

**STATEMENT OF MATTHEW WELBES
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**BEFORE THE U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM,
SUBCOMMITTEES ON TRANSPORTATION & PUBLIC ASSETS AND
GOVERNMENT OPERATIONS**

Oversight of the Washington Metropolitan Area Transit Authority

December 2, 2016

Chairmen Mica and Meadows, Ranking Members Duckworth and Connolly, and Members of the Committee, thank you for inviting me to appear before you today to provide an update on Safe Track and the state of safety on the Washington Metropolitan Area Transit Authority (WMATA) Metrorail system from the perspective of the Federal Transit Administration (FTA).

Safety remains the top priority of FTA and the United States Department of Transportation (DOT). In MAP-21 and the FAST Act, Congress charged the FTA with making the safest mode of transportation even safer by creating a national safety framework, strengthening state safety oversight, and requiring agency-level safety plans to identify and mitigate risks. Last year with the FAST Act, Congress also provided FTA with additional tools to enforce transit safety, including withholding Federal funding, halting unsafe operations, and assuming safety oversight when a state safety oversight agency is deemed ineffective. FTA has made great progress in setting the foundation of the public transportation safety program through rulemakings, directives, advisories, and technical assistance, using the authorities granted us by the Congress.

Secretary Foxx directed FTA to assume temporary direct safety oversight of WMATA Metrorail from the Tri-State Oversight Committee (TOC) in October 2015 to fulfill an immediate short-term need in light of serious incidents and safety lapses at WMATA, and the shortcomings of the TOC's oversight and enforcement authority. In accordance with new authority granted to FTA by the FAST Act, FTA is requiring the establishment of an effective permanent State Safety Oversight program for WMATA Metrorail by the three host jurisdictions, Maryland, Virginia, and the District of Columbia, no later than February 9, 2017.

Importantly, in this oversight role, FTA does not direct operational decisions at WMATA. FTA can and does direct Federal funding to safety critical items, and it has the authority to halt an unsafe practice or operation. While FTA has seen improvements in many areas at WMATA since we last met in April 2016, significant work remains to bring the Metrorail system into a state of good repair, develop and improve WMATA's safety culture, and improve WMATA's financial outlook.

FTA's Financial and Program Oversight of WMATA

Nationwide, the transit industry faces more than an \$86 billion backlog in deferred maintenance

needs, and with current investment levels, the backlog is estimated to grow at \$2.5 billion every year. More than \$50 billion of the backlog can be attributed to the large, older systems in our nation's largest metropolitan centers, including the District of Columbia and its surrounding areas. This transportation infrastructure backlog can be reduced only with increased investment at all levels of government.

Years of deferred repairs and underinvestment in maintenance have led to a deterioration of public transit systems like WMATA. With a system that is not in a state of good repair, transit service becomes unreliable due to frequent breakdowns and emergency repairs, on top of the need to catch up on extensive deferred maintenance. Moreover, for many years, WMATA's prioritization of revenue service operations limited the amount of track access that maintenance crews have had to work on the Metrorail system.

Recently, FTA has seen significant steps in WMATA leadership and staff prioritizing safety over revenue service. Though WMATA has made important strides in improving safety, it remains a long and difficult task ahead to instill the strong safety culture required for true and lasting change.

In Fiscal Year (FY) 2016, WMATA received more than \$450 million from FTA. Most of the annual Federal support provided comes from transit formula funds and grant awards. In addition, as authorized in the Passenger Rail Investment and Improvement Act of 2008 (PRIIA), the Federal government contributes \$150 million per year to WMATA, matched by \$150 million from the three jurisdictions served by WMATA. This investment is intended to support the capital and preventive maintenance needs of WMATA, and in recent years Congress has required – and FTA has ensured – that the dollars are spent solely on improving infrastructure, safety, and reliability. The financial aid from PRIIA will end after FY 2018 unless renewed by Congress.

In February 2016, WMATA submitted its Capital Investment Plan to FTA for its 2017 fiscal year that began July 1, 2016. FTA conducted a thorough review of proposed and pending WMATA grant applications to ensure that the \$450 million in Federal funding is being directed to projects that support corrective actions arising from FTA's 2015 Safety Management Inspection of WMATA, safety recommendations to WMATA from the National Transportation Safety Board (NTSB), and other key infrastructure improvements. Further, FTA redirected \$20 million in Federal funding WMATA had intended to spend on non-safety related projects to projects that are supporting the SafeTrack program. On December 1, 2016 WMATA introduced its Capital Investment Plan to the Board for the 2018 fiscal year, and FTA will work with WMATA to evaluate it and make adjustments, if necessary.

Following a Financial Management Oversight review in 2014 that found significant flaws, FTA placed WMATA on restricted drawdown status, where it remains today. Under restricted drawdown status, invoices and related financial documentation must be verified by FTA before Federal funds are reimbursed to WMATA. This process adds about thirty days to the typical grant reimbursement processing time, but it fulfills FTA's fiduciary responsibility to ensure that Federal funds are spent only on eligible activities. FTA has reimbursed \$1.23 billion out of the \$1.29 billion that WMATA has submitted for reimbursement since it has been in restricted drawdown status.

