

Testimony of Catherine Hudgins, First Vice Chair of the Board
Washington Metropolitan Area Transit Authority
before the Subcommittee on Federal Workforce, Postal Service, and the District of
Columbia under the Committee on Oversight and Government Reform
U.S. House of Representatives
September 23, 2010

Mr. Chairman, Ranking Member Chaffetz, and members of the Subcommittee, my name is Catherine Hudgins, and I am honored to appear before you today as the First Vice Chair of the Board of Directors of the Washington Metropolitan Area Transit Authority (Metro). I would like to speak first about improving safety, the top priority of the Metro Board, and how we are currently addressing the NTSB recommendations. I would also like to address our current significant financial challenges, which relate directly to enhancing our state of good repair and operational reliability.

Above everything else, Metro must provide safe and reliable service. To this end, we have been focused on three goals: 1) build a new safety culture throughout the organization, from the Board to the general manager to the bus and rail operators, mechanics, and track walkers; 2) invest in the equipment, facilities, and personnel needed to enhance safety, and 3) create the policies and procedures that enhance system safety. In doing so, we will restore public confidence in the safety and quality of our service and rebuild trust among policymakers, legislators, and other stakeholders. I know that these goals will not be achieved overnight, but we are doing everything we can to move Metro toward achievement of these goals.

Safety

Safety is the top priority at Metro, for the Board, for Metro management, for all of our staff from top to bottom. The Board intends to ensure that, to the best of our ability, each and every NTSB recommendation to Metro associated with its review of the June 22, 2009 accident is implemented. Following the NTSB's July 27, 2010 recommendations, the Metro Board convened a special Board meeting in August during which we heard directly from the NTSB about what we could do, both as a Board and Metro as a whole, to cultivate a safety culture. I greatly appreciate the thoroughness of the information that NTSB Chair Deborah Hersman and her colleagues shared with us that day. Our Board heard what needs to be done and is taking specific actions in response.

One week ago today, Metro's Customer Service, Operations and Safety Committee voted to approve a change to our Board governance to establish a distinct Safety and Security Committee. This committee will be chaired by Mort Downey, who was appointed to our Board earlier this year by the federal government as a voting member. The Customer Service, Operations and Safety Committee also approved a new mission statement that clearly places safety at the forefront of the transit agency. The statement reads: "Metro operates and maintains a safe, reliable and effective transit system that enhances mobility, improves the quality of life, and stimulates economic development in the Washington metropolitan area." Both actions taken in committee last week must go to our full Board for adoption on September 30; I assure this Committee, that my fellow Board members wholeheartedly endorse these changes.

In addition to these actions, the Metro Board has taken other steps to address NTSB recommendations. We have begun by dedicating \$30 million dollars from our capital budget to begin to respond to the NTSB recommendations. Among our other actions:

- In July, the Board approved a contract to replace the 1000 series rail cars fulfilling Metro's top safety priority.
- To stabilize and strengthen the Office of Safety, the Board appointed a new Chief Safety Officer reporting directly to the General Manager, and further provided support to augment the safety staff. The Board of Directors receives monthly reports from the Chief Safety Officer, as well as quarterly reports from the Tri-State Oversight Committee (TOC).
- We have directed Metro's independent Inspector General to review regularly internal and external safety reports and progress that has been made in carrying out recommendations, and to report any delays or concerns directly to the Board.
- As mentioned during the April hearing, the Board requested assistance from the U.S. Department of Transportation, AFL-CIO and the American Public Transportation Association in changing Metro's safety culture. The organizations suggested that we engage experts in transportation safety to assist Metro in enhancing its safety culture. As a result, an external safety panel is hard at work and will make recommendations on how to create a true culture of safety in which safety is an inherent aspect of all activities, and will help us to implement those changes.

- As mentioned by Mr. Sarles, Metro has conducted a staff-wide survey to learn how safety is viewed by its own employees and to identify what difficulties employees have in enhancing safety. The response rate by employees was 97%.
- To make certain that employees feel comfortable in reporting safety concerns without punitive consequences, a safety hot line has been established for employees to report safety concerns. Additionally, in June the Board strengthened Metro's whistleblower protection policy to encourage employees to report safety concerns or near misses.
- A new Safety Measurement System has been developed that tracks safety concerns identified by staff and actions taken to deal with the issues raised, provides a comprehensive view of all safety-related incidents, tracks the progress of incident investigations and monitors the status of corrective actions.
- An internal task force has been established, which has reviewed and revised operating procedures to ensure that they stress safety while allowing the job to get done.
- Finally, the Board approved a multi-year capital budget, which focuses on safety, rehabilitation of facilities and replacement of equipment to ensure that the Metrorail and Metrobus systems are in a state of good repair.

