



MEDIA RELEASE

For Immediate Release

October 6, 2011

Contact: Kala Quintana

703-524-3322 ext 104

kala@nvtdc.org

NVTC COMMITS TO WORKING WITH THE COMMONWEALTH TO RESTORE TRANSIT FUNDING AND TO SECURE REPRESENTATION ON WMATA BOARD

Arlington, VA—The Northern Virginia Transportation Commission (NVTC) has passed a resolution outlining its concerns about the Commonwealth of Virginia withholding nearly \$40 million (as of mid-October, 2011) of critical transportation dollars programmed for Northern Virginia in FY 2012 because of NVTC's inability to sign the Department of Rail and Public Transportation's (DRPT) Master Agreement Amendment #3.

The resolution, passed on October 6, 2011, commits to appointing Governor McDonnell's designee, James W. Dyke, to the WMATA board on January 5, 2011 so long as the Commonwealth immediately releases the funds it has been withholding and works with NVTC to address the legal concerns it has with the Master Agreement Amendment # 3.

Northern Virginia transit funds being withheld by the Commonwealth

Since August of this year NVTC has been in communication with Transportation Secretary Connaughton Secretary and DRPT. NVTC has raised serious legal concerns about the Master Agreement #3 and its impact on the membership of the oversight boards of the regions' transit systems, especially the WMATA board. The Commission's greatest concern is that Amendment #3 could compel NVTC to appoint two of its four WMATA board representatives from DRPT's selections, thereby forcing two local elected officials to leave the WMATA Board. NVTC is unable to sign the amendment until a thorough legal review of this and other issues by independent counsel can be completed.

Language in Master Agreement amendment #3 raises legal concerns

The most serious concern is language in the agreement that specifies that a principal and an alternate seat on the oversight board must be provided to the Commonwealth by any commission or transit system that receives DRPT funding through NVTC. This is particularly problematic when applying this language to Virginia's WMATA board seats, given the interstate compact that governs WMATA.

Earlier this year the General Assembly approved a budget amendment, submitted by Governor Bob McDonnell, that gave the Governor the ability to require NVTC – as it selects its WMATA Board members -- to appoint one principal voting member to represent the Commonwealth of Virginia. The remaining principal board seat as well as the two alternate seats would remain with the local governments. Previously the Governor had sought two seats on the WMATA board: a principal and an alternate seat.

While the amendment and the board appointment might be considered to be two separate issues, the Master Agreement Amendment #3 language essentially has tied the two issues together, potentially paving the way for the Commonwealth to secure not just one but two seats on the WMATA board.

This is particularly problematic given the tremendous financial burden that falls onto the shoulders of the local governments and the residents of Northern Virginia who pay nearly 80 percent of the overall costs to support WMATA.

Representation on the WMATA Board

The WMATA Compact assigns to the Northern Virginia Transportation Commission (NVTC) the responsibility of appointing from its membership Virginia's members of the Board of Directors of the Washington Metropolitan Area Transit Authority for a term coincident with their terms on NVTC. Historically, the board members that represent Virginia on the WMATA Board have been a principal and alternate from Fairfax County, a principal from Arlington and an alternate from Alexandria.

Because the residents of Northern Virginia provide nearly 80% of Virginia's share of the operating and capital funding for WMATA through direct payments at the fare box (roughly 50% of the total) as well as a combination of regional gas and other taxes paid locally and through the state, their representation on the WMATA board is not only vital but appropriate.

Since the 1970's the Northern Virginia localities have consistently provided both operating and capital funding to WMATA through local budget appropriations predominantly derived from local real estate taxes and have diligently worked with riders to improve and expand transit access throughout the NVTC region.

Two years ago, with the passage of PRIIA funding by Congress, the Commonwealth was obligated to provide \$50 million in matching funds each year for 10 years (along with DC and Maryland) in order to secure the \$150 million annually provided by the federal government.

NVTC and its member jurisdictions are grateful for the additional infusion of transit funding from the federal government and the Commonwealth, as well as specific additional state funding programmed in FY2012. However, NVTC recognizes that the Commonwealth's existing transportation funding streams are seriously constrained ; NVTC is genuinely concerned about the Commonwealth's ability to meet the increased operating budget funding needs associated with the opening of the Metrorail Silver line in the Dulles Corridor and any other WMATA service enhancements, or even its commitment to continue funding WMATA at \$50 million annually once the existing PRIIA funding has expired.

The Virginia General Assembly has approved a budget amendment stating that in appointing the Virginia members of the WMATA Board of Directors, NVTC shall include the Secretary of Transportation or his designee as a principal member on the WMATA Board. As such, Secretary of Transportation, Sean Connaughton, has appointed James W. Dyke to serve on NVTC as his designee and has requested that NVTC appoint Mr. Dyke as a principal member of the WMATA Board.

In order to meet the requirements of the WMATA Compact, NVTC has always appointed its WMATA Board representatives at its January meeting to serve a term extending through the calendar year. The Commission's October 6th resolution would continue that practice by appointing Mr. Dyke to the WMATA Board at the January 5, 2012 meeting, contingent on satisfactory resolution of the legal issues involving Amendment #3.

Moving forward

In order to ensure that the transit customers in Northern Virginia, who take almost 150 million annual transit trips, may continue to go about their business and that commerce that contributes greatly to the economic well being of the Commonwealth continue uninterrupted, it is NVTC's expectation that DRPT will immediately release FY 2012 funds withheld from NVTC as DRPT's and NVTC's legal counsel work together to prepare a mutually agreeable document that clarifies the intent of the proposed Amendment #3 to the Master Agreement that the Commonwealth shall have a single seat on the WMATA Board.

NVTC has also requested that DRPT should offer a sufficient period for grantees to review proposed amendments to the Master Agreement, should regard such amendments as agreements between two parties, not regulations imposed on grantees without recourse, and should restrict its proposed amendments to matters clearly within the scope of the Master Agreement.

NVTC has agreed that, contingent on a mutually satisfactory resolution of the current impasse over Amendment #3, the Northern Virginia Transportation Commission will appoint James W. Dyke as a voting member of the WMATA Board at NVTC's January 5, 2012 meeting, as directed by the General Assembly.

In addition NVTC will continue the process to determine the long-term representation of Northern Virginia's localities on the WMATA Board, recognizing the desirability of amending the

WMATA Compact to increase the number of available seats in order to protect existing localities as well as accommodate additional local jurisdictions likely to begin funding WMATA in the future.

NVTC has invited DRPT to join in an examination of how to provide within Virginia an increased level of stable and reliable funding for WMATA and how to equitably apportion state and localities' shares of WMATA's operating and capital costs as future needs arise.

Finally, NVTC urged its WMATA Board appointees to continue to coordinate their activities on that Board to ensure the best interests of WMATA's Northern Virginia customers and taxpayers are protected and advanced.

NVTC is the leading source of information about public transportation issues in Northern Virginia. NVTC is a regional agency with the mission of managing traffic congestion, restoring clean air, boosting the economy and improving the quality of life for all of Northern Virginia's citizens through effective public transit and ridesharing networks. NVTC includes the counties of Arlington, Fairfax and Loudoun and the cities of Alexandria, Fairfax and Falls Church covering over 1,000 square miles with a population of 1.6 million. The agency manages up to \$200 million of state and federal grant funds each year for public transit and serves as a forum for its board of 20 state and local elected officials to resolve issues involving public transit and ridesharing. **For more information please visit www.thinkoutsidethecar.org or call 703-524-3322.**

NVTC