



February 3, 2017

Honorable Jack Evans
Chairman, Board of Directors
Washington Metropolitan Area Transit Authority
600 5th Street, NW
Washington, DC 20001

RE: FY 2018 WMATA Operating Budget and Service Adjustments

Dear Chairman Evans:

The Northern Virginia Transportation Alliance welcomes this opportunity to comment on WMATA's FY2018 Operating Budget and Service Adjustments.

Support for Metrorail construction, operation and maintenance is a longstanding Alliance priority.

The projected \$290 million FY2018 deficit is alarming. Even more alarming is the fact that absent significant WMATA Compact, operating, labor and other policy reforms such deficits are likely to persist for years to come.

The Alliance's concern over the lack of Metrorail maintenance and rehabilitation funding dates back nearly two decades when General Manager Richard White warned of an ultimate "death spiral" should WMATA fail to significantly increase emphasis and funding in those areas. Unfortunately, Mr. White's warnings went unheeded and the extension of Metrorail's operating hours and other governance decisions contributed to the regrettable state that currently exists.

As a rule, the Alliance believes that riders should pay a fair share of the system's operating costs. However, given that Metrorail riders already pay some of the nation's highest fares and the system's performance is unreliable, the Alliance does not believe higher fares are currently justifiable. Additional service cuts may be unavoidable at this time. However the greater concern is that such cuts may well become regular components of future budgets.

Metro's fiscal and operational problems have been long in the making. They will not be easily resolved. Patchwork measures such as transferring funds from one category to another are not the answer. The Alliance supported the joint Metropolitan Washington Council of Governments and Greater Washington Board of Trade's 2010 Task Force recommendations for a dramatic overhaul of WMATA's governing structure and management.

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The Alliance applauds the progress made by General Manager and CEO Paul Wiedefeld and his team through SafeTrack and other measures to improve safety and reliability. Restoring Metrorail to a world class system, however, cannot occur without fundamental Compact, management, and labor reforms.

The Alliance was the first private sector organization to endorse a dedicated regional Metrorail funding source. However, new regional and federal funding are unlikely absent significant reforms. The longer such reforms are postponed the burden on local entities is likely to grow and Metro service and ridership to decline.

A regional system requires a regional focus. While the WMATA's Governance structure may have been appropriate to oversee Metrorail's construction, it is not suited to address current needs. Metrorail is a regional system, not a collection of local systems. Moving forward requires governance by a smaller board with sole responsibility and accountability for the sound management, operation and maintenance of our regional transit system.

The sooner state and area officials join together to enact major reforms the sooner WMATA will have the management, operational and funding it needs to re-earn the trust of its riders and general public.

Sincerely,



David C. Birtwistle
Chief Executive Officer

cc Paul J. Wiedefeld, General Manager and Chief Executive Officer