WMATA introduced a new financial management software system in July 2016 and during this past summer FTA and WMATA completed an initial test of the agency's financial management systems, as part of a schedule established in 2015. Additional testing and validation of transactions from recent months has been required and that review is underway now. While WMATA has made progress improving its financial management, results from the recent testing will inform whether the drawdown restrictions can be altered.

FTA's Safety Oversight of WMATA

Over the last decade, WMATA has experienced several serious accidents on the Metrorail system, resulting in injury and death of WMATA passengers and workers. In two of the more serious accidents (Fort Totten and L'Enfant Plaza) nine passengers and one worker were killed, and more than 140 persons were injured. WMATA also has lost eight workers in six collisions with trains and equipment on the rail transit right-of-way. Most recently, WMATA has experienced a spate of safety incidents affecting passenger and worker safety, as well as the quality and reliability of its transit service.

FTA is exercising its authority and using enforcement tools provided by Congress to ensure WMATA is addressing systemic safety deficiencies and building a strong safety culture. Since 2015, FTA has published multiple reports identifying systemic safety problems at WMATA. Each report has produced a Safety Directive with a set of required corrective actions. Following the issuance of a directive, WMATA develops a Corrective Action Plan (CAP), which is then reviewed and approved by FTA's WMATA Safety Oversight Office. The CAP includes an estimated completion date from WMATA for each action item.

In June 2015, FTA released its Safety Management Inspection (SMI) Report, which identified numerous organizational deficiencies and operational concerns that significantly limit WMATA's ability to recognize and resolve safety issues for both Metrorail and Metrobus. The SMI set forth 54 findings of safety deficiencies and 91 required corrective actions. Subsequently, FTA issued three additional reports of special investigations into particular aspects of the Metrorail system: the *Track Integrity* Investigation Report, with 12 required actions; the *Stop Signal Overrun* Report, with 11 required actions; and the *Vehicle Securement* Report, with six required actions. FTA plans to issue a report and Safety Directive addressing WMATA's *Traction Power* system later this month. In total, FTA has issued seven directives to WMATA (15-1, 16-1, 16-2, 16-3, 16-4, 16-5, & 16-6) that entail 251 required actions.

A few examples of FTA-identified safety findings where WMATA has made improvements include the Rail Operations Control Center (ROCC) where, for the first time since 2012, all rail traffic controllers have completed their annual certifications, and the Roadway Worker Protection (RWP) program, where nearly 2,000 employees with expired RWP Safety Training cards have been retrained and certified. In addition, FTA has worked with WMATA to ensure SafeTrack plans prioritize track locations where urgent repairs are most required to reduce the risk of smoke and fire events. As a result, WMATA has corrected numerous instances of degraded fire and life safety equipment in tunnels that affect emergency passenger evacuations.

In addition to verifying and tracking work pursuant to the CAPs, FTA and WMATA have put in

place a system of notification within two hours after an incident takes place, so that FTA inspectors and investigators may launch to the scene if warranted. FTA and WMATA leadership have weekly meetings to discuss progress, impediments, and any new developments related to safety.

WMATA has conducted multiple safety stand-downs, one required by FTA and others voluntarily. Under a safety stand-down, employees take time to refocus on prioritizing safety at all times, and reviewing and recommitting to established safety procedures and protocols. WMATA must continue to prioritize safety over service, and commit to providing customers and workers with the assurance that their safety is the first priority.

Inspections & Safe Track

FTA is conducting on-the-ground inspections of WMATA, both announced and un-announced, leading accident investigations as warranted, and working to close out open accident investigation reports, many of them taken over from the TOC, as well as those begun since FTA assumed safety oversight responsibilities.

During inspections, FTA inspectors and investigators examine track conditions, rules compliance and communications in the ROCC, traction power system components and maintenance, automatic train control system, vehicle and system maintenance, operations and safety protocols, track access procedures, and red signal overruns. FTA's inspectors also verify WMATA's performance of specific maintenance activities, such as track inspection, tie and fastener replacement, and insulator replacement, as they occur, to provide another mechanism to ensure follow through on identifying and then correcting issues as they arise.

FTA has conducted more than 300 inspections since October 2015, identifying more than 1,350 defects and directing more than 900 remedial actions. These are separate actions that WMATA must take, apart from those required by the Corrective Action Plan following a Safety Directive. To date, WMATA has addressed two-thirds of these remedial actions.

Specific to WMATA's SafeTrack work, FTA has conducted more than 50 inspections [number provided is through Surge 7, but FTA inspections continue with each surge]. Prior to each new surge, FTA track inspectors conduct a pre-surge inspection to assess the surge-area conditions, then inspect and verify ongoing surge work, and finally, conduct a post-surge inspection in order to evaluate the work completed.

