip Card. An impressive 93 percent of customers who receive a travel credit return to Metro.

The Back2Good campaign focusing on improvements in service reliability, and communications around new pass options have combined to improve customer perceptions and choices. Nearly 10 percent of rail trips are now taken on passes, and pass sales spiked 43 percent in the first month following implementation of the Board-approved changes to improve pass offerings.

Metro also experienced significant rail ridership growth across the region driven in part by transit-oriented development, which brings more riders to Metro and improves the quality of life for residents. This includes:

- **McLean Station:** Helped by Capital One's new headquarters which opened late last year, ridership has jumped more than 25 percent;
- **Navy Yard & NoMa stations:** Ridership up at both stations about 10 percent, with continued development underway;
- **Prince George's Plaza Station:** Ridership is up more than eight percent.

While the areas around many rail stations are developed, the region's development pipeline still shows more than 220 million square feet of residential, hotel, office and retail space planned within half a mile of Metro stations, demonstrating the value the real estate industry ascribes to proximity to Metro. Accelerating this development pipeline would result in considerable ridership growth. Where Metro owns property for joint development (such as at Deanwood, Takoma, Capitol Heights, Huntington, West Falls Church and other

stations), staff is aggressively pursuing a high-density, mixed-use development agenda. However, where Metro does not have property for joint development, the home jurisdictions are responsible for creating the conditions necessary for successful transit-oriented development. They often do so by establishing a vision for each station area, attracting anchor tenants to catalyze development and creating pedestrian connections to the station.

Unfortunately, unlike rail, bus ridership continues to decline. Weekday average ridership dropped by four percent in FY2019. Traffic conditions have slowed bus travel speeds over the last decade causing ridership to fall by nearly ten percent. According to the regional Bus Transformation Project's recently published report, addressing traffic congestion, on-street parking, bus stop spacing, lack of dedicated lanes, and parking enforcement will be key to improving bus service. Additionally, priority for buses on roadways via dedicated lanes and transit signal priority technology at traffic lights were also identified as critical improvements to retain and grow bus ridership.

In many other cities, transit agencies have partnered with local Departments of Transportation to implement bus priority programs consisting of a suite of improvements such as bus lanes, signal prioritization, automated camera enforcement and bus stop consolidation. To improve ridership, there are clear roles and responsibilities for Metro and the region's jurisdictions. Metro will continue to focus on frequency, reliability, fare collection and customer care. The jurisdictions can support bus ridership by giving buses priority on roadways and investing strategically in infrastructure and walkability to catalyze development around transit stations.

## **METRO'S UNIQUE FEDERAL ROLE & THE IMPORTANCE OF FEDERAL INVESTMENT**

The federal government created the Metrorail system and consented to the Compact governing the system because the system helps undergird US federal government operations. Forty percent of Metro's riders during the peak morning hours are federal employees commuting to hundreds of federal facilities in the national capital region. This includes 50 Metrorail stations serving 67 major federal facilities ranging from the US Congress here in

Washington, DC to the Pentagon in Virginia to the Walter Reed National Military Medical Center in Maryland. This does not include hundreds of smaller federal facilities and, if you add the bus network, that list would grow even more.

Metro also serves as an evacuation route out of Washington for weather events and national emergencies such as 9/11 and plays a vital role for all Americans who visit our nation's capital to attend large national events like the Inauguration.

Under the *Passenger Rail Investment and Improvement Act (PRIIA) of 2008*, Congress authorized \$1.5 billion over 10 years to Metro for capital and safety improvements. This federal funding partnership has been annually matched by \$50 million each from the jurisdictional partners of Washington, DC, Maryland and Virginia. The combined funding of \$300 million resulting from this federal funding partnership represents a significant portion of our capital budget and has been critical to addressing safety recommendations of the Federal Transit Administration (FTA), Washington Metrorail Safety Commission (WMSC) and the National Transportation Safety Board (NTSB). Once again, I want to express our thanks for the bi-partisan support for our PRIIA and thank the Administration for including the funding the President's budget request for the last two years.

Let me take a moment to highlight some of the investments completed over the past 10 years to restore the system's safety and reliability. The PRIIA funding, which is Congressionally mandated to be used on safety and state of good repair only, has been an excellent investment that is paying off in concrete improvements.

## **Railcar Acquisition and Facilities**

### **Investments: ~\$1 billion**

Over \$1 billion has been invested in the purchase of new state-of-the-art 7000-series railcars that replace Metro's oldest and least reliable fleet (1000-, 4000- and 5000-series railcars) and address a critical safety recommendation from the NTSB. The 7000-series now comprises 55 percent of the fleet and will comprise 58 percent of the fleet by year's end.

To support these new and future rail car acquisitions, a Test Track & Commissioning Facility in Greenbelt, Maryland was built.

We have also increased funding in our railcar rehabilitation and maintenance program, which supports procurement of major repairable rail car components used in the overhaul of essential systems in the fleet, as well as regular required maintenance to ensure vehicles continue to operate safely until the end of their useful life.

