



**NVTC COMMISSION MEETING**

**[JOINT MEETING WITH THE  
NORTHERN VIRGINIA TRANSPORTATION AUTHORITY]  
THURSDAY, FEBRUARY 3, 2011  
5:30 PM**

**CONFERENCE ROOM 3 WEST  
GENERAL ASSEMBLY BUILDING  
RICHMOND, VIRGINIA**

NOTE: Special meeting time and location.

**1. Minutes of the NVTC Meeting of January 6, 2011.**

Recommended Action: Approval.

**2. VRE Items.**

Report from the VRE Operations Board and VRE's Chief Executive Officer.

Information Item.

**3. NVTC's FY 2012 Application for State Transit Assistance.**

The commission is asked to authorize NVTC staff to apply for state transit assistance on behalf of NVTC's member jurisdictions.

Recommended Action: Approve Resolution #2167.

**4. NVTC Financial Items for December, 2010.**

Information Item.



**5. Legislative Item (Joint Discussion with the Northern Virginia Transportation Authority).**

Copies of NVTC's approved legislative agenda have been widely distributed. The status of state and federal legislative actions will be reviewed.

Discussion Item.



Agenda Item #1

MINUTES  
NVTC COMMISSION MEETING – JANUARY 6, 2011  
NVTC CONFERENCE ROOM – ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Hudgins at 8:02 P.M.

**Members Present**

Sharon Bulova  
Kelly Burk  
Barbara Comstock  
John Cook  
Thelma Drake  
Adam Ebbin  
William D. Euille  
Jay Fiset  
John Foust  
Jeffrey Greenfield  
Catherine Hudgins  
Mary Hynes  
Jeffrey McKay  
Paul Smedberg  
David F. Snyder  
Mary Margaret Whipple  
Christopher Zimmerman

**Members Absent**

Mark R. Herring  
Joe May  
Thomas Rust

**Staff Present**

Rhonda Gilchrest  
Scott Kalkwarf  
Greg McFarland  
Adam McGavock  
Kala Quintana  
Rick Taube  
Dale Zehner (VRE)

Chairman Hudgins welcomed everyone to NVTC's new office location.

### Minutes of the December 2, 2010 NVTC Meeting

On a motion by Mrs. Bulova and a second by Mr. Smedberg, the commission unanimously approved the minutes. The vote in favor was cast by commissioners Bulova, Burk, Cook, Drake, Ebbin, Euille, Fiset, Foust, Greenfield, Hudgins, Hynes, Smedberg, Whipple and Zimmerman. Mr. McKay and Mr. Snyder abstained.

### VRE Items

Report from the VRE Operations Board and VRE Chief Executive Officer. Mr. Zehner reported that ridership for the month of December was 17,400 which was down slightly from November but can be explained because of the holidays. On-time performance for December was 92 percent for the Fredericksburg line and 85 percent for the Manassas line. Prince William County added another 180 parking spaces to the Broad Run station to address capacity issues. This parking lot is now the second largest parking lot in the VRE system. Design work has begun on a parking deck for this station. Mr. Zehner also stated that commissioners will be receiving individual invitations to VRE's legislative reception for House and Senate members to be held on January 26, 2011 in Richmond.

Approval of FY 2012 VRE Capital and Operating Budget, Revisions to the FY 2011 Budget and Master Agreement Amendment. Mrs. Bulova reported that the VRE Operations Board recommends approval of Resolution #2161, which would approve VRE's FY 2012 capital and operating budget as well as revisions to VRE's FY 2011 budget. For FY 2012 VRE would continue to operate 30 revenue trains each workday with projected average daily ridership of 17,350. There would be no fare increase and total jurisdictional subsidy would be reduced to \$15.9 million, down \$126,000 from FY 2011. With an amendment to VRE's Master Agreement, Alexandria and Arlington would no longer be required to increase their payments by five percent annually and could share in the overall subsidy reductions.

Mrs. Bulova explained that with passage by NVTC of Resolution #2161 (and similar action by PRTC), VRE's FY 2012 budget would be forwarded to participating and contributing jurisdictions for their consideration under the terms of the VRE Master Agreement. The amendment to the Master Agreement would also be forwarded to the jurisdictions for their action.

Mrs. Bulova moved, with a second by Mr. Smedberg, to approve Resolution #2161 (copy attached). The vote in favor was cast by commissioners Bulova, Burk, Cook, Drake, Ebbin, Euille, Fiset, Foust, Greenfield, Hudgins, Hynes, McKay, Smedberg, Snyder, Whipple and Zimmerman.

Extend CSXT Operating Agreement. Mrs. Bulova stated that the current operating agreement with CSXT needs to be extended through July 31, 2011 on the

same terms while negotiations on a revised agreement continue. Resolution #2162 would accomplish this.

On a motion by Mrs. Bulova and a second by Mr. Smedberg, the commission unanimously approved the resolution (copy attached). The vote in favor was cast by commissioners Bulova, Burk, Cook, Drake, Ebbin, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Smedberg, Snyder, Whipple and Zimmerman.

Extend Norfolk Southern Operating Agreement. Mrs. Bulova also reported that the agreement with Norfolk Southern needs to be extended. Resolution #2163 would extend the current operating agreement with Norfolk Southern through July 31, 2011 on the same terms while negotiations on a revised agreement continue.

Mrs. Bulova moved, with a second by Mr. Smedberg, to approve Resolution #2163 (copy attached). The vote in favor was cast by commissioners Bulova, Burk, Cook, Drake, Ebbin, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Smedberg, Snyder, Whipple and Zimmerman.

Keolis Contract Modifications. Mrs. Bulova stated that the VRE Operations Board recommends approval of Resolution #2164, which would increase the contract with Keolis Rail Services Virginia LLC for operating and maintenance services by \$2,085,000 to a new total not to exceed \$20,544,348 through June 30, 2011. It also removes the requirement that Keolis indemnify VRE for all liability claims up to \$5 million, effective July 1, 2011. Several items are being added to the contract, including service enhancements and increased locomotive maintenance. Liability insurance costs are passed through to VRE and have been greater than anticipated, so VRE will remove the indemnification requirement and will rely on its own insurance coverage.

Mrs. Bulova moved, with a second by Mr. Smedberg, to approve Resolution #2164 (copy attached). The vote in favor was cast by commissioners Bulova, Burk, Cook, Drake, Ebbin, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Smedberg, Whipple and Zimmerman. Mr. Snyder abstained.

### Election of Officers for 2011

Chairman Hudgins reported that NVTCs executive committee served as the nominating committee and has recommended the following slate of officers for 2011:

Chairman:	Bill Euille
Vice-Chairman:	Jay Fisette
Secretary-Treasurer:	Jeff McKay

There were no other nominations. Mrs. Hynes moved, with a second by Mr. Zimmerman, to approve the slate of officers. The vote in favor was cast by commissioners Bulova, Burk, Cook, Drake, Ebbin, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Smedberg, Snyder, Whipple and Zimmerman.

Chairman Hudgins administered the oath of office to Mr. Euille, Mr. Fiset and Mr. McKay. Commissioners congratulated the new officers.

Chairman Euille presented an award to Cathy Hudgins and thanked her for her outstanding service as NVTC chairman during 2010. He also announced that Mrs. Hudgins will be appointed to serve as the chairman of the WMATA Board for 2011. Mrs. Hudgins thanked NVTC's executive committee, staff and commissioners for working with her over the past year.

### Metro Items

Mr. Zimmerman clarified that he did not resign from the WMATA Board but completed his term on the Board.

Mrs. Hudgins reported that in November, the commission adopted a process and schedule for discussions with the Commonwealth on WMATA governance, funding and safety. All the scheduled meetings have occurred and a summary of the discussions has been drafted into a letter to be sent to Governor McDonnell. Work still needs to be done on reaching agreement on how to provide more Commonwealth participation in WMATA. The letter asks the Commonwealth to work with NVTC to develop a collaborative agreement but not at the expense of local representation.

Delegate Comstock arrived at 8:17 P.M. and joined the discussion.

Mrs. Hudgins moved, with a second by Senator Whipple, to authorize NVTC's chairman to sign and send the letter to the governor.

Mrs. Drake stated that the position of the Commonwealth is that there should be one principal representative from the Commonwealth and one from Fairfax County, one alternate from the City of Alexandria and one alternate from Arlington County on the WMATA Board.

Mr. McKay suggested a wording change on page two, paragraph four of the letter to begin with "In the interim, we will continue to work..." Mrs. Hudgins and Senator Whipple both agreed to include this friendly amendment. There were no objections.

Mrs. Burk observed that although it is a little bit early, Loudoun County will begin to participate soon with WMATA given the expansion of the Metro system in the Dulles Corridor. The county will expect that it will have a seat at the table once the county starts contributing funds. Chairman Euille replied that this has been noted and discussed as an issue that will need to be resolved.

Mr. Snyder stated that as he has watched this particular issue evolve and with his experience as a regular Metro rider for many years, as well as seeing other systems in other countries that are adequately funded, in his view, governance plus adequate funding equals safety. To deal with the issue of governance without dealing with adequate funding will fall far short of what the systems needs, the region needs, and

what the Commonwealth needs. Any discussion that is not directly connected with increased funding will not provide a way for the Metro system to return to its first class status and provide the safety and reliability that riders have the right to expect. As a Metro rider, he has been asked to pay his fair share and has done so. As localities, they have paid their fair share. It appears to him that the shortfalls are at the state and federal levels. Therefore to deal with governance that is separate from discussions of increased funding from the state is a serious and tragic mistake. Mr. Snyder stated that funding is the number one significant issue and that, unless it is addressed, Metro's problems will not be solved. In his opinion, \$50 million annually from the Commonwealth is not an adequate amount.

Mr. Snyder suggested that the letter be changed so that the first sentence of the third paragraph reads: "The local government members of NVTC's board believe there is value in having the Commonwealth participate in the oversight of WMATA and welcome the Commonwealth as a partner in addressing various operating and capital challenges, including the safety, reliability, increased funding and long-term viability of the transit system on which our region and the Commonwealth so critically depend." The maker and seconder of the motion agreed to include this friendly amendment into the main motion. There were no objections.

Mrs. Hudgins stated that the letter conveys a clear message that funding is part of the solution. There needs to be a comprehensive discussion of all of these issues.

Mr. Cook stated that it is easy to demand that someone else pay more money. He suggests that if there is going to be a funding discussion then it is counter productive to say that the only discussion is that the Commonwealth needs to pay more. Everyone is facing funding challenges—federal, state and local governments. He asked about the status of the Board of Trade study and any other discussions that are occurring. Mrs. Hudgins replied that the Board of Trade study has been completed and received by the WMATA Board.

Mr. McKay stated that the Riders Advisory Council has also issued a report and the Government Accounting Office will release its report in a few months. Mr. Cook expressed his hope that all of these entities are coordinating these discussions. Mr. McKay explained that many of the recommendations would require WMATA Compact amendments, which is a long process requiring an act of Congress. Mr. Cook asked if there is a way for NVTC to provide regular updates on these various discussions. Mr. McKay stated that the RAC and Board of Trade studies are available. Mrs. Hudgins noted that both studies have executive summaries. Mr. Taube responded to Mr. Cook's request stating that staff could provide regular updates. Mrs. Drake also noted that the signatories report will be released shortly and the Congressional Research Service's report (2010) is also informative.

Mr. Snyder stated that it would be interesting if WMATA could generate data on what funding it would need to maintain a high level of service. Also, what other states contribute to transit.

The commission then voted on the motion to send the letter to Governor McDonnell, incorporating the requested changes. The vote in favor was cast by commissioners Bulova, Burk, Cook, Ebbin, Euille, Fisetto, Foust, Greenfield, Hudgins, Hynes, McKay, Smedberg, Snyder, Whipple and Zimmerman. Commissioners Comstock and Drake voted no. The motion passed.

