TESTIMONY OF PAUL SMEDBERG CHAIRMAN, BOARD OF DIRECTORS WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

BEFORE HOUSE OVERSIGHT & REFORM SUBCOMMITTEE ON GOVERNMENT OPERATIONS HEARING on D.C. METRO REVITALIZATION February 9, 2022

Good morning, Chairman Connolly, Ranking Member Hice, Members of the Subcommittee and Members of the National Capitol Region delegation. I am Paul Smedberg, the WMATA Board Chair and Principal Director representing the Commonwealth of Virginia. I appreciate the opportunity to be here today to discuss what Metro has been doing to address several challenges we have experienced over the past year, and also to highlight improvements we are making as we work to ensure that Metro's multi-modal system provides safe, equitable, reliable and cost-effective service throughout the region.

First and foremost, I want to thank you for the tremendous support you've shown for Metro.

Covid-19 and Federal Relief

The Covid-19 pandemic brought unprecedented challenges to Metro and other transit systems across the country, including diminished ridership and fare revenue, and employees impacted by Covid infections and quarantine. As Mr. Wiedefeld has highlighted, Metro's top priority has been keeping our employees and customers safe, through our employee vaccination requirements, enhancing cleaning regimes, and providing masks and sanitizer. Metro also worked to advance a contactless experience and improve real-time information, and has offered a variety of service and fare changes to help bring riders back – including options such as a flat \$2 fare on the weekends and late night, free transfers between bus and rail, and discounted passes - which are open to public feedback right now as part of our FY 2023 budget development process.

I could not be prouder of Metro employees; throughout the pandemic they have continued to provide safe and reliable service for the region's essential workers. Despite massive challenges, we have done our best to keep service reliable for our customers.

None of this would have been possible without the federal Covid relief funding to support our operations—thank you again for that critical funding.

Metro's Board is required to pass a balanced budget each year. With the Covid relief funding Congress provided, Metro has been able to cover budget gaps that prevented employee layoffs and have also helped us to avoid draconian service cuts or fare increases. Under our current estimates, the federal relief funding will run out by Fiscal Year 2024 (beginning in July 2023) – and Metro estimates we will have an operating budget deficit of \$500 million by the summer of 2024. Additional federal operating assistance for FY 2024 is something Metro would strongly welcome.

PRIIA

I also want to extend my gratitude for the \$150 million in annual funding that Congress has provided to Metro since the Passenger Rail Investment and Improvement Act, or "PRIIA," was authorized in 2008.

These sustained investments in Metro's railcars, rail system and structures, and station and passenger facilities have greatly improved the reliability of the system

The "PRIIA" reauthorization passed in 2021 recognized the importance of a strong and independent Office of Inspector General (OIG) and requires the Board of Directors to pass a resolution adopting certain reforms to the OIG as a condition of funding. The Board passed the required resolution on December 9, 2021 However, I would like to note that even before the PRIIA reauthorization was passed, the Board had already implemented many of the requested reforms, including providing the OIG with its own legal counsel, separate office space, increased budget, and more staff. Under an existing WMATA OIG policy, the OIG has access to all WMATA records and employees are required to cooperate fully with the OIG. As mentioned, the Board increased the OIG's budget from \$5.08 million in FY 2018 to 10.3 million in FY 2022.

Board Activities

During my tenure as Chair, the Board has also made significant improvements in engaging customers and stakeholders in our decision-making and providing transparency in metrics/data.

Public feedback is vital in helping Metro's Board of Directors and management make decisions about pandemic recovery. In order to address challenges of public participation that arose during the pandemic, including fewer customers utilizing the system, and to help increase engagement opportunities for those communities that are typically under-represented, the Board encouraged Metro staff to enhance public participation efforts over the last couple of years. As a result of these efforts, the public feedback received in relation to last year's budget proposal represented the highest level of participation in the past 10 years.

In addition, I'd like to highlight a couple of areas of focus for the Board. Number one is safety.