Metro's Financial Situation

Metro faces the same financial issues which practically every other major transit system in the United States does: in this period of economic decline many of our

revenue sources, such as advertising and fares, have decreased, and the funds available for our subsidies have declined. Transit systems with dedicated sources of subsidy such as sales taxes have seen those funds decline and have had to cut staff, reduce service and increase fares, as well as defer capital projects in order to use those funds to fill operating gaps. Those which look to local governments to provide subsidies, as do we at Metro, find those governments dealing with lower tax revenues and the need to cut governmental services. Transit becomes one of a number of vital services that must be funded with fewer resources available. We are exceptionally pleased that our state and local partners have demonstrated a long history of strong financial support for this system. That strong support is continuing even in these tough economic times, as our jurisdictional partners have provided over half a billion dollars to support Metro operations in fiscal year 2011, an increase of 5% over fiscal 2010, while many other local services are taking cuts. In addition, state and local governments will contribute in excess of \$300 million to capital programs in fiscal 2011.

Turning to Metro's capital needs, as Metro has moved from being a new system to reaching the point at which we must invest substantially in the replacement of equipment and rehabilitation of infrastructure, our capital challenges have become similar to those of any other large, aging transit system. We have to replace our tracks, trains, and buses, and must rehabilitate our stations, bridges, and maintenance facilities. We have 30-year-old ventilation, lighting, and communications systems which must be maintained or replaced. Some of our station platforms are crumbling; our escalators and elevators need major repairs, and water is leaking into our tunnels. We

must do all of the work required while providing service to hundreds of thousands of customers daily.

Although there are some actions which can be taken managerially and operationally to improve the reliability of Metrorail and Metrobus, the most significant factor is investing in the facilities and equipment. Old equipment breaks down more often than new equipment and must be taken out of service for repair. Old facilities fail, sometimes requiring service disruptions until they can be repaired. Even assuming that the dollars needed for upgrading the facilities and equipment were available, the process of carrying out the enhancement program disrupts service and degrades reliability. We must do all we can to carry out our capital program to renew the system, but we must also be frank with our patrons: It will not be easy, and it will require inconveniences as we work.

We have been fortunate that our funding partners have demonstrated strong support on the capital side, just as they have done on the operating side. Over the last six years, they have provided Metro with \$525 million more than was needed to match federal funds. As a result, Metro was able to make a number of critical investments in its system.

Going forward, however, Metro needs increased investment to keep the system in a state of good repair. Metro's Capital Needs Inventory identifies investments totaling \$11.4 billion over the next ten years. This Committee led the charge for additional

Metro funding, the first installment of which was appropriated last year. That funding will go a long way toward helping us to meet our future capital needs if it is appropriated each year as authorized.

Our projected funding over the foreseeable future does not bring us where we need to be. Again, this is not unique to Metro. A study by the Federal Transit Administration (Rail Modernization Study, April 2009) found that the seven largest transit systems, including WMATA, currently have a backlog of state of good repair needs totaling \$50 billion. Going forward, the study concluded that these systems would need an additional \$5.9 billion per year so as not to fall further behind.

Our state and local funding partners are doing what they can to support our efforts to maintain our system in a state of good repair. The key to our ultimate success, however, rests with you and your colleagues in Congress and the Administration. Increased support for the state of good repair needs of older systems is essential in the next surface transportation authorization if we are to continue to be able to provide safe and reliable service.

Currently, the Administration has provided a vision for renewing the nation's transportation infrastructure, a plan that included a proposal to invest \$50 billion over six years in the nation's aging transportation systems. The proposal would fund a permanent infrastructure bank to leverage private, state, and local capital funds invested in transportation projects. This proposal demonstrates a commitment to

moving a multi-year transportation bill which is necessary to assist in maintaining transportation systems in a state of good repair.

Mr. Chairman, in conclusion, I want to assure you that we are committed to moving people – safely, reliably, and comfortably. It is a mission based on the proud history of Metro. Thank you for allowing me to testify today. I look forward to answering the Committee's questions.