### Selection of NVTC Representatives to Boards and Committees

Chairman Euille announced NVTC nominations for the WMATA, VRE and VTA boards:

#### WMATA Board:

Principals:	Cathy Hudgins Mary Hynes	Alternates:	Jeff McKay Bill Euille
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#### VRE Operations Board:

Principals:	Sharon Bulova John Cook Chris Zimmerman Paul Smedberg	Alternates:	Jeff McKay  Jay Fisetto Rob Krupicka
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#### VTA Board:

Principals:	Chris Zimmerman Bill Euille	Alternates:	Jeff McKay Rick Taube
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#### NVTC Legislative Committee

William Euille  
Tom Rust  
Mary Margaret Whipple  
Catherine Hudgins  
Mary Hynes  
Jeff Greenfield  
Dave Snyder  
Kelly Burk

#### NVTC Executive Committee

Bill Euille (chairman)  
Jay Fisetto (vice-chairman)  
Jeff McKay (secretary-treasurer)  
Mary Margaret Whipple  
(General Assembly)  
Mary Hynes (WMATA Board)  
Catherine Hudgins (immediate  
past chairman)

Mr. Taube explained that Resolution #2165 has been updated to reflect Jeff McKay serving as alternate for VTA replacing Senator Whipple. Mrs. Bulova noted that the Fairfax County Board of Supervisors does not meet until January 11, 2011, so the action would be contingent on county action.

Mrs. Hudgins moved, with a second by Mr. Zimmerman, to approve Resolution #2165 (copy attached). The vote in favor was cast by commissioners Bulova, Burk, Cook, Comstock, Drake, Ebbin, Euille, Fisetto, Foust, Greenfield, Hudgins, Hynes, McKay, Smedberg, Snyder, Whipple and Zimmerman.



### Selection of NVTC Signatories and Pension Trustees

Mr. Taube explained that Resolution #2166 would establish that Mr. McKay, as NVTC's new secretary-treasurer, is eligible to sign NVTC documents (including financial transactions) and to serve as a trustee of NVTC's Employees' Pension Trust.

On a motion by Senator Whipple and a second by Mr. Smedberg, the commission unanimously approved the resolution (copy attached). The vote in favor was cast by commissioners Bulova, Burk, Cook, Comstock, Drake, Ebbin, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Smedberg, Snyder, Whipple and Zimmerman.

### Public Hearing on and Approval of NVTC's 2011 Work Program and Schedule

Mr. Taube stated that NVTC's draft work program and schedule have been posted on the website for a month for review by the public. Local staff discussed the work program in November and December.

Chairman Euille opened the meeting for public comment at 8:39 P.M.

Mr. Allen Muchnick, Board Member of the Virginia Bicycling Federation, stated that to get people out of their cars, the region needs to make it easier and safer to use other means of travel, including bicycles. He is glad to see that bicycle usage is a part of NVTC's work program. However, the WMATA Comprehensive Report on Bus and Pedestrian Access Improvement Study should be included. The study includes some very ambitious goals for bicycle usage and access to Metro. The study includes itemized bicycle recommendations for four case stations in Northern Virginia (Braddock, Huntington, Ballston and Vienna). NVTC staff and the MAC Advisory Group should review the formal report and look to help implement the recommendations.

Mr. Muchnick stated that in regards to VRE, there has not been much improvement for bicycle access to VRE stations. VRE's website needs more specific information about bike access and available storage. It would be helpful to include photos of bike rack and locker locations at the stations.

In response to a question from Delegate Ebbin, Mr. Zehner stated that VRE could add more bicycle information to its website. In response to a question from Delegate Comstock, Mr. Muchnick stated that having two to four bike lockers at each station would be a good start. Lockers are safer and more secure for serious bicyclists compared to bike racks.

Mr. Ed Tennyson, of Vienna, Virginia, thanked NVTC for its excellent work over many years. As to the Metro issues the region is facing, NVTC must work to restore

good management at WMATA. The WMATA Board must not micro-manage but must set policies that are both constructive and feasible. They must realize that WMATA contends with government tax receipts that are way down and cannot pay exorbitant bills. Metrobus must be reorganized to be more efficient and cost effective. Metrobus costs \$1.24 per passenger mile in 2009 while Metro rail costs only \$0.48 per passenger mile, about the same as VRE. Mr. Tennyson suggested that NVTC and WMATA adopt more useful and meaningful transit data measures to see how well management is performing. Passenger-miles are the prime purpose so they must be measured and FTA requires it.

Mr. Tennyson also stated that NVTC should get a periodic report on the cost and revenue by passenger-mile for bus and rail separately. Merged together, they are meaningless. It is important to see a year-to-year comparison of costs and revenues, as well as passenger miles, cost per vehicle hour by bus and rail, with a peer group comparison (such as MBTA, MTA, SEPTA, L.A. and Chicago). He urged NVTC not to look at cost per passenger or cost per vehicle-mile because cost per hour is much more consistent. It is also important to receive reports on Metro on-time performance.

Mr. Robert Whitfield, of the Dulles Corridor Users Group, stated that it is time for NVTC to be radically restructured or merged into another entity. NVTC says it is a transportation commission but in reality it only promotes transit and doesn't talk about roads and highways. The needs of over 90 percent of the people in this region are not being served by NVTC. He stated that he will ask the General Assembly to investigate what can be done. He does not know how to restructure NVTC but the people living outside the Beltway need to be addressed. He stated that NVTC's website/tagline [www.thinkoutsidethecar.org](http://www.thinkoutsidethecar.org) should be changed.

Mr. Jesse Weiss, of Alexandria, Virginia, stated that in response to Mr. Whitfield's comments, the region will never be able to build enough lanes to keep up with people trying to drive to and from work and school. The region needs alternatives. With the projections of increased gasoline prices looming in the near future, people will be looking to transit more and more. He also observed that the Metro system feeds people into the District, but there needs to be connections for east to west transit travel. He encouraged commissioners to ride the system. Connections between transit services could be better coordinated.

Mrs. Bulova noted that NVTC's history and purpose is to serve as an advocate for transit. There are other organizations that deal with roads and transportation planning. She asked Mr. Taube to respond to Mr. Whitfield's comments. Mr. Taube explained that the General Assembly created NVTC and its objectives did not include transportation planning or operating transportation services. He stated that specialization is often a good thing and it works for NVTC. NVTC's mission statement accurately reflects what NVTC is doing and is consistent with the General Assembly's intent for NVTC:

To serve the public by providing a forum for elected officials to achieve an effective regional transportation network. Focusing primarily on transit, NVTC will develop strategies, identify funding sources,

advocate for additional funding, prioritize allocations, oversee transit systems such as VRE and WMATA, measure and report transit performance and pursue new transit programs. NVTC will work to improve mobility, reduce traffic congestion, protect the environment and stimulate the regional economy by increasing transit and ridesharing use.

Chairman Euille closed the public hearing at 9:02 P.M.

Mr. Zimmerman moved, with a second by Mr. McKay, to approve the 2011 work program and schedule. The vote in favor was cast by commissioners Bulova, Burk, Cook, Comstock, Drake, Ebbin, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Smedberg, Snyder, Whipple and Zimmerman.

#### FY 2012 NVTC Administrative Budget

Mr. Taube stated that the commission is asked to approve the FY 2012 budget. It is the same budget reviewed in September and local staff have reviewed it again in December. For FY 2012, NVTC staff is proposing a reduction in overall spending by 2.2 percent, with total expenditures dropping to \$1.195 million from \$1.221 million in the FY 2011 approved budget. A footnote has been added at the request of DRPT Director Drake to clarify where the state funds originate and flow.

Mrs. Bulova moved, with a second by Mrs. Hynes, to approve the NVTC FY 2012 budget. The vote in favor was cast by commissioners Bulova, Burk, Cook, Comstock, Drake, Ebbin, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Smedberg, Snyder, Whipple and Zimmerman.

#### Legislative Items

Chairman Euille stated that NVTC's 2011 Legislative Agenda has been widely distributed to General Assembly members and other interested parties. Mr. Taube reported that Congress extended the \$230 monthly tax-free transit benefit through calendar year 2011.

#### Regional Transportation Items

Governor's Multimodal Strategic Plan. VTrans 2035 is the current Virginia statewide transportation plan and this strategic plan describes how VTrans 2035 will be implemented by the McDonnell administration.

Pentagon Transit Center Briefing. On December 8, 2010, a briefing for transit staff was held at the Pentagon to describe the status of ongoing security improvements and to anticipate the impacts on transit operators and their customers. Transit staff provided comments that Pentagon staff agreed to consider.

NVTC Financial Items for November, 2010

Commissioners were provided with the financial report and there were no questions.

Adjournment

Chairman Euille reminded commissioners that NVTC's joint meeting with NVTA will be held in Richmond on February 3<sup>rd</sup> in the General Assembly Building from 5:30 – 6:30 P.M. Mr. Smedberg asked staff to send an email to remind commissioners of the change in location and time.

Without objection, Chairman Euille adjourned the meeting at 9:06 P.M.

Approved this 3<sup>rd</sup> day of February, 2011.

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William D. Euille  
Chairman

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Jeffrey McKay  
Secretary-Treasurer



## RESOLUTION #2161

**SUBJECT:** FY 2012 VRE Budget, FY 2011 Budget Revisions and Master Agreement Amendment.

**WHEREAS:** The VRE Master Agreement requires that the commissions be presented with a fiscal year budget for their consideration at their respective January meetings prior to the commencement of the subject fiscal year;

**WHEREAS:** The VRE Operations Board has recommended a FY 2012 budget reviewed by the jurisdictional chief administrative officers task force in cooperation with VRE staff;

**WHEREAS:** The VRE Operations Board has recommended revisions to the FY 2011 budget; and

**WHEREAS:** The VRE Operations Board has recommended an amendment for the VRE Master Agreement.

**NOW, THEREFORE BE IT RESOLVED** that the Northern Virginia Transportation Commission approves the revised FY 2011 and proposed FY 2012 VRE Operating and Capital Budgets recommended by the VRE Operations Board and authorizes staff to forward the FY 2012 budget to the local jurisdictions for inclusion in their budgets in accordance with the Master Agreement.


**BE IT FURTHER RESOLVED** that NVTC also authorizes the executive directors of both PRTC and NVTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and grant applications for FY 2011 and FY 2012.


**BE IT FURTHER RESOLVED** that NVTC also authorizes its executive director to submit to the commonwealth the approved budget as part of the FY 2012 VRE state aid grant applications.



**BE IT FURTHER RESOLVED** that NVTC approves an amendment to Sections VIII A(1)(a) and (b) of the VRE Master Agreement to no longer require Alexandria and Arlington to increase their local VRE subsidies by five percent annually, by striking "...by a factor of 5%" and adding "adjusted upwards or downwards each year by the same percentage of change as the total subsidy allocated among the PARTICIPATING JURISDICTIONS."

Approved this 6<sup>th</sup> day of January, 2011.

  
Secretary-Treasurer

  
Chairman

# NVTC

Northern Virginia Transportation Commission

## RESOLUTION #2162

**SUBJECT:** Extend CSXT's Operating Agreement.

**WHEREAS:** The commissions currently have an amended operating/access agreement with CSXT relating to VRE operations in the Fredericksburg to Washington corridor, with said agreement ending on January 31, 2011;

**WHEREAS:** Staff is currently engaged in ongoing discussions with CSXT concerning a new agreement and does not anticipate conclusion of these discussions prior to the expiration of the amended operating/access agreement;

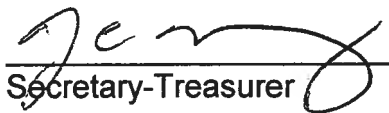
**WHEREAS:** A proposal to extend the existing agreement to July 31, 2011, without any changes, is expected from CSXT;

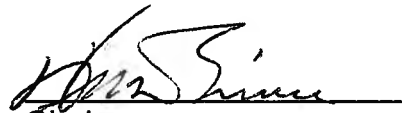
**WHEREAS:** The purpose of this extension is to allow time to negotiate and resolve the outstanding liability issues relating to a new agreement; and

**WHEREAS:** Necessary funding has been incorporated into the FY 2011 and FY 2012 VRE budgets to allow VRE to continue its operations over CSXT tracks via this contract extension.

