

MINUTES
NVTC COMMISSION MEETING – FEBRUARY 5, 2009
ROOM 3 EAST, GENERAL ASSEMBLY BUILDING
RICHMOND, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Zimmerman at 5:55 P.M.

Members Present

Sharon Bulova
Adam Ebbin
William D. Euille
Jay Fiset
John Foust
Corey Hill (alternate)
Mary Hynes
Jeffrey McKay
David F. Snyder
Christopher Zimmerman

Members Absent

David Albo
Charles Badger
Kelly Burk
Jeffrey Greenfield
Catherine Hudgins
Mark R. Herring
Pat Herrity
Joe May
Thomas Rust
Paul Smedberg
Mary Margaret Whipple

Staff Present

Kala Quintana
Rick Taube

Oath of Office for New Commissioner

Chairman Zimmerman administered the oath of office to John Foust, Supervisor from the Dranesville District of Fairfax County.

Minutes of the January 8, 2009 NVTC Meeting

Mr. Euille moved, with a second by Mrs. Hynes, to approve the minutes. The vote in favor was cast by commissioners Bulova, Ebbin, Euille, Fisetete, Foust, Hill, Hynes, McKay, Snyder and Zimmerman.

FY 2010 State Transit Grant Applications

Mr. Taube asked the commission to approve Resolution #2122, which retroactively approved state aid applications submitted by NVTC staff to meet DRPT's February 2, 2009 deadline.

The eligible amounts requested on behalf of WMATA, local bus systems and VRE totaled \$260.6 million, but Mr. Taube noted that DRPT will have insufficient funding to provide the full amount requested, unless the General Assembly acts to fill the gap.

Mr. Euille moved approval of Resolution #2122 and Mrs. Bulova seconded. The unanimous vote in favor was cast by commissioners Bulova, Ebbin, Euille, Fisetete, Foust, Hill, Hynes, McKay, Snyder and Zimmerman.

NVTC Financial Items for December, 2008

There were no comments or questions on the monthly report presented by Mr. Taube.

Legislative Items

The following three items were discussed jointly with the Northern Virginia Transportation Authority:

Metro Compact Amendments: Delegate Ebbin explained his HB 2596 to amend the WMATA Compact in order for Virginia to qualify for a share of \$1.5 billion of new federal funding for WMATA. His bill as introduced was identical to the version passed by the District of Columbia Council. However, a substitute was adopted in committee and is now on the House floor that is identical to Senator Whipple's SB 1511. Both bills currently do not contain a provision that would require federal funding as a condition for new federal Metro Board members. Delegate Ebbin mentioned that his bill may be amended in the Senate to restore it to its original form which would lead to a conference. Also, even if the bills are passed in their current form the Governor may

ultimately choose to amend the bill to restore the restrictive provision regarding federal board members, if necessary to conform to the compact amendments passed by D.C. and Maryland.

Chairman Zimmerman stated that the Virginia and Maryland DOT secretaries favor the clean version of the bills.

Delegate Ebbin left the meeting.

Budget Amendments 449 1h and 449 1s: Mr. Taube distributed a memorandum explaining the unintended consequences of these amendments. The objective of the amendments, supported by the Virginia Transit Association and NVTC, is to provide more operating assistance funds to transit operators relative to capital assistance. However, because Northern Virginia receives a higher proportion of capital assistance relative to operating than does the rest of the state, the method used in the budget amendment penalizes Northern Virginia. For example, in FY 2009 the loss would be \$2.1 million.

Mr. Taube went on to explain that even if the budget amendment does not pass, Northern Virginia was hurt in FY 2009 by DRPT's policy of funding Metro Matters and VRE primarily from the Mass Transit Fund with a much lower matching ratio than received by projects funded by bonds. His memorandum offered proposed language to address both issues.

He went on to report that VTA's Executive Director, Linda McMinimy, has already spoken with the patrons and obtained their agreement to revise the amendments to incorporate the language in the memo addressing the first issue-- the loss of revenue due to the shift of capital to operating within the MTF. The new language would provide flexibility for each transit system, after it receives its state grant for FY 2010, to ask DRPT for permission to shift some capital funding to operations. This would eliminate the adverse redistributive effect in the original language.

Because the problem appears to be solved, no action was requested.

Changes to NVTC/PRTC Motor Fuels Tax: Mr. Taube distributed a memorandum describing SB 1532, Senator Saslaw's bill that would apply a 2.1% tax on sales within NVTC and PRTC of motor fuels by distributors while eliminating the current 2% tax on retail sales of gasoline. Mr. Taube pointed out that the fiscal impact statement for the bill predicts a net revenue gain for the commission due to the higher rate and the patron is reported to believe that improved compliance would also yield increased revenues.

Mr. Taube went on to point out that the predicted revenue effect depends crucially on the assumed retail markup, which varies by firm and for which no hard evidence exists. If the fiscal impact statement assumed an average markup of 8% instead of 4%, then the commissions would lose \$1.7 million annually instead of gaining

\$400,000. Published references support retail markups of almost 10% and retail stations currently for sale in Fairfax County report margins of 8% or higher.

In light of this uncertainty but with due deference to the patron's expertise in this industry, Mr. Fisette moved that the commission approve the staff recommendation to work with the patron of the bill to refine it to guarantee at least as much revenue under the new approach as would occur under the current approach. To accomplish this, at a minimum the new tax rate should be higher than 2.1%. Mr. Snyder seconded the motion. It was adopted unanimously with affirmative votes from commissioners Bulova, Euille, Fisette, Foust, Hill, Hynes, McKay, Snyder and Zimmerman.

Members of the Northern Virginia Transportation Authority were participating in the legislative discussion. Ms. Pandak made an identical motion, seconded by Mr. Maller. That motion also passed unanimously for NVTA.

NVTA and NVTC members went on to discuss several additional legislative issues, led by Mr. Biesiadny. Mrs. Hynes distributed copies of a January 27, 2009 resolution adopted by the Arlington County Board regarding the I-95/395 HOT lanes project. It concludes that the Categorical Exclusion to NEPA granted by FHWA was improperly approved. The resolution withholds the support of Arlington County for the project until the county's questions and concerns are adequately addressed. Mr. Nohe reminded the group of several actions taken by the Prince William County Board of Supervisors to express disapproval of portions of the project.

Ms. Pandak mentioned an idea she heard expressed that NVTA should use stimulus funds to take over the I-95/395 HOT lanes project so it could be more responsive to local needs.

Mr. Snyder mentioned that TPB can begin to play a more active role in influencing stimulus project decisions if Northern Virginia believes the commonwealth is making unwise project choices.

Mr. Snyder also suggested NVTC should commend WMATA and local transit systems for excellent performance on Inauguration Day.

Adjournment

Chairman Zimmerman adjourned the NVTC meeting at 6:55 P.M.

Approved this 5th day of March, 2009.

Christopher Zimmerman
Chairman

William Euille
Secretary-Treasurer