

MINUTES
NVTC COMMISSION MEETING – JULY 6, 2006
NVTC CONFERENCE ROOM – ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Connolly at 8:06 P.M.

Members Present

Sharon Bulova
Gerald Connolly
Adam Ebbin
William D. Euille
Paul Ferguson
Jay Fisette
Catherine M. Hudgins
Tanya Husick (DRPT)
Dana Kauffman
Dan Maller (Alternate, City of Falls Church)
Joe May
Elaine McConnell
Tom Rust
Scott Silverthorne
Paul Smedberg (Alternate, City of Alexandria)
Christopher Zimmerman

Members Absent

David Albo
Eugene Delgaudio
Jeannemarie Devolites Davis
Ludwig Gaines
David F. Snyder
Mary Margaret Whipple

Staff Present

Rhonda Gilchrest
Scott Kalkwarf
Jana Lynott
Adam McGavock
Kala Quintana
Elizabeth Rodgers
Jennifer Straub (VRE)
Richard K. Taube
Dale Zehner (VRE)

New NVTC Alternate Commissioner

Chairman Connolly welcomed Dan Maller, who is replacing Robin Gardner as an alternate commissioner for the city of Falls Church.

Minutes of NVTC Meeting of June 1, 2006

On a motion by Mrs. Bulova and a second by Mr. Euille, the commission unanimously approved the minutes. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Euille, Fisette, Hudgins, Husick, Kauffman, Maller, May, McConnell, Rust, Silverthorne, Smedberg and Zimmerman.

Update on NVTC Projects

NVTC staff provided a PowerPoint presentation describing progress since the beginning of the year on major NVTC projects. Mr. McGavock stated that using a \$198,000 grant from DRPT, NVTC has contracted with IBI Group to develop an inexpensive bus arrival system called MARTHA (Multi-User Accessible Real-Time Harmonic Algorithm). This system will be an inexpensive way for riders to access real-time bus arrival information. It will be simple, easy to use, and cost effective. It will also eliminate the proprietary issues that are common when dealing with contractors and vendors. The MARTHA system will require an inexpensive computer (approximately \$500) and a cell phone (approximately \$50) on each bus.

Mr. Smedberg asked if this technology would work with the displays and signs at the bus stops. Mr. McGavock replied that it could be modified to provide information directly to the signs and displays, but there would be more substantial costs. In response to a question from Chairman Connolly, Mr. McGavock stated that this technology allows riders to call by phone to receive real-time information. The service demonstration project should begin in December, 2006 on the Falls Church bus system known as GEORGE.

Ms. Lynott reported that the Senior Mobility Study has received much interest from this region, as well as outside the region. A senior policy researcher at AARP has suggested that the study may convince AARP as an organization to get involved in more local level advocacy for land use planning.

Ms. Lynott stated that NVTA is expected to formally approve the Transaction 2030 Plan on July 13, 2006. Chairman Connolly stated that this work will hopefully guide General Assembly members into a better understanding of the transportation needs of Northern Virginia. This process was the first time the region worked together to prioritize projects. This plan has been unanimously adopted by all the jurisdictions.

Ms. Lynott stated that the next steps for the Transit Emergency Preparedness Plans include finalizing the summary document and “marketing” the plans to management to ensure implementation. Mr. Fisetite stated that it would be beneficial for the Emergency Preparedness Council have a briefing on this plan.

Ms. Quintana reported that the Redmon Group is under contract to provide electronic schedules suitable to download to web enabled cell phones and hand-held computers, which allow riders to access up to the minute schedules anytime, anywhere. The annual cost for this project is \$16,000 to provide all of Northern Virginia’s transit schedules. Daily E-schedule usage is up 34 percent from the same period last year. NVTC will conduct a marketing campaign to enhance awareness of the E-schedule, with the target of increasing usage by 15 percent.

Ms. Quintana stated that NVTC organized media events in Richmond and Prince William County to highlight the need for dedicated funding for Metro and to encourage the General Assembly to take action by allowing local governments to impose a ¼ cent sales tax increase. Chairman Connolly thanked Delegates Rust, Albo, Ebbin and May, as well as Senators DeVolites Davis and Whipple for their assistance in getting legislation drafted.