Much of the rail shop equipment that had reached the end of its useful life has been replaced, as have rail yard switch gears. Hazardous material storage has been upgraded, lighting was improved in the rail shop facilities, and facilities at Alexandria, Brentwood and New Carrollton have also been improved.

### **Rail Systems Investments: over \$300M**

*Radio Infrastructure Replacement and Wireless Cellular System*— A multi-year contract was awarded to install a new 700mhz radio system, replacing a legacy 400mhz system as required by the FCC, to improve communications among employees and public safety personnel. The project is scheduled for completion by next June.

- ✓ This project also includes a wireless cellular system that will establish cellular service for customers in the underground tunnels. As of September 2019, 62 percent of the underground system has operational cell service. This cellular project is on schedule to be completed next July.

Important for train control systems, we also completed the replacement of the second-generation track circuits which was an NTSB recommendation from the 2009 Fort Totten Accident. Additionally, rail system investments included the rehabilitation and replacement of power substations and cable lines.

### **Track & Structures Investments: ~\$475M**



*Track Structure Rehabilitation Program* – The dedicated federal funding was used for the inspection, rehabilitation, and renewal of track infrastructure to maintain the right-of-way. This includes the replacement of rail infrastructure components like crossties, fasteners, switches, and insulators. Renewal of the track infrastructure was the primary focus of the SafeTrack program, which used dedicated federal funds to restore critical sections of right-of-way to a state of good repair. As part of our ongoing maintenance program we have also purchased track maintenance equipment required to execute the track rehabilitation program.

### **Stations & Passenger Facilities: --\$400M**

*Rehabilitation & Replacement of Elevators and Escalators* - To date, more than 90 elevators and over 150 escalators have been rehabilitated and nearly 100 escalator units have been replaced.

Along the Red, Orange and Blue lines, we have also replaced power substations, ventilation/fan systems and controls, emergency trip stations as well as improved station lighting (a very popular improvement from our customer feedback), ceiling tiles and kiosks.

### **Bus & Paratransit Investments: ~\$50M**

Work is underway to rehabilitate the Landover, Northern, and Western bus garage facilities, three of the oldest facilities that date back 100 years. The funding also supports mid-life rehabilitation of vehicles in the bus fleet.

## **SAFETY**

Safety is our number one priority at Metro.

I'm proud to report that we have made significant progress in the last year. Insulator fire incidents have decreased to the lowest level in years despite record rainfall due to new preventative maintenance and tunnel waterproofing.

In addition to the investments mentioned above, the track infrastructure at Metrorail's tightest curve was rebuilt, the Rhode Island Avenue station was repaired, and several switches at National Airport station were upgraded.

We are also making steady progress in completing corrective action plans of our safety oversight agencies. Of the total 31 corrective action plans (CAPs) recommended regarding roadway worker protections, tunnel ventilation, water intrusion, Rail Operations Control Center procedures, and others, eight are now closed, 12 are under review, and 11 are in development.

Finally, at the time that the WMSC was certified to take over direct safety oversight of Metro, they adopted about 100 open CAPs from the FTA. Metro has worked with the WMSC to review all open CAPs to revise the plans and due dates, as appropriate, to reflect changes in business processes and establish more appropriate completion timelines. Because of these activities, the current number of outstanding CAPs has decreased to 63. Of the 63, 37 are under review, and 26 are in development. We continue to work closely with the FTA and WMSC staff to ensure a seamless transition and has enjoyed a collaborative working relationship with WMSC leadership and staff.

## **FINANCIAL MANAGEMENT**

Fiscal management continues to improve because of sound financial controls and reporting. For the fifth straight year, we received a clean audit opinion for the FY2019 financial statements. We also received an unmodified audit opinion for Metro's FY2018 Single Audit, maintaining compliance with federal grant requirements for a third straight year. Moreover, Moody's has upgraded Metro's bond rating two notches.

Work continues to identify cost savings through a program we have dubbed the "3% Challenge" to stay within the legally-mandated operating cap while also preventing service cuts/fare hikes for customers or layoffs for employees.

Finally, Metro has modernized the capital planning process for the FY2021 capital program and refreshed the Capital Needs Forecast (CNF) to drive planning and prioritization for the FY2020-2025 capital program. We have established and begun implementing Metro's first Transit Asset Management Plan; we are rearranging our facilities and saving money by building three new headquarters and a new bus garage at Andrews Federal Center, which includes a heavy repair and overhaul shop.

## **METRO: PROVIDER & EMPLOYER OF CHOICE**

Metro strives to be the provider of choice by continuing to invest in improvements, focusing on our customer and working to provide the best possible service every day. We recognize the mobility landscape has changed and customers have many choices.

Efforts such as increasing service on the Red and Yellow Lines by eliminating the turn backs, improving pass products with free bus now included on rail passes, and a renewed focus on sustainability are first steps in that effort. We continually search for ways to be the preferred provider, evidenced recently by our providing extra service for the playoffs for all of DC's winning teams.

Metro also strives to be the employer of choice offering a new parental leave policy, introducing an improved performance review process and advancing brand new headquarter and offices, that save funding over time and improve the workplace. These are among many actions being taken to retain current employees and attract future ones.

Thank you for the opportunity to testify, I look forward to answering your questions.