

General Manager's Comments

Finance & Administration Committee

April 22, 2010

FY 2011 Budget Proposal

During the public comment period, we received a great deal of input from customers. We have taken these into account as we propose a solution that we feel balances the FY2011 budget as well as the interests of all in the region fairly.

The new Metro proposal to adopt \$89 million in fare adjustments is in keeping with the public comments received. Seventy percent of the on-line comments favored an increase in Metrobus fares and 80 percent favored an increase in Metrorail fares.

Other adjustments in the new proposal include the following:

- The bicycle locker rental fee will be \$200 annually, which was an option supported in 62 percent of the public input.
- The express bus service boarding charge for seniors and people with disabilities will be \$2, which was supported in half of the inputs received.
- About 27 percent of the public input supported a charge of up to 50 cents for the use of paper fare cards on Metrorail, we have limited the charge to 25 cents in our new proposal.
- Because 40 percent of the public input supported some type of fare adjustment for late night weekend service, we have proposed a flat \$4 fee for that service.
- The General Manager would also have the authority to implement special event fares for historic, political, or major sporting or entertainment events. This received support in about 11 percent of the input received.

We are also proposing some changes to parking fees in the system. They include a daily parking fee increase of 50 cents, at all facilities. An increase of the reserved parking fees by \$5 a month. Additionally, the General Manager would have the authority to increase the number of reserved parking spaces (up to 8 percent of all spaces) for stations at which all reserved parking slots have been sold. These changes are estimated to yield close to \$6.75 million in revenue.

Up to 70 percent of the public input favored increased contributions from Metro's funding partners in the local jurisdictions, so the proposal asks that they contribute an extra \$26 million, which is about 14 percent of the budget gap.

About 60 percent of the comments favored using some money from the capital budget for preventive maintenance, so we have proposed using \$30 million in that way. Half of these customers have asked that the money be repaid.

Additionally, Metro is proposing a 5-cent surcharge at specific stations to collect money to be used for capital projects at those specific stations. This was supported in 20 percent of the inputs received online, and there was specific support in the public hearing/written comment for doing this at the Union Station and the Tenleytown-AU Metrorail stations.

With the public's preferences in mind, the proposal limits the changes proposed for Metrorail and Metrobus service to about \$8 million.

Realizing that service adjustments were the least popular method of reducing the budget gap, we have adopted only those that received the

most public support on-line during the comment period, and as a result of the comments received at public hearings and in writing we have modified several of those service adjustment options.

On the rail side, about one third of the public input supported closing Metrorail earlier on weekends, so we have proposed to operate Metro until 2 a.m. rather than 3 a.m. On a given weekend night between 2 and 3 a.m. this service averages only about 2,400 riders.

One third of the public supported service reductions on the day after Thanksgiving and the week between Christmas and New Years when ridership drops as low as 40-60 percent of normal weekday totals. Non-peak headways will remain unchanged, though during peak periods we will only run 6-car trains.

One quarter of the public supported the idea of running Red Line trains every 3 minutes between Grosvenor-Strathmore and Silver Spring stations, and every 6 minutes between Silver Spring and Glenmont stations and Between Grosvenor-Strathmore and Shady Grove stations. This change will actually improve reliability, bringing the schedule in line with the way the trains actually run. It will not reduce the number of people we carry as the number of 8-car trains will be increased.

About 28 percent of the public input supported closing one entrance at five Metrorail stations after 8 p.m. After consideration of the input, the option was limited to four of these stations: Stadium-Armory, McPherson Square, Friendship Heights, and King Street Metrorail stations at 8 p.m. The extra entrance at the Shaw-Howard U Metrorail station will remain open. Additionally, the Stadium-Armory entrance will be open during events at the stadium.

About 36 percent of the public input supported closing a single entrance at 10 Metrorail stations with multiple entrances on weekends. This was modified and limited to closing a single entrance at eight stations.

These entrances are: Anacostia North, Stadium-Armory North, Navy Yard West, New York Ave-Florida Ave-Gallaudet U South, Friendship Heights South, L'Enfant Plaza West, King Street North, and Silver Spring North. The entrance at Stadium-Armory North will remain open for stadium events.

About 25 percent of the public input supported changing the frequency of trains between 6 and 6:30 a.m. from 6 to 8 minutes. This will be a reduction of just one trip in each direction on each line during this time period.

MetroAccess base fares will be increased at a rate comparable to twice the Metrobus fare. About 55 percent of the public input supported some sort of increase in the MetroAccess fare.

The proposal for MetroAccess service is to continue providing service beyond the 3/4-mile ADA requirement, for current MetroAccess customers. New MetroAccess customers will only be eligible for service within the 3/4-mile area outlined in the federal law. For those customers receiving service outside the 3/4-mile area there will be an increased charge.

The proposal also eliminates the free ride program for those customers who qualify for full MetroAccess eligibility, as they would qualify to take all trips via a MetroAccess vehicle. These changes to our MetroAccess service policy should close the budget gap by an additional \$1.8 million.