Initiated by WMATA, SafeTrack is an important mitigation project that includes safety-critical repairs to segments of track that are in most need of overhaul. While these track repairs are necessary and long overdue, it is just one piece of the much larger WMATA safety puzzle. Once repairs are made they must be sustained with a long-term preventative maintenance plan as well as a strong safety culture or else WMATA will fall right back to an unacceptable condition. FTA identified track access for inspection and maintenance units in its June 2015 SMI Report as a critical issue for WMATA to address. WMATA must do more to impart and insist on a robust safety culture at all levels of the organization to prioritize safety in all decision making.

Finally, FTA has made a significant effort to keep the public and Congress updated on all of its

WMATA oversight activities by maintaining a regularly updated dashboard on the FTA website of Safety Directives, Reports, Correspondence and other relevant information.

Creating a Capable State Safety Oversight Agency for WMATA

As Secretary Foxx has made clear, FTA's direct safety oversight role is temporary and will continue only until Virginia, Maryland, and the District of Columbia set up a new State Safety Oversight Agency (SSOA) that is fully functioning, and compliant with Federal requirements.

On February 8, 2016, FTA informed the District of Columbia, Virginia, and Maryland that they must receive FTA certification of a new State Safety Oversight (SSO) program – which includes creation of a new SSOA compliant with Federal requirements – within one year from the issuance of the letter (no later than February 9, 2017). Pursuant to Federal public transportation law [49 U.S.C. § 5329(e)(8)(C)], failure to do so could result in FTA withholding Urbanized Area [Section 5307] formula funds and/or taking other necessary and appropriate action. If FTA exercises this enforcement authority, up to \$15 million could be withheld in Federal transit funding meant not only for the Nation's Capital Region, but also for other communities in Maryland and Virginia outside of the D.C. Metro Region.

More than six years ago, in April 2010, the three jurisdictions recognized the need to replace the TOC, saying it did not effectively respond to critical Metrorail safety oversight issues. Maryland, Virginia, and the District of Columbia entered into a Memorandum of Understanding (MOU) on February 25, 2016, which re-stated the commitment to establishing the Metrorail Safety Commission (MSC), but the jurisdictions need to agree and take action on legislation to create the MSC. FTA will continue to provide any necessary technical assistance. The D.C. City Council is expected to act on the legislation in December 2016. The Maryland and Virginia legislatures are expected to act on the legislation in their respective legislative sessions next year.

FTA will continue to provide effective safety oversight until the new SSOA is capable of performing its oversight responsibilities. When a new SSOA has been created, funded, and staffed, DOT and FTA will work with the new organization's leadership and the three jurisdictions to ensure a successful safety oversight transition. FTA is committed to working with WMATA and the new agency to ensure a safer, more reliable ride for WMATA customers throughout the National Capital Region.

Conclusion

While FTA neither runs nor operates the WMATA Metrorail system, we are providing robust direct safety oversight to guide and examine WMATA's work towards improving its infrastructure, safety culture, and operations. WMATA has made improvements and is working to implement needed safety changes. FTA continues to closely monitor that WMATA's Federal funds are tied to safety priorities and improving a state of good repair for WMATA facilities and equipment.

The WMATA Metrorail system delivers tremendous benefits to the Washington, D.C. region and is vital to the area's residents, workers, and visitors. All users of Metrorail deserve a reliable and safe system and FTA will continue to provide effective safety oversight and help WMATA build

on the improvements made in the last year. As part of FTA's assurance that WMATA makes necessary safety improvements, WMATA must confirm it is properly managing and resourcing its corrective safety actions and building internal safety capacity and culture. WMATA General Manager Paul Wiedefeld has proven a cooperative partner in these efforts.

Thank you for the opportunity to discuss FTA's direct and robust safety oversight of WMATA's rail transit system. We look forward to working with you to support the benefits of public transportation, here in the Washington, D.C. region and across the country. I am glad to answer questions.

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Matthew Welbes

Executive Director



Matthew Welbes serves as Executive Director of the Federal Transit Administration (FTA) in Washington, D.C., directing the daily operations of the agency in support of public transportation services in communities across the United States. He supports the FTA Administrator in providing leadership and establishing direction on public transportation policies, budgets, and strategic priorities. He guides the management of the agency's annual budget of over \$12 billion and the 550 people who work with FTA's stakeholders.

Prior to joining the Office of the Administrator as a Senior Advisor in 2001, Mr. Welbes worked in FTA's Office of Budget & Policy. His work there included development of agency policies, legislation, budgets to Congress, investment studies, and performance measures for public transportation benchmarking. During 2007-8 he served as FTA's Acting Associate Administrator for Research, Technology & Innovation and in 2001-2 as the Acting Director of FTA's Washington, D.C. Metropolitan Office. He began his federal career as a Presidential Management Fellow in 1992, working in the Office of Management and Budget, Office of the Secretary of Transportation, and the FTA.

He has a M.P.A. from the University of Minnesota's Humphrey Institute of Public Affairs. In 2000 he received a German Marshall Fund fellowship to study transportation, environmental, and land use policies in Europe. He has been recognized with the Presidential Rank Award of Meritorious Service for long-term accomplishments and commitment to excellence in public service and he has received the Secretary of Transportation's gold medal for Outstanding Service.

He lives with his wife, Lora, and their daughter in Arlington, Virginia.