**NOW, THEREFORE, BE IT RESOLVED THAT** the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to execute an extension of the existing amended operating/access agreement with CSXT to July 31, 2011.

Approved this 6<sup>th</sup> day of January, 2011

  
Secretary-Treasurer

  
Chairman





# NVTC

Northern Virginia Transportation Commission

## RESOLUTION #2163

**SUBJECT:** Extend Norfolk Southern's Operating Agreement.

**WHEREAS:** The commissions currently have an amended operating/access agreement with Norfolk Southern relating to VRE operations in the Manassas to Washington corridor, with said agreement ending on January 31, 2011;

**WHEREAS:** Staff is currently engaged in ongoing discussions with Norfolk Southern concerning a new agreement and does not anticipate conclusion of these discussions prior to the expiration of the amended operating/access agreement;

**WHEREAS:** A proposal to extend the existing agreement to July 31, 2011, without any changes, is expected from Norfolk Southern;


**WHEREAS:** The purpose of this extension is to allow time to negotiate and resolve the outstanding liability issues relating to a new agreement; and

**WHEREAS:** Necessary funding has been incorporated into the FY 2011 and FY 2012 VRE budgets to allow VRE to continue its operations over Norfolk Southern tracks via this contract extension.

**NOW, THEREFORE, BE IT RESOLVED THAT** the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to execute an extension of the existing amended operating/access agreement with Norfolk Southern to July 31, 2011.

Approved this 6<sup>th</sup> day of January, 2011.

  
Secretary-Treasurer

  
Chairman



# NVTC Northern Virginia Transportation Commission

## RESOLUTION #2164

**SUBJECT:** Keolis Contract Modification.

**WHEREAS:** In November, 2009 the commissions approved a contract with Keolis Rail Services Virginia for VRE operating and maintenance services and mobilization in the amount of \$18,459,348 through June 30, 2011;

**WHEREAS:** The contract approval did not include funding for a contingency or for proposed service enhancements;

**WHEREAS:** Authorization is now being sought to modify the contract value to accommodate these and other items; and

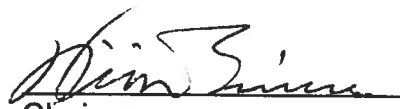
**WHEREAS:** The requirement that the contractor indemnify VRE for the first \$5,000,000 in claims arising from the contract services has been found not to be cost effective and is also proposed for modification.

**NOW, THEREFORE BE IT RESOLVED** that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to increase the contract with the Keolis Rail Services Virginia for operating and maintenance services and mobilization by \$2,085,000 for a total amount not to exceed \$20,544,348 through June 30, 2011.

**BE IT FURTHER RESOLVED** that NVTC authorizes the VRE Chief Executive Officer to remove the requirement that the contractor indemnify VRE for the first \$5,000,000 in claims arising from the contract services, effective July 1, 2011.

Approved this 6<sup>th</sup> day of January, 2011.

  
Secretary-Treasurer

  
Chairman





**RESOLUTION #2165**

**SUBJECT:** Selection of NVTC Representatives to Various Boards.

**WHEREAS:** NVTC is empowered to make appointments for the Board of Directors of the Washington Metropolitan Area Transportation Authority, the Virginia Railway Express and the Virginia Transit Authority;

**WHEREAS:** Some of NVTC's jurisdictions may not formally appoint their NVTC members prior to NVTC's January meeting and some may not be ready with recommendations; and

**WHEREAS:** A group of NVTC members is meeting periodically to discuss WMATA governance, funding and safety and may be ready at some point in the next few weeks or months with revised recommendations on Metro Board membership.

**NOW, THEREFORE, BE IT RESOLVED THAT** the Northern Virginia Transportation Commission hereby appoints the following persons to various boards, contingent upon possible subsequent action by NVTC's jurisdictions to alter their NVTC members for 2011 and their recommendations for members of the various boards, and contingent on potential subsequent action by the commission to implement recommendations to revise the Virginia membership of the WMATA Board.

**BE IT FURTHER RESOLVED THAT** the contingent appointments for 2011 are:

WMATA Board:

Principals

Hon. Cathy Hudgins  
Hon. Mary Hynes

Alternates

Hon. Jeff McKay  
Hon. Bill Euille

VRE Board:

Principals

Hon. Sharon Bulova  
Hon. John Cook  
Hon. Chris Zimmerman  
Hon. Paul Smedberg

Alternates

Hon. Jeff McKay  
  
Hon. Jay Fisette





VTA Board:

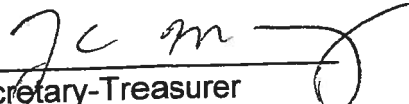
Principals

Hon. Chris Zimmerman  
Hon. Bill Euille

Alternates

Hon. Jeff McKay  
Rick Taube

Approved this 6<sup>th</sup> day of January, 2011.

  
Secretary-Treasurer

  
Chairman

# NVTC

Northern Virginia Transportation Commission

# NVTC

## RESOLUTION #2166

**SUBJECT:** Designation of NVTC Signatories and Pension Trustees.

**WHEREAS:** The Honorable Jeffrey McKay has been elected Secretary-Treasurer of NVTC for 2011; and

**WHEREAS:** NVTC desires that the person holding the office of Secretary-Treasurer be designated as an official signatory as well as a pension trustee.


**NOW, THEREFORE BE IT RESOLVED** that the Northern Virginia Transportation Commission hereby selects the following persons to serve as NVTC signatories (who are eligible to sign individually for any transaction of less than \$5,000 and with one other signatory for transactions of \$5,000 or greater):

Hon. Jeffrey McKay  
Richard K. Taube  
Scott C. Kalkwarf

Secretary-Treasurer  
Executive Director  
Director of Finance and Administration

**BE IT FURTHER RESOLVED** that the individuals listed above shall serve as NVTC employees' pension trustees, with the addition of NVTC's Assistant Financial Officer, Colethia Quarles.

Approved this 6<sup>th</sup> day of January, 2011.

  
William D. Euille  
Chairman

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Jeffrey McKay  
Secretary-Treasurer





AGENDA ITEM #2

**TO:** Chairman Euille and NVTC Commissioners  
**FROM:** Rick Taube  
**DATE:** January 27, 2011  
**SUBJECT:** VRE Items

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Attached are performance reports from VRE's Chief Executive Officer and the minutes of the VRE Operations Board's January 21, 2011.

VRE's officers for 2011 are:

Chairman: Sharon Bulova  
Vice-Chairman: Wally Covington  
Secretary: Paul Smedburg  
Treasurer: Susan Stimpson



# CHIEF EXECUTIVE OFFICER'S REPORT

January 2011

## MONTHLY DELAY SUMMARY

	September	October	November	December
<b>System wide</b>				
Total delays	86	65	80	68
Average length of delay (mins.)	30	19	31	27
Number over 30 minutes	20	10	17	16
Days with Heat Restrictions/Total days	0/21	0/20	0/20	0/21
On-Time Performance	86.4%	88.9%	86.4%	88.7%
<b>Fredericksburg Line</b>				
Total delays	51	35	34	22
Average length of delay (mins.)	19	18	28	25
Number over 30 minutes	6	4	9	3
On-Time Performance	82.7%	87.5%	87.6%	92.2%
<b>Manassas Line</b>				
Total delays	35	30	46	46
Average length of delay (mins.)	49	20	34	28
Number over 30 minutes	14	6	8	13
On-Time Performance	89.6%	90.1%	85.3%	85.6%

## SYSTEM RIDERSHIP

December is usually our lowest ridership month of the year. However, the average daily ridership for December is higher than September's, when there is a bump in ridership, once the week in between Christmas and New Year's is factored out. The total number of December trips in 2010 was 8.5% higher than in December 2009. Once the number of service days is taken into account, monthly ridership for December 2010 compared to December 2009 indicates an increase of 13.7%; while year-to-date ridership is 7.6% higher than last year.

January is another month where we see a rise in ridership and this month is no exception as the highest ridership day was on January 6, 2011 with 19,912 riders. In fact, four days in January so far have already posted in the top ten ridership days as shown below.

1	January 6, 2011	19,912
2	November 16, 2010	19,540
3	November 9, 2010	19,526
4	January 11, 2011	19,463
5	January 5, 2011	19,445
6	October 13, 2010	19,322
7	January 4, 2011	19,277
8	December 9, 2010	19,093
9	November 17, 2010	19,213
10	February 17, 2010	19,075

## **SYSTEM ON TIME PERFORMANCE**

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System wide on-time performance (OTP) was 88.7% in December with an OTP of 92.2% on the Fredericksburg Line and 85.6% on the Manassas Line. While these are respectable numbers, with Fredericksburg OTP over 90%, mechanical delays continued to plague performance, especially on the Manassas Line. We have audited our mechanical operation and have made necessary improvements. During the first week of January, system wide performance was 96% on time, with Fredericksburg at 96.7% while Manassas had 96.3% and no delay over 30 minutes during the same week.

## **GAINESVILLE-HAYMARKET EXTENSION**

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The VRE CEO signed the Addendum to the Rail Enhancement Fund (REF) agreement for the Gainesville-Haymarket Extension project on September 14, 2010 and returned it to DRPT for signature by NS and DRPT. The award of the consultant contract for environmental review and preliminary engineering is pending the execution of this Addendum.

## **BROAD RUN TRAIN WASH/CROSSROADS WAREHOUSE**

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STV/RWA continues its design efforts for the train wash facility at the Broad Run yard and a new warehouse at the Crossroads yard. VRE is currently reviewing the 30% design submittal.

## **WOODBIDGE STATION EXPANSION**

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VRE received Operations Board approval in October to issue a task order to HDR, Inc. for the design of a Kiss & Ride facility at the Woodbridge Station. VRE subsequently issued the task order and a Notice to Proceed. A concept design was submitted to Prince William County in early November and is still under County and VDOT review. Upon agency acceptance, the formal design process will commence.

VRE anticipates design completion in early 2011, followed by construction in the spring or summer.

## **LOCOMOTIVE PROCUREMENT**

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A second, new locomotive (V51) was delivered on December 30<sup>th</sup> and has completed all testing. The V51 went into service during the second week in January. The third locomotive (V52) was delivered to Broad Run yard on January 8<sup>th</sup> and will go into service during the third week of January.





## **BROAD RUN PARKING EXPANSION**

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The parking lot constructed by Prince William County is complete and open for use. The project added 179 spaces to the station for a total capacity of 1,064 spaces.

