

**Excerpts from  
Northern Virginia Transportation Commission / Potomac and Rappahannock  
Transportation Commission / Virginia Railway Express**

**Management Audit Phase II Final Report  
January 9, 2015**

**VRE Organizational Structure and Practices (p.2)**

**Relationship Between Commissions and VRE:** VRE is a unique transit entity, existing as a transportation partnership of the Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC). The audit team recommends an annual training session for Commission members on their roles and responsibilities with respect to their oversight of VRE. The audit team recommends regular meetings between the Commission Executive Directors, VRE CEO, and Operations Board and Commission chairs to coordinate issues jointly concerning VRE and the two Commissions. In addition, the audit team recommends that the Commissions serve as lead planning agency when a mode has not been selected, and VRE serve as lead planning agency when commuter rail has been selected. The audit team recommends that the Commissions continue to serve as the locus for discussions of regional funding—balancing the needs of VRE with other agencies in their districts—while VRE advocate for funding for its particular capital projects and transit services, in coordination with the Commissions.

**Division of Responsibility Between Commissions and VRE (p.28)**

There are certain functions that are of concern to the Commissions as well as affecting VRE, such as planning and transportation funding.

Funding is a significant concern of the NVTC in particular, which serves a clearinghouse for regional fuel tax revenues and other transit funds to agencies throughout the NVTC District, and must balance the needs of VRE, the Washington Metropolitan Area Transit Authority (WMATA), and local transit agencies.

PRTC plays a similar role in its district. This includes decisions regarding the amount, type, and timing of funds that each agency's priorities will receive, and given resource limitations, often involve trade-offs and compromise. In these deliberations, VRE's status as an entity jointly-owned by each Commission should give it no greater priority than other transit providers in each district.

VRE advocates for funding for specific commuter rail projects, seeking the support of NVTC and PRTC for funding from the federal government, the Commonwealth, the Northern Virginia Transportation

Authority, and individual cities and counties. At times, it must make the persuasive case for funding alongside other transit agencies competing for the support of NVTC and PRTC. In some cases, however, there are funds for which VRE is eligible that other transit agencies in the region are not—particular state and federal rail funds. For these sources, the Commissions are free to join VRE in advocating for funding of its projects.

In the area of planning there is natural overlap in staff capabilities and responsibilities among VRE and the Commissions. In general, the Commissions' interests are long-range and strategic, and may focus on multiple modes of transit and multiple corridors across their entire territory. VRE's planning is focused on commuter rail in its specific corridors. A key consideration is the degree of involvement by VRE prior to and following decisions regarding selection of mode (or technology) for a particular corridor, and its role as lead or supporting agency for project implementation. In general, VRE, the Commissions, and other agencies engaged in transportation planning in the region have successfully worked this out for past planning studies, but it would help to have clear guidance that is understood by all.

The audit team believes that the Commissions play a key role coordinating regional issues, including transportation funding and general systems planning. The purview of VRE, meanwhile, is to plan, advocate and secure funding for commuter rail-specific projects and service. It is important that each entity play to its strengths in executing these missions. Clarifying roles and responsibilities will facilitate the allocation of responsibility when future issues arise.

Therefore, the audit team recommends that the Commissions—or other regional planning entities (when appropriate)—serve as the lead planning agency when a mode has not been selected, and that VRE only serve as a lead planning agency once the appropriate planning agencies have made a decision to invest in commuter rail in a particular corridor. However, as the sole commuter rail agency in Northern Virginia, VRE planning staff should provide technical support to any planning studies that could result in commuter rail being selected as a preferred mode. This ensures that planning studies benefit from the mode-specific expertise of VRE planning professionals.

For example, a corridor study or alternatives analysis in which commuter rail is one of several modal options under consideration (along with bus, bus rapid transit, and/or other types of rail) is best handled by an agency that does not have a modal focus (like VRE—or for that matter, other transit operators in the region). However, should a corridor study or alternatives analysis point to commuter rail as the appropriate mode, and the project is officially adopted into regional plans, VRE would be the appropriate agency to manage environmental clearance, permitting, development of grant applications, and similar project planning activities, with appropriate advice and approvals from the Commissions as concepts advance.

The 2040 System Plan was the product of planning efforts led by VRE staff and the Operations Board and endorsed by the Commissions. As the System Plan is focused squarely on regional commuter rail investments, the audit team believes VRE's leadership in producing this plan appropriate. However, the Commissions will play a significant role in deliberations regarding elements of the System Plan, especially the later phases which will require policy decisions regarding new service types and features.

With respect to transportation funding, the audit team recommends that the Commissions continue to serve as the locus for discussions of regional funding, including new broad-based funding sources for all transit modes, and will continue to balance the funding needs of VRE with other transit providers in each Commission's district. Meanwhile, VRE should continue to advocate for funding for its particular capital projects and transit services. To the extent that the VRE Operations Board wishes to weigh in on general, regional funding approaches, it should coordinate its activities with the Commissions. The audit team recommends that VRE and the Commissions actively identify opportunities for the Commissions to ally with VRE to secure new funding for VRE that does not compete with the needs of other transit agencies.