Safety and 7000-Series

The Board receives frequent updates from the Chief Safety Officer regarding the 7000 series railcars. Also, we are pleased with progress Metro is making to implement a new Safety Management Systems approach, which reinforces safety at all levels of the organization.

I also worked to establish a more direct line of communication between myself and the Chairman of the Washington Metrorail Safety Commission (WMSC) by participating in various meetings between WMATA and WMSC.

Equity and Sustainability

In addition to safety, over the last couple of years, the Board has focused on equity and sustainability. Delivering equitable service to diverse communities across the region is part of Metro's mission and is essential to achieving Metro's vision of becoming the regional employer and transportation provider of choice. Going beyond federal Title VI requirements, Metro has taken a more proactive approach to transit equity and works to ensure all strategies, policies, practices, and investments address potential inequities.

In 2020, the Board adopted a *Framework for Transit Equity*, with focus areas including The Bus Transformation Project, Disadvantaged Business Enterprise and Minority Business Enterprise programs, community policing, public participation, and sustainability. Building on this framework, Metro initiated development of a Diversity, Equity, and Inclusion Strategy that will place equity at the center of Metro's business and decision-making. This same year, the Board adopted new service standards and guidelines for Metrobus and established the Metro Transit Police Department Investigations Review Panel.

In 2021, the Board adopted a new *Sustainability Vision and Principles* recognizing sustainability as a core value of Metro as well as a cost-effective way to improve performance, achieve climate and environmental goals, and contribute to livable and equitable communities. Our sustainability framework was created with input from all Metro departments and in coordination with additional stakeholders and aligns with our jurisdictional partners on sustainability and resiliency. It commits to planning, partnering, designing, building, operating, and maintaining transit infrastructure to meet current needs without compromising the future needs of the region.

Most recently, the Board adopted goals of requiring every new bus that Metro purchases to be zero-emission by 2030 and transitioning to a full zero-emission Metrobus fleet by 2045. Many steps are already underway to support our workforce and facility needs as we undertake this transition, as well as to ensure coordination with other providers in the region and utilities.

The MetroAccess paratransit system is also important to help serve our customers with disabilities that prevent them from riding rail or bus. Recent improvements include the addition of comfortable sedans to the fleet, free trips on alternative service such as Uber or a local taxi, and allowing customers to select their vehicle preference. We have also made numerous accessibility improvements throughout the rail and bus systems including an all-low floor bus fleet, warning tiles in all rail stations along the platform edges, improved station lighting, and improved faregates.

Finally, I would be remiss if I didn't note our excitement about the anticipated opening of seven new stations in 2022: six new Silver Line Stations that will take that train line to the Dulles Airport, and the Potomac Yard station in Alexandria between the National Airport and Braddock Road stations.

Conclusion

As you know, General Manager and CEO Paul Wiedefeld has announced his retirement in six months. Paul has served as Metro's General Manager since 2015 and he faced numerous challenges as he walked in the door.

Paul was the right person for the job and we appreciate his extraordinary contributions, particularly in rebuilding the rail system through the SafeTrack program, advocating for dedicated capital funding, and developing one of the nation's largest capital programs to help reach and maintain state of good repair.

The Board is conducting a national search for his replacement and we expect a smooth transition to the next General Manager. We will discuss succession planning publicly at our Board meeting on February 10.

It is clear that we have a lot going on and also goes without saying that Metro, and really the transit industry nationwide, is at a pivotal moment – we need to work collectively with all our stakeholders to determine what role Metro will play as we emerge from the pandemic. But we are thrilled that the recently passed bipartisan infrastructure bill will lead to increased funding for transit, which will support Metro's capital program allowing us to both build on our progress in advancing safety and state of good repair, as well as make the transformational investments necessary to ensure the system modernizes and progresses in a sustainable and equitable way.

Thank you again for your time today. I look forward to working with you, and I look forward to your questions.