**MONTHLY PERFORMANCE MEASURES – DECEMBER 2010**

<b>MONTHLY ON-TIME PERFORMANCE</b>	<b>ON-TIME PERCENTAGE</b>
December Fredericksburg OTP Average	92.2%
December Manassas OTP Average	85.6%
<b>VRE DECEMBER OVERALL OTP AVERAGE</b>	<b>88.7%</b>

<b>RIDERSHIP YEAR TO DATE</b>	<b>RIDERSHIP</b>
VRE FY 2011 Passenger Totals	2,111,767
VRE FY 2010 Passenger Totals	1,962,888
<b>PERCENTAGE CHANGE</b>	<b>7.6%</b>

<b>RIDERSHIP MONTH TO MONTH COMPARISON</b>	
<b>DESCRIPTION</b>	<b>MONTHLY RIDERSHIP</b>
DECEMBER 2010	332,424
DECEMBER 2009	306,319
PERCENTAGE CHANGE	13.7% NORMALIZED
SERVICE DAYS (CURRENT/PRIOR)	21/22

# Monthly Ridership and OTP: December 2010

Date	Manassas AM	Manassas PM	Total Manassas	Actual OTP TD	Fred'burg AM	Fred'burg PM	Fred'burg Total	Actual OTP TD	Total Trips	Actual OTP TD
1	4,001	3,957	7,958	100%	5,013	5,213	10,226	100%	18,184	100%
2	4,105	4,133	8,238	56%	5,154	5,279	10,433	86%	18,671	70%
3	3,664	3,417	7,081	94%	4,244	4,728	8,972	100%	16,053	97%
4										
5										
6	4,220	3,995	8,215	94%	4,937	4,985	9,922	100%	18,137	97%
7	4,894	4,529	9,423	100%	4,527	5,048	9,575	93%	18,998	97%
8	4,289	4,267	8,556	58%	5,073	5,166	10,239	64%	18,795	60%
9	4,444	4,311	8,755	94%	5,038	5,300	10,338	100%	19,093	97%
10	3,558	3,568	7,126	100%	4,264	4,493	8,757	100%	15,883	100%
11										
12										
13	4,267	4,255	8,522	69%	4,671	4,905	9,576	71%	18,098	70%
14	4,566	4,373	8,939	81%	4,809	4,944	9,753	86%	18,692	83%
15	4,343	4,133	8,476	94%	4,774	5,031	9,805	93%	18,281	93%
16	4,297	3,932	8,229	94%	4,797	4,855	9,652	86%	17,881	90%
17	3,023	2,838	5,861	63%	3,260	3,939	7,199	100%	13,060	80%
18										
19										
20	4,074	3,969	8,043	94%	4,738	4,575	9,313	100%	17,356	97%
21	3,602	3,221	6,823	81%	4,776	4,301	9,077	79%	15,900	80%
22	3,491	3,170	6,661	100%	4,333	4,104	8,437	100%	15,098	100%
23	2,253	2,000	4,253	88%	2,396	2,342	4,738	100%	8,991	94%
24										
25										
26										
27	1,956	2,164	4,120	94%	2,584	2,508	5,092	100%	9,212	97%
28	2,776	2,898	5,674	69%	3,588	3,163	6,751	93%	12,425	80%
29	2,483	2,496	4,979	88%	3,638	3,223	6,861	100%	11,840	93%
30	1,898	1,884	3,782	100%	2,361	2,494	4,855	88%	8,637	94%
31										
	76,204	73,510	149,714	86%	88,975	90,596	179,571	92%	329,285	89%
	Adjusted total:		127,064		Adjusted Total:		154,255	Adjusted Total:	281,319	
	# of Service Days:		16		Total Trips This Month:		332,424	Adjusted Total:	281,319	
	Manassas Daily Avg. Trips:		9,357	Adjusted Avg.:	7942	Prior Total FY-2011:	1,779,343			
	Fred'burg Daily Avg. Trips:		11,223	Adjusted Avg.:	9641	Total Trips FY-2011	2,111,767			
	Total Avg. Daily Trips:		20,580	Adjusted Avg.:	17,582	Total Prior Years:	48,489,212			
					Grand Total:	50,600,979				

Note: Adjusted Averages & Totals include all VRE trips taken on Amtrak trains, but do not include "S" schedule days.  
 \* designates "S" schedule day

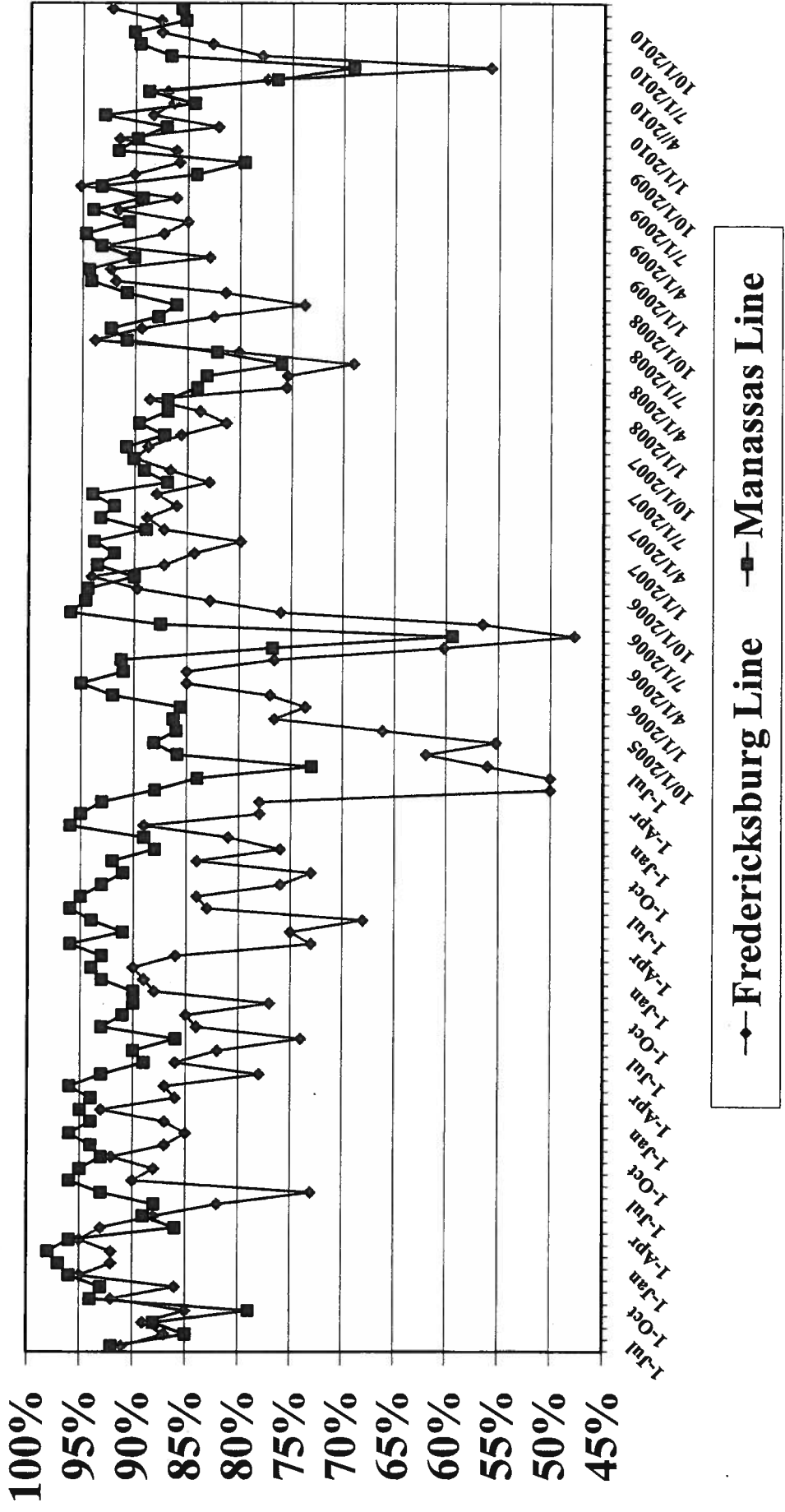
# Monthly Ridership Changes: FY 2010 v. FY 2011

Current Month	MANASSAS				FREDERICKSBURG			
	Cumulative FY2010	Cumulative FY2011	% change	Cumulative FY2010	Cumulative FY2011	% change	Current Total	% change
July	163,100	177,199	8.6%	179,830	183,554	2.1%	360,753	5.2%
August	317,944	356,554	12.1%	351,580	369,561	5.1%	726,115	8.5%
September	479,425	531,826	10.9%	528,890	560,951	6.1%	1,092,777	8.4%
October	646,968	687,461	6.3%	707,230	749,050	5.9%	1,436,511	6.1%
November	795,248	842,550	5.9%	861,321	936,793	8.8%	1,779,343	7.4%
December	945,530	992,422	5.0%	1,017,358	1,119,345	10.0%	2,111,767	7.6%
January	1,110,585			1,185,171				
February	1,234,347			1,307,174				
March	1,430,590			1,511,240				
April	1,611,255			1,702,807				
May	1,778,326			1,876,822				
June	1,963,430			2,069,800				

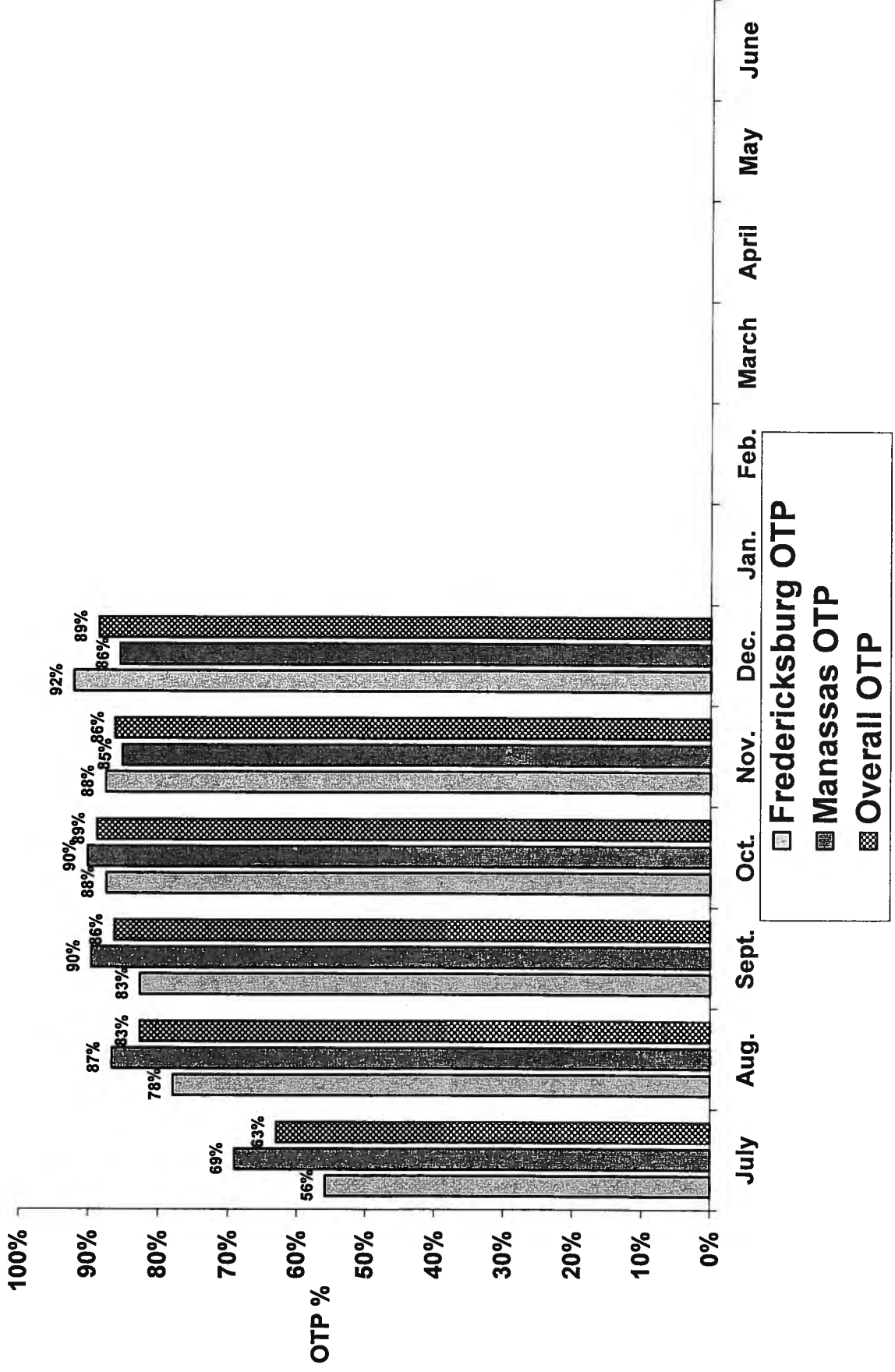
\*Ridership figures are shown in passenger trips. Includes Amtrak cross honor train riders.