In response to a question from Mr. Kauffman, Mr. Taube reported that Congressman Davis succeeded in adding an amendment by unanimous consent to H.R. 4761 to provide \$150 million annually from federal FY 2007-2016 for appropriations to WMATA for “capital and preventative maintenance” projects included in the approved Capital Improvement Program. Congressman Davis still intends to bring H.R. 3496, his original Metro funding authorization bill, to the House for consideration.

Mr. Kalkwarf reported that the preliminary FY 2007 Subsidy Allocation Model (SAM) allocation formula has been completed allocating an estimated \$109 million in revenue, compared with \$120 million in FY 2006. Chairman Connolly observed that local governments are bearing the lion’s share of transportation costs in the region. Mr. Kalkwarf also reported that he continues to monitor gas tax collections and recently discovered approximately \$400,000 of incorrectly allocated revenue. This has been reconciled and corrected by the Department of Taxation. For FY 2005 NVTC received a clear audit opinion, clean compliance letters, no audit adjustments, and no management letter comments. The FY 2006 audit will be presented at the November 2006 commission meeting.

Ms. Rodgers reviewed the Code Red Free Bus Fare Program. There are sufficient funds to cover 14 Code Red days. Also, NVTC obtained grant funding from VDOT for MWCOG to add an extra day of screen line counting on I-66 at Glebe Road for the A.M. peak period. Initial findings show six out of 10 inbound A.M. peak period travelers in the I-66 corridor are using transit or HOV for their eastbound travels. This is the only program in Northern Virginia providing

statistically significant corridor mode share measures which are essential data to guide future allocations of limited resources.

Mr. Taube reported that he has spent considerable time on examining VRE governance issues, including devising a more equitable subsidy allocation formula, at the direction of the VRE Operations Board subcommittee. The next staff report to the subcommittee is scheduled for July 28th. The target for VRE Board action is fall, 2006, to permit any required legislation to go to the 2007 General Assembly. Mrs. Bulova, Mr. Kauffman and Mrs. McConnell all serve on this subcommittee.

Mr. Taube reviewed the work that has been done on legislative outreach to promote dedicated funding for Metro. Also, specific performance objectives for financial functions were implemented in NVTC's approved FY 2007 budget and will be extended to the entire organization in the FY 2008 budget. For FY 2006, he anticipates a favorable variance of about \$80,000 or seven percent of NVTC's \$1.1 million administrative budget, which can be carried over to help fund the next budget.

NVTC State Aid Contract for FY 2007

Mr. Taube explained that each year DRPT sends a standard contract to NVTC in order to provide state aid. Considering all state aid programs, NVTC will manage \$94.3 million in FY 2007. If the General Assembly ultimately provides more transportation funding, NVTC staff anticipates a future contract amendment from DRPT. Currently, the shortfall for NVTC in the standard transit assistance program for FY 2007 is \$158.6 million, reflective of an abysmal 22 percent capital matching ratio. This is the additional amount that would be received by NVTC if the commonwealth met its statutory target of 95 percent of eligible capital and operating expenses net of federal aid and fares. Last year, the shortfall was "only" \$75 million or half as great as for FY 2007. Chairman Connolly observed that in Maryland most of these costs are borne by the state, while in Virginia they are largely borne by the local governments.

Mr. Euille moved, with a second by Mr. Silverthorne, to authorize NVTC's executive director to execute the FY 2007 state aid contract. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Euille, Fisette, Hudgins, Husick, Kauffman, Maller, May, McConnell, Rust, Silverthorne, Smedberg and Zimmerman.

VRE Items

Report from the VRE Operations Board and VRE Chief Executive Officer.
Mrs. Bulova urged commissioners to read the minutes of the June 16, 2006 VRE Operations Board meeting.

Status of FAMPO Request for a Share of Section 5307 Formula Funds.

