



U.S. Department
of Transportation

**Federal Transit
Administration**

Region III

1760 Market Street, Suite 500
Philadelphia, PA 19103-4124

MAR 22 2016

Mr. Paul J. Wiedefeld
General Manager and Chief Executive Officer
Washington Metropolitan Area Transit Authority
600 Fifth Street NW
Washington, DC 20001-2693

RE: Use of Federal Financial Assistance for Safety Initiatives

Dear Mr. Wiedefeld:

I am writing in response to the Washington Metropolitan Area Transit Authority's (WMATA) Capital Improvement Plan (CIP) Program of Projects for Fiscal Year (FY) 2017 submitted to the Federal Transit Administration (FTA) via email on February 26, 2016 (Attachment A). WMATA proposes a total of \$898 million in projects, with a projected \$473 million from FTA.

Based on a review of the CIP, FTA is exercising its safety authority per FTA Safety Directive 16-1 stating that, "in exercising its lead responsibility for safety oversight of the WMATA rail system, FTA will...withhold or direct the use of Federal financial assistance to WMATA, as necessary and appropriate."

Based on this responsibility, FTA has led multiple discussions over the last several months with WMATA Financial staff concerning WMATA's proposed use of Federal funds for many rail system projects in the FY 2017 CIP. During these discussions, WMATA provided the FTA with an expanded description and purpose for each proposed project. The FTA has reviewed and evaluated the stated purpose for each proposed project to determine its alignment with, compliance with, and/or support of high priority criteria:

1. Safety – This is the highest priority and projects must address safety findings or deficiencies identified by FTA's Safety Management Inspection, the National Transportation Safety Board, priorities identified in Safety Directive 16-2, or at a minimum, the project must include a clear safety purpose.

In light of your recent March 16th safety actions, FTA understands and expects that additional modifications to the CIP may be necessary based on your assessments and findings. Moreover, these capital projects and funding changes may be required prior to WMATA's planned FY 2017 Capital Budget adoption by the Board and throughout 2017.

The FTA also notes the CIP's inclusion of \$7.9 million for projects specifically linked to seven corrective action recommendations that resulted from FTA's Safety Management Inspection that are in addition to multiple projects which align with the safety priority and when carried out effectively should support resolution of outstanding safety issues.

2. State of Good Repair or Preventative Maintenance – Projects must address safety related preventative maintenance and/or support keeping the rail system in a state of good repair. The project should demonstrate the direct link between maintenance and the safe functioning of the transit system.
3. Regulation Compliance – Projects must address or support compliance with Federal rules and regulations (e.g. environmental or Americans with Disabilities Act requirements).

For the most part, we concur with proposed projects that include actions to address WMATA's urgent safety needs. However, we do take exception to the following proposed activities which FTA will not fund:

- CIP00087-Station Rehabilitation Program: This project prioritizes pressure washing and cosmetic maintenance of stations. (\$10,000,000)
- CIP00097- Open Bankcard & Automated Fare Collection System: This project does not address any of the criteria listed above and instead focuses on replacing and upgrading the existing fare collection system. (\$10,000,000)\

At this time, FTA is exercising its authority under Directive 16-1, and the \$20 million proposed above will be reserved and should not be assigned to a capital project. During WMATA's FY 2017, as your agency gains additional information about required safety investments, FTA will work with you to ensure that the resources are directed to high priority safety requirements. For the FY 2017 CIP, the funds can be characterized as contingency for safety or in a manner that reflects the availability of the resource for anticipated safety-related projects. We will coordinate with you to identify projects that meet the safety criteria, and which WMATA must submit to FTA for subsequent review and approval.

As a final point of discussion, FTA will address further details about the use of Passenger Rail Investment and Improvement Act (PRIIA) funds from Federal FY 2016 in a separate letter. The letter will also address the status of \$15.4 million in Federal FY 2015 PRIIA funds that were withheld by FTA in September 2015 pending FTA approval of WMATA's Corrective Action Plan.

As always, FTA is ready to work with WMATA to ensure a safe, clean, and efficient public transportation service for the residents and visitors to the National Capital Region. If you desire additional information, please contact me directly at 215-656-7263.

Sincerely,



Terry Garcia Crews
Regional Administrator

cc: Dennis Anosike, Chief Financial Officer, WMATA