# On-Time Performance

July 2001 – December 2010

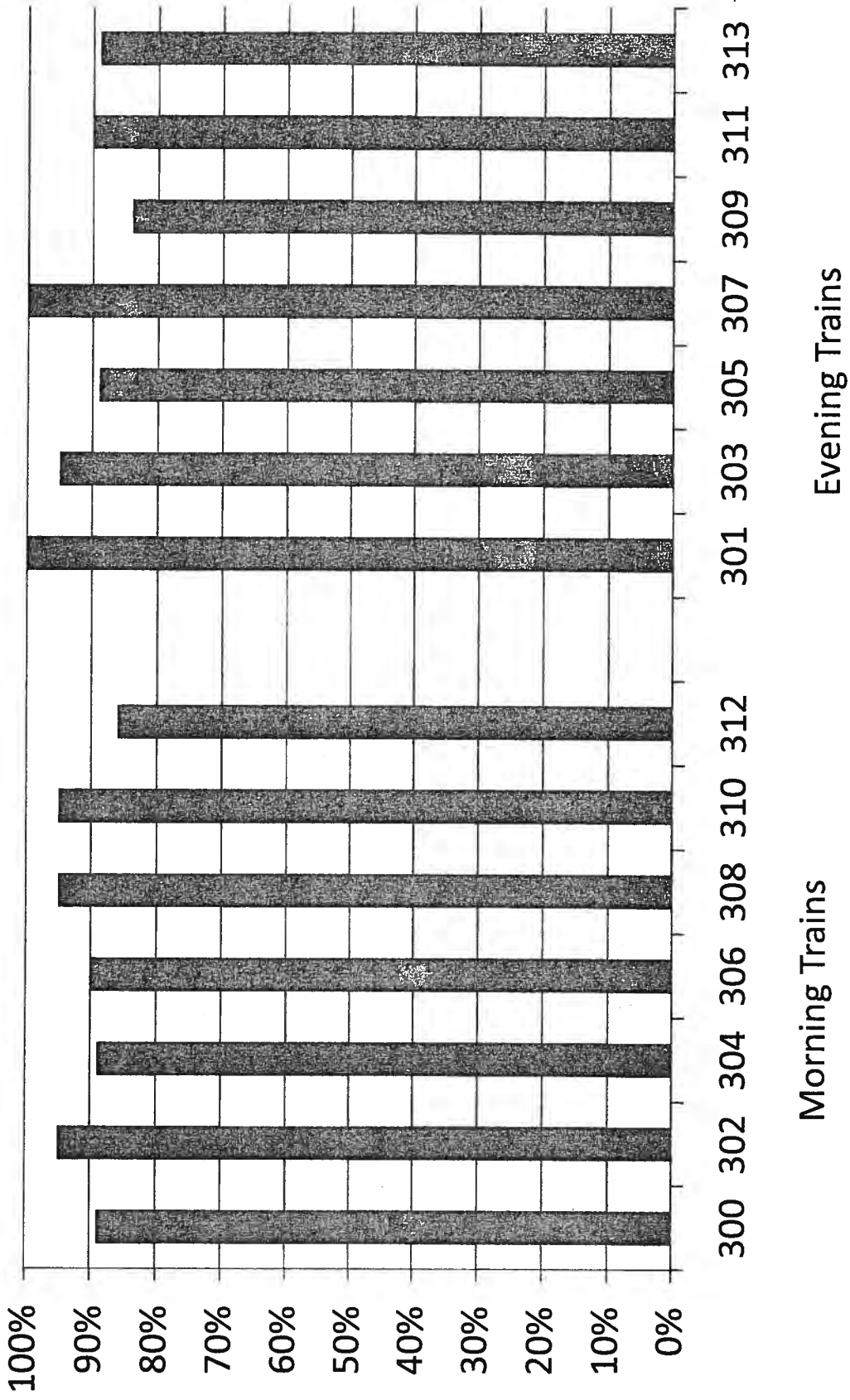


# Average On-Time Performance FY-2011



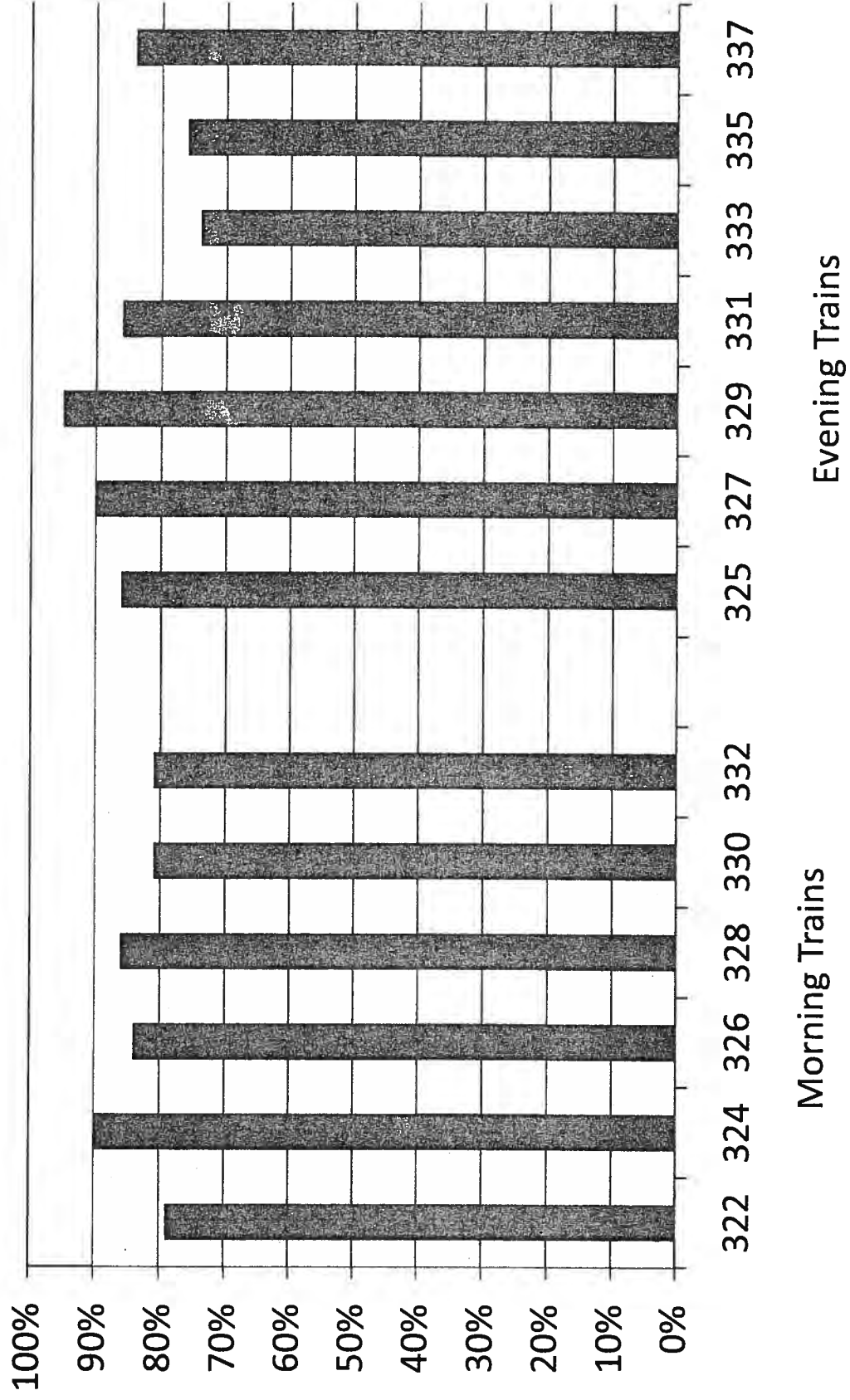
# On-Time Performance By Train

## Fredericksburg Line - December 2010



# On-Time Performance By Train

## Manassas Line – December 2010





## FINANCIAL STATISTICS FOR DECEMBER 2010

Copies of the December 2010 Operating Budget Report are attached.

Fare income for the month of December 2010 was \$64,669 below the budget – an unfavorable variance of 2.58%. The cumulative variance for the year is 5.22% or \$779,833 above the adopted budget. Revenue in the first six months of FY 2011 is up 7.1% over FY 2010. This positive variance is the result of higher than budgeted ridership. Amended budget amounts are reflected in these calculations.

A summary of the financial results (unaudited) as of December 2010 follows. Detail on the major revenue and expense categories is provided in the attached Operating Budget Report.

Measures		Goal	Actual
Operating Ratio		55%	80%
<b>Budgeted Revenue</b>	75,139,103		
Budgeted Revenue YTD	36,362,282		
Actual Revenue YTD	36,943,324		
Cumulative Variance	581,042		581,042
Percent Collected FY 07 YTD		48.39%	49.17%
<b>Budgeted Expenses</b>	75,139,103		
Budgeted Expenses YTD	36,934,389		
Operating Expenses YTD	35,799,470		
Cumulative Variance	1,134,919		1,134,919
Percent Collected FY 07 YTD		49.15%	47.64%
<b>Net Income (Loss) from Operations</b>			1,715,961

These figures are preliminary and unaudited.

**VIRGINIA RAILWAY EXPRESS**  
**FY 2010 Operating Budget Report**  
**December 31, 2010**

	CURR. MO. ACTUAL	CURR. MO. BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE \$	%	TOTAL FY11 BUDGET
<b>OPERATING REVENUE</b>							
Passenger Ticket Revenue	2,445,261	2,509,960	15,720,072	14,940,239	779,833	5.2%	30,000,000
Equipment Rental and Other	8,076	12,633	78,844	75,199	3,645	4.8%	151,000
<b>Subtotal Operating Revenue</b>	<b>2,453,337</b>	<b>2,522,594</b>	<b>15,798,916</b>	<b>15,015,438</b>	<b>783,478</b>	<b>5.2%</b>	<b>30,151,000</b>
Jurisdictional Subsidy (1)	-	-	7,503,303	7,503,303	-	0.0%	15,426,787
Federal/State/Other Jurisdictional Subsidy	3,057,450	3,080,549	13,632,355	13,768,840	(136,485)	-1.0%	29,411,316
Appropriation from Reserve	-	-	-	-	-	0.0%	-
Interest Income	1,124	12,550	8,750	74,701	(65,951)	-88.3%	150,000
<b>Total Operating Revenue</b>	<b>5,511,911</b>	<b>5,615,693</b>	<b>36,943,324</b>	<b>36,362,282</b>	<b>581,041</b>	<b>1.6%</b>	<b>75,139,103</b>
<b>OPERATING EXPENSES</b>							
Departmental Operating Expenses	4,121,835	4,962,239	25,597,831	26,897,397	1,299,566	4.8%	53,474,143
Debt Service	1,898,478	1,891,565	6,053,781	6,011,992	(41,789)	-0.7%	13,599,979
Insurance	-	-	4,025,000	4,025,000	-	0.0%	4,025,000
Other Non-Departmental Expenses	-	-	122,858	-	(122,858)	-	4,039,981
<b>Total Operating Expenses</b>	<b>6,020,313</b>	<b>6,853,824</b>	<b>35,799,470</b>	<b>36,934,389</b>	<b>1,134,919</b>	<b>3.1%</b>	<b>75,139,103</b>
<b>NET INCOME (LOSS) FROM OPERATIONS</b>	<b>(508,402)</b>	<b>(1,238,132)</b>	<b>1,143,854</b>	<b>(572,106)</b>	<b>1,715,960</b>		<b>0</b>
<b>CALCULATED OPERATING RATIO</b>							
			<b>80%</b>				

(1) Total jurisdictional subsidy is \$16,070,309. Portion shown is attributed to Operating Fund only.

## Rick Taube

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**From:** Dale Zehner [ceo@traintalk.vre.org]  
**Sent:** Thursday, January 20, 2011 11:13 AM  
**To:** Rick Taube  
**Subject:** Train Talk January 20, 2011 11:04 AM

Train Talk:A Message from the CEO  
January 20, 2011 11:04 AM

### Capacity Issues

I hope that you saw my message in the VRE Update yesterday morning. If you did not get a chance to read it, it is on our website at <http://vre.org/service/newsletter/2011/january.pdf>. The message in the update discusses the measures that I have taken to improve on-time performance. Ensuring that your commute is as on-time as possible is a commitment that I take very seriously.