Mr. Taube explained that the Metropolitan Planning Organization in the Fredericksburg area (known as FAMPO) is seeking to negotiate with the MPO for the Washington D.C. area (TPB) to capture a portion of federal formula transit funding now provided to WMATA. The northern portion of Stafford County was recently added to the Washington D.C. urbanized area as a result of the 2000 census. About \$150,000 annually is earned through the population factor of the federal formula as it applies to the northern portion of Stafford County. If the population density factor is also considered, that annual amount jumps to about \$250,000.

Mr. Taube explained that while this amount of funding might not in itself seem too significant, two additional considerations make this matter quite serious. First, if FAMPO is successful in capturing this funding from WMATA, other jurisdictions may seek to do the same. If Loudoun and Prince William counties and other non-Metro compact members of TPB demanded a portion of Section 5307 funding to go directly to them (or for projects in their jurisdictions), about \$1.6 to \$2.5 million annually is at stake. Second, in the future, HOT lanes will add new fixed guideway miles (another factor in the Section 5307 formula) which could increase significantly the formula amount going to TPB and WMATA generated by non-WMATA Compact members of TPB.

Mr. Taube stated that another related issue is whether FAMPO should receive the formula earnings for the VRE track miles located in the FAMPO territory. Currently all such earnings are provided to VRE in their entirety. VRE then determines how to spend these funds in support of its capital projects. FAMPO would like not only to receive a portion of the VRE formula earnings but also determine how they are spent.

Mr. Taube stated that FAMPO conducted a workshop on these subjects on June 19th and may vote to adopt a formal position as early as July. FAMPO's attorney is advising an aggressive strategy, including litigation if necessary, since he interprets regulatory language as favoring FAMPO's request and insists that FTA should act to favor FAMPO. Other legal staff dispute this assertion. FTA seems to be saying that it is up to TPB and FAMPO to decide. TPB staff is working with the NVTA Interim Technical Committee to review forecasts of formula earnings and ridership on WMATA by residents of jurisdictions outside the transit zone.

Chairman Connolly stated that NVTA is scheduled to meet on July 13th and should be briefed on this issue. Mrs. Bulova observed that FAMPO and Stafford County are not playing regionally and are essentially cutting off a piece of the federal funding pie.

Mrs. Bulova moved, with a second by Mrs. McConnell, that NVTC take a position strongly opposing the redistribution of Section 5307 formula funds. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Euille, Fisette,

Hudgins, Husick, Kauffman, Maller, May, McConnell, Rust, Silverthorne, Smedberg and Zimmerman.

Status of Procurement of 50 Railcars. Mr. Zehner stated that the FRA loan committee met on June 27th and 28th and recommended a zero percent risk premium for VRE's loan. However, OMB asked for additional time to consider this. Sumitomo agreed to extend the railcar option deadline to July 10, 2006. Mr. Zehner stated that he is hopeful that a decision on the risk premium will be made soon. In response to a question from Mr. Euille, Mr. Zehner explained that VRE is the first commuter rail entity to apply for this type of loan.

Mr. Ferguson arrived at 9:00 P.M.

Extension of Operating/Access Agreements with Norfolk Southern and CSXT. Mrs. Bulova explained that VRE staff has been unable to reach agreement on the required amount of liability insurance coverage for both Operating/Access Agreements with Norfolk Southern and CSXT. Therefore, the Operations Board recommends commission approval of Resolution #2029 and #2030, which would authorize VRE's Chief Executive Officer to execute contract extensions with Norfolk Southern (Resolution #2029) and CSXT (Resolution #2030) through January 31, 2007. During the extension period, all existing contract terms will remain in effect.

Mrs. Bulova moved, with a second by Mrs. McConnell, to approve Resolution #2029 and #2030. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Euille, Ferguson, Fisette, Hudgins, Husick, Kauffman, Maller, May, McConnell, Rust, Silverthorne, Smedberg and Zimmerman. (Copies of the resolutions are attached.)

Legislative Items

Delegate Rust reported that the General Assembly has passed a FY 2007 budget and returned to Richmond on June 28th to act on Governor Kaine's response. Plans for a special session on transportation, perhaps in September, are pending. The budget includes \$339 million of General Funds for transportation, but removes specific earmarks for transit projects, including \$15 million for VRE railcars and \$20 million for WMATA. Those projects are eligible for funding from the \$339 million, however.