There is more to VRE service than being on time. The other significant challenge I am facing is capacity. Over the last several months, ridership has been growing by leaps and bounds. As I look at the top ten ridership days that VRE has ever had, all of them are over 19,000 trips a day. One is just shy of 20,000 by about 88 trips. All of our top ten days have occurred October 2010 or later, with half of them occurring this January. For those of you riding our most crowded trains and parking in our most utilized parking lots, I know this comes as no surprise. That's why the focus this month is train capacity (Next month, I'll let you know where we are in expanding parking).

The biggest obstacle to increasing the length or number of trains is the limitations in our train parking in D.C. To address this, I am exploring two options. First, and perhaps easiest to implement, is to take a train set and send it back to Broad Run after its morning run. The train would then head back to D.C. in the afternoon to operate as an afternoon rush hour train. Unfortunately for us, because of the physical layout of our daytime storage yard, taking a six car train set out of D.C. does not mean that we can add six cars to our current service. At best, we can add two cars to train 326/329, our most crowded train in the system, and make it an eight car set. Then we'll be able to add one car to a Fredericksburg Line train. While I have permission from the Operations Board, CSX is concerned about VRE's mechanical reliability. Once we have restored our service to an acceptable on-time performance, I think we'll be in a better position to implement this option.

The second option is to use the L'Enfant storage track as we had proposed last February/March. Ideally, I would like to do this when we can also add more service so that the new service terminates/originates at L'Enfant, rather than eliminating Union Station service from current trains. Another possibility is to add a switch on the north end of the track. This way a train could go into Union Station and then slip back into the storage track. Our Director of Construction and Facilities is working this with CSX. The difficulty with this, especially if we add more service, is having enough rail cars to provide the service. I am working with the Board on the possibility of procuring additional new rail cars. VRE has been very successful starting with a small order and creating the contract so that there are options, and then working towards those options. That is how we came to get 71 new rail cars and 20 new locomotives. If I can cobble together enough money to create a 5 car base order with options, I think we'll be in business.

I'll keep you posted as we get closer to implementing any of these options. I am equally committed to improving the capacity of our trains as I am to improving on-time performance. Hopefully, in a few months, I'll be able to come back to you with some good news.

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For the latest information, don't forget to check out the VRE web site at: <http://www.vre.org>. If you would like to unsubscribe yourself or change your delivery information, simply go to the VRE website at <http://traintalk.vre.org> .

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# MINUTES

## VRE OPERATIONS BOARD MEETING PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA JANUARY 21, 2011

### VIRGINIA RAILWAY EXPRESS

#### BOARD MEMBERS

**SHARON BULOVA**  
CHAIRMAN

**WALLY COVINGTON**  
VICE-CHAIRMAN

**SUSAN STIMPSON**  
TREASURER

**PAUL SMEDBERG**  
SECRETARY

**MAUREEN CADDIGAN**  
**JOHN COOK**  
**THELMA DRAKE**  
**FREDERIC HOWE**  
**JOHN JENKINS**  
**PAUL MILDE**  
**SUHAS NADDONI**  
**GARY SKINNER**  
**JONATHAN WAY**  
**CHRIS ZIMMERMAN**

#### ALTERNATES

**MARC AVENI**  
**HARRY CRISP**  
**MARK DUDENHEFER**  
**BRAD ELLIS**  
**JAY FISETTE**  
**FRANK JONES**  
**ROB KRUPICKA**  
**JERRY LOGAN**  
**MICHAEL MAY**  
**JEFF McKAY**  
**MARTIN NOHE**  
**KEVIN PAGE**  
**JOHN STIRRUP**

**DALE ZEHNER**  
CHIEF EXECUTIVE  
OFFICER

1500 King Street, Suite 202  
Alexandria, VA 22314-2730

MEMBERS PRESENT	JURISDICTION
Sharon Bulova (NVTC)	Fairfax County
John Cook (NVTC)	Fairfax County
Wally Covington (PRTC)	Prince William County
Frederic Howe (PRTC)	City of Fredericksburg
John D. Jenkins (PRTC)	Prince William County
Paul Milde (PRTC)	Stafford County
Suhas Naddoni (PRTC)	City of Manassas Park
Susan Stimpson (PRTC)	Stafford County
Jonathan Way (PRTC)	City of Manassas
Christopher Zimmerman (NVTC)	Arlington County

MEMBERS ABSENT	JURISDICTION
Maureen Caddigan (PRTC)	Prince William County
Thelma Drake	DRPT
Gary Skinner (PRTC)	Spotsylvania County
Paul Smedberg (NVTC)	City of Alexandria

ALTERNATES PRESENT	JURISDICTION
Jerry Logan (PRTC)	Spotsylvania County
Kevin Page	DRPT

ALTERNATES ABSENT	JURISDICTION
Marc Aveni (PRTC)	City of Manassas
Harry Crisp (PRTC)	Stafford County
Mark Dudenhefer (PRTC)	Stafford County
Brad Ellis (PRTC)	City of Fredericksburg
Jay Fiset (NVTC)	Arlington County
Frank C. Jones (PRTC)	City of Manassas Park
Rob Krupicka (NVTC)	City of Alexandria
Michael C. May (PRTC)	Prince William County
Jeff McKay (NVTC)	Fairfax County
Martin E. Nohe (PRTC)	Prince William County
John Stirrup (PRTC)	Prince William County

STAFF AND GENERAL PUBLIC	
John Duque – VRE	April Maguigad – VRE
Kelly Hannon – Free Lance-Star	Betsy Massie – PRTC staff
Al Harf – PRTC staff	Sirel Mouchantaf – VRE
Christine Hoeffner – VRE	Lynn Rivers – Arlington County
Ann King – VRE	Mark Roeber – VRE
Lezlie Lamb – VRE	Mike Schaller – citizen
Mike Lake – Fairfax DOT	Christine Sudry – Amtrak
Bob Leibbrandt – Prince William County	Rick Taube – NVTC staff
Steve Maclsaac – VRE counsel	Dale Zehner – VRE

\*\* Delineates arrival following the commencement of the Board meeting. Notation of exact arrival time is included in the body of the minutes.

Chairman Milde called the meeting to order at 9:33 A.M. Following the Pledge of Allegiance, roll call was taken.

### Approval of the Agenda – 3

Ms. Bulova moved, with a second by Mr. Covington, to accept the agenda. The vote in favor was cast by Board Members Bulova, Cook, Covington, Howe, Jenkins, Logan, Milde, Naddoni, Page, Stimpson, Way and Zimmerman.

### Approval of the Minutes of the December 17, 2010 Operations Board Meeting – 4

Mr. Howe moved, with a second by Ms. Bulova, to approve the minutes. The vote in favor was cast by Board Members Bulova, Cook, Covington, Howe, Jenkins, Logan, Milde, Naddoni, Page, Way and Zimmerman. Ms. Stimpson abstained.

### Installation of New Officers – 5

Chairman Milde introduced the new VRE officers for 2011:

Sharon Bulova, Chairman  
Wally Covington, Vice-Chairman  
Susan Stimpson, Treasurer  
Paul Smedberg, Secretary

Chairman Milde passed the gavel to Ms. Bulova. Mr. Zehner presented a gift of appreciation to Mr. Milde for his outstanding service as Chairman in 2010.

### New Chairman's Comments – 6

Chairman Bulova thanked Mr. Milde for his chairmanship during the past year, which was an exceptional year with VRE's growth in ridership, the successful transition from Amtrak to Keolis, and the changes on the Operations Board with new members joining. Chairman Bulova commended Mr. Milde for setting the tone for a continued positive and constructive culture on the Board.

Chairman Bulova stated that HB 2418 has been introduced by Delegate Albert Pollard that would assess a passenger surcharge for riders boarding at Manassas and Manassas Park VRE stations. The funds collected would be sent to the Northern Neck Economic Development Authority. Mr. Roeber explained that Delegate Jackson Miller introduced legislation that would restrict commercial menhaden fishing. In response, Delegate Pollard put forth HB 2418 which affects only Delegate Miller's district. The funds collected would make up for the loss of the economic development and fishing jobs that would be lost if Delegate Miller's bill passes. Delegate Pollard has stated that he will pull his bill if Delegate Miller agrees to pull his legislation. Hopefully, this

legislation will not have much traction. Mr. Naddoni asked about the economic impact on Delegate Pollard's district if HB 2418 were to pass. Mr. Roeber responded that he has not seen specific analysis on the legislation.

Chairman Bulova stated HB 2016 has been introduced by Delegate Albo that would consolidate PRTC, NVTC and NVTA. She reviewed the different roles of each agency. She asked staff to speak to what would happen to VRE if this legislation passes. Mr. Zehner stated that under a new organization, all VRE's contracts, leases, assets, etc. would all have to be amended, which could be time consuming and expensive. Mr. Roeber stated that there is some serious support for this bill and VRE should be prepared for that. Ms. Stimpson asked if it passes, would it be a viable option to separate out VRE. Mr. Taube stated that VRE is not even mentioned in the bill, which is one of the biggest complications if it were to pass. Therefore, VRE is somewhat of a silent partner in all this. It is important to educate legislators on how this would also impact VRE. If there is no NVTC, then there can be no Virginia members appointed to the WMATA Board, because NVTC is listed in the WMATA Compact. Mr. Jenkins stated that he has signed a letter to the Governor with PRTC's opposition to the legislation. Chairman Bulova stated that NVTA also agreed to send a letter explaining some of the issues. Mr. Milde stated that Stafford County will also send a letter expressing concerns. He suggested providing an estimate of the costs to consolidate compared to the savings associated with consolidation.

Mr. Cook stated that local officials in Northern Virginia in general are making a mistake in their parochial approach to this issue. He stated that if we refuse to engage in any dialogue and say we oppose any change, we run the risk that those people wanting change will make the change without our involvement. He expressed his opinion that some changes are needed, especially to NVTC's structure. He suggested that instead of rallying forces to object to any change at all, we need to be willing to have a dialogue. Chairman Bulova stated that we are engaging in a dialogue by communicating with members of the delegation and the Governor's office about what the effects are of a consolidation, what the roles are of the different organizations, and what the costs are of a consolidation. Mr. Zimmerman stated that we have been calling for a dialogue. NVTC called for a dialogue and discussed a way to accommodate and to include the interests of the local governments who pay for the majority of the costs. The question that needs to be asked is what problem they are trying to solve, and would consolidation solve it or just create other problems. He strongly suggests that Board Members go back to their Boards and Council and make sure they understand the implications and communicate as localities to the legislators.

Mr. Milde moved to send a letter to the Northern Virginia delegation and the Office of the Governor explaining the roles of VRE, PRTC, NVTC and NVTA, as well as the costs associated with consolidation. Mr. Naddoni seconded.

Mr. Naddoni stated that the Manassas Park City Council is in opposition to this legislation but would be open to having a dialogue. Mr. Way stated that Manassas City is also in opposition because of the lack of demonstration of productivity and the desire to protect subregional and local economies. Mr. Way stated that with respect to the motion, VRE's comments should be restricted to VRE and not the other organizations.

Chairman Bulova stated that NVTC and PRTC are parent organizations and it applies to VRE. Mr. Way stated that PRTC has already sent its comments.

Mr. Covington stated that there is an inevitable change of some sort in the air, which will possibly result in some change, but he hopes it will happen over a longer period of time to allow for dialogue. Prince William County has directed its county attorney on how the county titles some of the property it turns over to VRE.

Mr. Cook stated that without seeing the letter, he would need to abstain. His preference would be to see it before it is sent. Chairman Bulova suggested staff circulate the letter to the Board before it is sent.

Mr. Logan reported that the Spotsylvania County Board of Supervisors is preparing a resolution concerning this issue. Mr. Milde stated that many Stafford residents don't want to be considered part of "Northern Virginia." There has been a refusal from the Governor's Reform Commission to have a dialogue. He expressed his concern that part of the motive is more state control of VRE. Mr. Howe expressed his concern that it is important to have "one voice" to effect change. The City of Fredericksburg will be discussing this issue at its next meeting. Chairman Bulova stated that this issue will be on Fairfax County Board of Supervisors agenda. Mr. Page stated that he will abstain from this vote. As Chief of Rail for DRPT, he is unaware of any conversations to take control of VRE. Mr. Harf stated that it is important to send letters before January 27, 2011 because the legislation is scheduled for a subcommittee hearing.

The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Bulova, Covington, Howe, Jenkins, Logan, Milde, Naddoni, Stimpson, Way and Zimmerman. Mr. Cook and Mr. Page abstained.

#### Chief Executive Officer's Report – 7

Mr. Zehner reported that the upcoming VRE legislative reception is all planned and over 100 people have RSVP'd to the January 26, 2011 event in Richmond. He also reported that ridership continues to grow. 6 of the 10 highest ridership days have occurred in January 2011. There are now standees on most trains. VRE has received 3 of the new locomotives and by July 2011, all 20 locomotives will be in service.

#### Operations Board Member's Time – 8

Mr. Jenkins reported that Mr. Zehner was a guest speaker on Channel 23 PWC television, which included a 20 minute spot discussing VRE issues. Mr. Howe stated that he is scheduled to meet with Delegate Rob Whitman to address Fredericksburg Station improvements. It is important to find funding solutions to address the station safety hazards, which includes falling concrete. In regards to parking issues, he met with the Fredericksburg's City Manager to discuss parking. The parking deck is 50 percent utilized by VRE riders. He asked that VRE move forward with a joint effort to look at the parking issues. With fuels costs rising, ridership will continue to increase.



Mr. Zehner stated that he has been in contact with the City Manager and will work to put together a task force.

Mr. Cook stated that the PowerPoint presentation he saw at VRE during his orientation was very insightful and he encouraged others to view it. VRE basically takes 1,000 cars off the roads on an hourly basis. It would be helpful to make cost comparisons of VRE versus how much it cost to build a lane on the highway. When commuting costs are compared, VRE riders are getting a good deal. He suggested laying a foundation for future fare increases by putting this type of information in VRE literature.

Mr. Milde stated that Senator Houck, in response to community concerns in the Mayfield area of Fredericksburg, has introduced a bill that would withhold up to \$41 million in state funds to CSX if the railroad does not agree to limit the time hazardous containers are parked near the community. Chairman Bulova suggested that staff track this bill.

Mr. Logan extended Mr. Skinner's regrets for not being able to attend the meeting. He stated that February 15<sup>th</sup> is Spotsylvania County's first anniversary of being a part of VRE. The county is pleased to be part of VRE and looking forward to opening a station in the county.

#### VRE Riders' and Public Comment – 9

There were no comments.

#### Consent Agenda – 10

Mr. Milde moved, with a second by Mr. Jenkins, to approve the following Consent Agenda item:

Resolution #10A-01-2011: Issue RFP for Marketing and Advertising Sales

The Board voted on the motion and it unanimously passed. The vote in favor was cast by Board Members Bulova, Cook, Covington, Howe, Jenkins, Logan, Milde, Naddoni, Page, Stimpson, Way and Zimmerman.

#### Authorization to Award Contract Options for Purchase and Delivery of Locomotive Fuel to VRE Yards – 11A

Mr. Zehner reported that Resolution #11A-01-2011 would authorize him to exercise the second option year with Quarles Petroleum, Inc. of Fredericksburg, Virginia for fuel at the Crossroads Yard and Griffith Energy Services, Inc. of Manassas, Virginia for fuel at the Broad Run Yard. The contract option with Quarles Petroleum is being recommended in an amount not to exceed \$2.65 million for a one-year period. The contract option with Griffith Energy Services is being recommended in an amount not to exceed \$2.15 million for a one-year period.

Mr. Milde moved to approve the resolution. Mr. Howe and Mr. Covington jointly seconded. The vote in favor was cast by Board Members Bulova, Cook, Covington, Howe, Jenkins, Logan, Milde, Naddoni, Page, Stimpson, Way and Zimmerman.

#### Authorization for Construction Support Services – 11B

Mr. Zehner stated that the VRE Operations Board is being asked to authorize him to execute a personal service contract(s) for an independent contractor(s) in an amount not to exceed \$300,000 for construction support services. Resolution #11B-01-2011 would accomplish this.

Mr. Zehner explained that in November 2007, the Operations Board authorized award of a personal service contract(s) for independent contractor(s) to perform construction support services in an amount(s) of up to \$300,000. Since that time, contracts were executed with independent contractors to perform on-site construction inspections services on various projects including Woodbridge Station Expansion, Quantico Bridge, Manassas Parking Garage, and Crossroads and Broad Run Maintenance Facilities. This approach has proven to be extremely cost effective, yielding substantial cost savings over the issuance of task order work to general engineering consultants. It also allows for flexibility for independent contract(s) to work only when needed/assigned. Based on the current and anticipated program of projects, the previously authorized expenditure limit will be exhausted in the next few months. In consideration of planned projects, including the Broad Run Warehouse, Crossroad Train Wash, Broad Run Platform Extension and the ongoing Fredericksburg Station Renovation Project, VRE staff is recommending this action.

Mr. Milde moved, with a second by Mr. Covington, to approve the resolution. The vote in favor was cast by Board Members Bulova, Cook, Covington, Howe, Jenkins, Logan, Milde, Naddoni, Page, Stimpson, Way and Zimmerman.

#### Authorization to Amend the Parking Lease at Rippon Station – 11C

Mr. Zehner explained that Resolution #11C-01-2011 would authorize him to extend the current lease agreement with Kettler for 320 parking spaces at the Rippon Station in an amount of \$155,370 for one year.

Mr. Jenkins moved, with a second by Mr. Milde, to approve the resolution. The vote in favor was cast by Board Members Bulova, Cook, Covington, Howe, Jenkins, Logan, Milde, Naddoni, Page, Stimpson, Way and Zimmerman.

## Authorization to Execute a Parking Lot Lease at the Fredericksburg VRE Station – 11D

Mr. Zehner stated that the VRE Operations Board is being asked to authorize him to enter into a lease agreement with Jack and Mona Albertine for 40 parking spaces located at 406-408 Lafayette Boulevard in Fredericksburg (Lot E) in an amount not to exceed \$76,800 over a period of three years. Resolution #11D-01-2011 would accomplish this.

Mr. Zehner explained that VRE currently leases several parking lots adjacent to the station that make up much of the parking available to riders originating from Fredericksburg. Parking continues to be a major issue in Fredericksburg with parking utilization consistently over 100 percent.

Mr. Howe asked about the cost differential. Mr. Zehner explained that there were more days requiring snow removal during the last lease period, so he assumes some of these costs have been incorporated into this lease, since they are required to provide all maintenance. There could also be some market demand increasing the price.

Mr. Howe asked if there has been any discussion of purchasing the lots. Mr. Zehner stated that there have been no discussions. Spotsylvania's new station will answer some of the parking demand once it is open. Mr. Howe stated that if the proposed new courthouse is built, the 150 VRE spaces would be taken back from the parking deck. It is important to look at long-term solutions to parking. Mr. Milde suggested that VRE staff and Fredericksburg's City Manager should discuss this. FAMPO might also be involved. The Spotsylvania station will provide some relief.

In response to a question from Mr. Logan, Mr. Zehner stated that he can provide specifics later but the VRE survey shows that there are over 900 riders from Spotsylvania County.

Mr. Howe moved, with a second by Mr. Milde, to approve Resolution #11D-01-2011. The vote in favor was cast by Board Members Bulova, Cook, Covington, Howe, Jenkins, Logan, Milde, Naddoni, Page, Stimpson, Way and Zimmerman.

## Authorization to Conduct Public Hearings Related to Changes to the VRE Tariff – 11E

Mr. Zehner explained that Resolution #11E-01-2011 would authorize him to solicit comment through public hearings related to several proposed changes to the tariff, including reducing the Step-Up fare to \$5, discontinuing group fares, and making changes to the VRE bicycle policy.

Mr. Zehner stated that with ridership growth continuing to increase, staff constantly looks for ways to increase capacity. There are three possibilities to increase capacity. The first option is to reduce the Step-Up charge to \$5 which would shift some of VRE's riders back over to the Amtrak trains. It is estimated that ridership on Amtrak trains would increase to about 60,000 riders per year (up from 26,503 riders in FY 2010) and the annual cost to VRE would be about \$300,000. The second option is to eliminate the

group fare program. VRE currently offers a 50 percent discount off the single ride fare to groups with 10 or more fare-paying passengers. With many of the trains operating over capacity, VRE has received negative comments from its long-term riders about the fact that groups are able to pay half of the ticket price, while a passenger paying full fare that boards further down the line may have to stand. The third option is to limit bicycles to collapsible bicycles only. Currently, bicyclists are permitted to bring a full-size bicycle on the last three trains on both lines. However, a rider with a bicycle takes up four to five seats. There is no fiscal impact expected in regards to the change to group fares or the bicycle policy.

Mr. Zehner explained that because these are fare and service related changes, VRE staff feels the best course of action is to provide riders with a chance to comment on the proposed changes. Public hearings will be held in Alexandria, Woodbridge, Fredericksburg and Manassas, Burke Centre and Washington D.C. In addition, the public can comment via email, fax or letter. Chairman Bulova also noted that Mr. Zehner will hold on-line chat times during February and March. VRE staff will report back to the Operations Board with a summary of comments and recommendation for action on these proposals at the March Operations Board meeting.

Mr. Zimmerman stated that the first option of the Step-Up fare seems to make sense but he questioned instead of discontinuing group rates completely, that VRE look at maybe restricting the time of travel. Although he understands the dilemma of the bicycle issue, the overall goal of transit is aided by bicycle use. Bicycle use also saves parking spaces in the lots. He would be interested in knowing how many people ride with their bicycles, which will be information garnered from the public hearings.

Mr. Jenkins views the Step-Up change as a cost increase of \$1.8 million over the life cycle of six years. He asked if VRE could pull out of this if it was not economically beneficial. Mr. Zehner replied yes, although VRE would have to go through a public hearing for a tariff change. Mr. Jenkins stated that he can support it going to public hearing, but would need to see the data and results of the public hearing before giving his support for the actual initiatives. He has some reservations. Mr. Milde also expressed his concerns. In response to a question from Mr. Milde, Mr. Page stated that Amtrak trains do not allow bicycles unless they are in a box. Mr. Milde asked if VRE can charge a surcharge for bicycles. Board Members discussed different bike sharing and/or rental places available. Chairman Bulova stated that it is important that riders don't assume VRE is making these changes but that VRE is only seeking comment from riders. Mr. Covington stated that it would be helpful to know the costs of secure bicycle storage for outlying stations so people could lock their bikes and not have to bring their bikes onboard.

Mr. Milde moved, with a second by Mr. Howe, to approve Resolution #11E-01-2011.

Mr. Harf suggested for the Step-Up charge, instead of proposing one categorical price, give a range. Providing some policy context is a sensible way of framing the issue and inviting public reaction. The \$230 federal transit benefit is at risk of expiring at the end of calendar year 2011. This benefit is a contributing factor to the overcrowding problem since two-thirds of VRE riders are enjoying this benefit. If the benefit rolls back to \$120,

VRE can expect some easing of overcrowding. Letting people know this allows VRE some flexibility so it doesn't have to return to public hearing if change is needed. Mr. Zimmerman suggested asking legal counsel advice on what scope of advertising to consider and whether VRE can do something temporary. Mr. Maclsaac recommended that the public hearing notice be worded that it would be the maximum reduction of what the rider would be paying. He suggested that for the temporary aspect, it would be better to designate a specific time amount such as "for 12 months" or "to end at the end of calendar year 2011". Mr. Way expressed his understanding that the public hearing is to discuss the merits of these possibilities rather than proposing them for public review. Mr. Harf stated that it is important to inform the public review by helping people understand what the aim is, primarily to address overcrowding. They need policy context.

The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Bulova, Cook, Covington, Howe, Jenkins, Logan, Milde, Naddoni, Page, Stimpson, Way and Zimmerman.

Adjournment

Chairman Bulova suggested The Operations Board have a strategic planning session in late June or July. There will be more information about this at the next meeting.

Without objection, Chairman Bulova adjourned the meeting at 11:14 A.M.

Approved this 18<sup>th</sup> day of February, 2011.