Delegate Rust also reported that a group of Northern Virginia General Assembly members met with the business community to discuss legislative issues. He is cautiously optimistic that there could be support from the business community. Mr. Euille suggested that General Assembly members do a similar outreach to the elected officials. Chairman Connolly agreed and stated that local officials need to understand and support these legislative efforts. Delegate Rust agreed that it is very important to have their support. It will also need to be a bi-partisan effort. Delegate May observed that timing will also be critical.

Mr. Fisette asked, what are the greatest challenges to overcome before the Special Session? Delegate Rust stated that there still is not total consensus among the Northern Virginia delegation.

Mr. Fisette stated that there is an issue of the leverage of other funding, since the District of Columbia stepped up and identified dedicated funding, while Maryland has agreed to look at this issue during next year's legislative session. He asked if Tidewater was an issue and Delegate May replied that Tidewater would use a different revenue source.

Metro Items

WMATA General Manager. Chairman Connolly reported that NVTC notified the WMATA Board that NVTC formally desires as a region that there be a formal search process for a General Manager.

Approval of FY 2007 Operating Budget and FY 2007-12 Capital Improvement Program. The WMATA Board approved a \$1.9 billion operating and capital budget for FY 2007. The budget includes \$734.5 million in capital improvements, the majority of which will go towards 122 new railcars, 185 new buses and elevator and escalator overhauls.

Metro Access Best Practices Report. The WMATA Board created an Ad Hoc Committee to study the challenges of the program and develop solutions. In June, the Ad Hoc Committee reported back to the WMATA Board with a list of 11 recommendations to improve the MetroAccess service. The Board approved the implementation of the first six recommendations from the Ad Hoc Committee Report, which do not have an associated cost impact. The WMATA Board has agreed to hire a paratransit expert to investigate the cost of implementing the other recommendations.

Entertainment in Rail Stations. WMATA is considering a proposal to allow musicians and other entertainers to perform inside Metrorail stations. The goal would be to improve the overall experience for persons riding the Metrorail system, and to make the Metro into a destination, and not simply a means to a destination.

Regional Software Maintenance Agreement for SmarTrip Fareboxes. Upon completion of negotiations with the contractor, WMATA staff has authorized and released the SmarTrip Regional Software Maintenance Agreement for review and ratification by participating jurisdictions. Once WMATA has received concurrence from each of the regional partners, WMATA staff will issue a Notice to Proceed to the contractor, which will be another step towards regional smartcard interoperability.

Regional Transportation Items

U.S. DOT Congestion Initiative. USDOT has launched a new initiative to focus its resources on traffic jams on highways and at ports and airports. Partnership agreements will be signed with communities to demonstrate new techniques to relieve congestion and state legislation will be encouraged to provide private sector investment incentives.

Car Sharing Improvements. Mr. Taube reported that increased demand has led Arlington County to expand its car sharing program with Zipcar. Ten cars are being added at five new locations. A survey showed 60 percent of customers postponed purchasing a vehicle because of car sharing.

Contactless Credit Cards—The Next Step in Regional Fare Payment? Mr. Taube stated that with the increasing popularity of contactless bank and credit cards, transit systems are already hearing from their customers, wondering why they cannot simply use their bank card at the faregate, rather than using a transit fare card. Unfortunately, it is not quite so simple, since there are several issues that would need to be resolved, including transaction time, transaction history, and how to deal with massive numbers of small dollar transactions.

NVTC Financial Items for May, 2006

The financial reports were provided to commissioners and there were no questions.

Other NVTC Business

Mrs. McConnell stated that it would be beneficial to have a briefing on the BRAC Commission at a future meeting, since providing transit to Ft. Belvoir will need to be addressed. Chairman Connolly stated that the commonwealth has said it will not provide funding assistance.

Mr. Taube reminded commissioners that there is no August meeting.

Adjournment

Without objection, Chairman Connolly adjourned the meeting at 9:30 P.M.

Approved this 7th day of September, 2006.

Gerald E. Connolly
Chairman

William D. Euille
Secretary-Treasurer