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Sharon Bulova  
Chairman

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Paul Smedberg  
Secretary

**CERTIFICATION**

This certification hereby acknowledges that the minutes for the January 21, 2011 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.



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Rhonda Gilchrest



AGENDA ITEM #3

**TO:** Chairman Eulle and NVTC Commissioners  
**FROM:** Rick Taube and Scott Kalkwarf  
**DATE:** January 27, 2011  
**SUBJECT:** NVTC's FY 2012 Application for State Transit Assistance

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The commission will be asked to authorize NVTC staff to apply for state transit assistance on behalf of NVTC's member jurisdictions. Resolution #2167 will be provided for that purpose. NVTC and jurisdiction staff are still reviewing the proposed application for FY 2012.

# NVTC

Northern Virginia Transportation Commission

# NVTC

## RESOLUTION #2167

**SUBJECT:** Approval of FY 2012 NVTC and VRE State Administrative/FTM, Capital, and Related Grant Applications and Authority to Apply for Funds from the Commonwealth Transportation Board, Federal Transit Administration and other Grant Agencies.

**WHEREAS:** The Northern Virginia Transportation Commission (NVTC) wishes to obtain state and federal grants to help defray NVTC, WMATA, local bus systems and Virginia Railway Express (VRE) operating and capital costs.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission's executive director is authorized, for and on behalf of NVTC and its members, 1) to execute and file an application to the Virginia Department of Rail and Public Transportation (DRPT), for grants of public transportation assistance for the fiscal year 2012 commencing July 1, 2011 in the amount of \$174.2 million to defray the public transportation cost of NVTC and its members for administration, fuels, tires, lubricants and maintenance parts at a matching ratio of 95%; 2) to accept from DRPT grants in such amounts as may be awarded; and 3) to furnish DRPT such documents and other information as may be required for processing the grant request.

**BE IT FURTHER RESOLVED** that NVTC's executive director is authorized, for and on behalf of NVTC and its members, 1) to execute and file an application to DRPT, for grants of public transportation assistance for FY 2012 for capital expenses in an amount that will not exceed \$108.1 million to defray up to 95 percent of the costs borne by NVTC and its members for equipment, facilities and the associated expenses of any approved capital grant; 2) to revise the capital portion of the application to reflect refined estimates by WMATA or local governments when they become available; 3) to accept from DRPT grants in such amounts as may be awarded; and 4) to furnish to DRPT such documents and other information as may be required for processing the grant request.



**RESOLUTION #2167**

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**BE IT FURTHER RESOLVED** that NVTC's executive director is authorized, for and on behalf of NVTC and PRTC and their members, 1) to execute and file FY 2012 VRE applications to DRPT and to seek up to \$11.4 million for FTM and administrative costs and up to \$17.0 million for capital; 2) to revise the application to reflect refined estimates by VRE; 3) to accept from DRPT grants in such amounts as may be awarded; and 4) to furnish to DRPT such documents and other information as may be required for processing the grant request.

**BE IT FURTHER RESOLVED** that NVTC's executive director is authorized to apply for demonstration funds from DRPT of up to \$150,000 to cover the costs of developing a bus virtual server prototype as described in NVTC's approved 2011 work program, with NVTC to provide any required match through in-kind contributions.

**BE IT FURTHER RESOLVED** that NVTC certifies that the funds for all of the above grants will be used in accordance with the requirements of Section 58.1 638.A.4 of the Code of Virginia, that NVTC will provide matching funds in the ratio required by the Act, that the records of receipts of expenditures of funds granted to NVTC may be subject to audit by DRPT and by the State Auditor of Public Accounts, and that funds granted to NVTC for defraying the public transportation expenses of NVTC shall be used only for such purposes as authorized in the Code of Virginia.

**BE IT FURTHER RESOLVED** that NVTC's executive director is authorized, for and on behalf of NVTC and its members, to furnish to TPB, CTB and other state and federal funding agencies such documents, information, assurances and certifications as may be required for pursuing the above grant requests and continuing previously awarded grants.

**BE IT FURTHER RESOLVED** that NVTC's executive director is authorized to amend the above described applications at the request of NVTC's member jurisdictions to include the most recent information and project costs.

Approved this 3<sup>rd</sup> day of February, 2011.

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William Euille  
Chairman

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Jeff McKay  
Secretary-Treasurer



**NVTC  
SUMMARY OF STATE CAPITAL AND FORMULA GRANT ASSISTANCE APPLICATIONS  
FOR FY 2012**

<u>NVTC</u>	<u>FY 12</u>	<u>FY 11</u>	<u>Increase (Decrease)</u>
<b><u>CAPITAL</u></b>			
<b>Local Capital (see schedule A)</b>			
Alexandria	5,375,000	-	5,375,000
City of Fairfax	75,100	13,000	62,100
Fairfax County	34,440,000	23,385,000	11,055,000
Arlington	11,300,000	11,875,500	(575,500)
Falls Church	-	-	-
Total	<u>51,190,100</u>	<u>35,273,500</u>	<u>15,916,600</u>
Eligibility amount @95%	<u>48,630,595</u>	<u>33,509,825</u>	<u>15,120,770</u>
<b>WMATA Capital (see schedule B)</b>			
Capital Funding Agreement	43,604,000	39,630,634	3,973,366
WMATA Debt Service	7,410,462	7,412,486	(2,024)
Metro Matters Program	52,945	57,132	(4,187)
Debt Service - MMs opt out	10,679,126	10,726,626	(47,500)
Project Development	825,000	825,000	-
Total	<u>62,571,533</u>	<u>58,651,878</u>	<u>3,919,655</u>
Eligibility amount @95%	<u>59,442,957</u>	<u>55,719,284</u>	<u>3,723,673</u>
<b>Total Capital</b>	<u>113,761,633</u>	<u>93,925,378</u>	<u>19,836,255</u>
<b>Eligibility amount @95%</b>	<u>108,073,552</u>	<u>89,229,109</u>	<u>18,844,443</u>
<b><u>OPERATING FTM/ADMIN (see schedule C)</u></b>			
Eligibility amount @ 95%			
WMATA	137,263,364	135,993,730	1,269,634
Local	36,933,656	22,248,486	14,685,170
<b>Total operating eligibility</b>	<u>174,197,021</u>	<u>158,242,216</u>	<u>15,954,805</u>
<b><u>VRE</u></b>			
<b><u>CAPITAL (see schedule D)</u></b>			
Total budget (non-federal)	<u>17,867,800</u>	<u>13,507,093</u>	<u>4,360,707</u>
Eligibility amount @ 95%	<u>16,974,410</u>	<u>12,831,738</u>	<u>4,142,672</u>
<b><u>OPERATING FTM/ADMIN</u></b>			
Eligibility amount @ 95%	<u>11,353,863</u>	<u>16,081,341</u>	<u>(4,727,478)</u>

**NVTC  
APPLICATION FOR STATE CAPITAL GRANT ASSISTANCE  
LOCAL CAPITAL  
FY 2012**

**SCHEDULE A**

	<u>TOTAL COST</u>	<u>FEDERAL</u>	<u>NON- FEDERAL</u>
<b>CITY OF ALEXANDRIA</b>			
Construction of Rail Related Facilities	500,000	-	500,000
Other - Route 1 Streetcar Environmental Assessment	500,000	-	500,000
Purchase Expansion Bus 35-ft (7)	4,375,000	-	4,375,000
			-
Total	<u>5,375,000</u>	-	<u>5,375,000</u>
<b>CITY OF FAIRFAX</b>			
Purchase Radios	35,100	-	35,100
Purchase Shop Equipment	40,000	-	40,000
			-
Total	<u>75,100</u>	-	<u>75,100</u>
<b>FAIRFAX COUNTY</b>			
Construction of Bus Facility - West Ox Garage	5,500,000	-	5,500,000
Construction of Bus Facility - Huntington Garage	700,000	-	700,000
Design of Bus Facility - Herndon Garage	200,000	-	200,000
Bus Stop Inventory and Safety Program	1,300,000	-	1,300,000
RTC Additions and Improvements	300,000	-	300,000
Design and Construction - VRE Lorton P&R Facility	250,000	-	250,000
Lighting - VRE P&Rs	200,000	-	200,000
Purchase Expansion Buses	15,900,000	-	15,900,000
Purchase Replacement Buses	5,700,000	-	5,700,000
Engine assembly, spare parts, ACM	450,000	-	450,000
Purchase Support Vehicles	50,000	-	50,000
Purchase Software	40,000	-	40,000
Purchase On-board Video Cameras	1,000,000	-	1,000,000
Purchase AVL	1,100,000	-	1,100,000
Springfellow P&R design	1,000,000	-	1,000,000
Zonar	450,000	-	450,000
Bus Purchase Line Inspections	300,000	-	300,000
			-
Total	<u>34,440,000</u>	-	<u>34,440,000</u>
<b>ARLINGTON</b>			
Purchase Expansion Buses (6)	1,050,000	-	1,050,000
Const. of Bus Related Facility (ART Operations & Admi	1,000,000	-	1,000,000
Const. of Bus Related Facility (ART Maintenance)	6,000,000	-	6,000,000
Bus Stops	150,000	-	150,000
Columbia Pike Streetcar	3,000,000	-	3,000,000
Transit ITS	100,000	-	100,000
			-
Total	<u>11,300,000</u>	-	<u>11,300,000</u>
<b>CITY OF FALLS CHURCH</b>			
	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>
<b>GRAND TOTAL</b>			
	<u>51,190,100</u>	-	<u>51,190,100</u>

**NVTC  
APPLICATION FOR STATE CAPITAL GRANT ASSISTANCE  
WMATA CAPITAL SUBSIDIES  
FY 2012**

**SCHEDULE B**

	<u>Alexandria</u>	<u>Arlington</u>	<u>Fairfax City</u>	<u>Fairfax County</u>	<u>Falls Church</u>	<u>Total</u>
FY 12 CIP Program (a)	6,907,000	12,915,000	436,000	22,894,000	452,000	43,604,000
WMATA Debt Service (b)	1,417,810	2,739,447	46,687	3,168,029	38,489	7,410,462
Metro Matters Program (c)	-	-	-	-	52,945	52,945
Jurisdiction Debt Service - MM Opt Out (d)	769,858	1,603,393	-	8,305,876	-	10,679,126
Project Development (e)	133,000	261,000	6,000	417,000	8,000	825,000
Reimbursable Projects (f)	-	-	-	-	-	-
<b>Total</b>	<b>9,227,668</b>	<b>17,518,840</b>	<b>488,687</b>	<b>34,784,905</b>	<b>551,434</b>	<b>62,571,533</b>

(a) Virginia Compact members' share of FY12 Capital Improvement Program fundable by DRPT. Preventative maintenance has been excluded from the capital assistance request, but included in the operating assistance request according to DRPT requirements.

(b) Gross Revenue Transit Refunding Bonds Series 2003 maturing FY 2014.

(c) Balance due under Metro Matters program for those members who did not opt out of the FY09 debt issue.

(d) Debt Service to be incurred by jurisdictions on their share of debt used to opt out of the Metro Matters FY09 debt issue.

(e) Project Development - a regional reimbursable project stated separately from the FY12 CIP

(f) Reimbursable projects - These are non-regional projects that the individual jurisdictions include on their respective jurisdiction state capital grant requests based upon their understanding of the current year budgeted expenditures.

Actual needs will be reduced to account for carryover grant funding when those amounts are known.

**NVTC  
APPLICATION FOR FTM/ADMIN OPERATING FORMULA ASSISTANCE  
FY 2012**

**SCHEDULE C**

	LOCAL SYSTEMS				TOTAL LOCAL SYSTEMS	Falls Church	NVTC & WMATA	TOTAL NVTC
	Alexandria	City of Fairfax	Fairfax County	Arlington County				
FY10 total operating expenses (certification)	13,361,195	2,768,533	54,547,704	9,339,102	80,016,534	-	356,143,400	436,159,934
FTM	1,607,138	537,025	11,956,191	1,239,684	15,340,038	-	39,036,776	54,376,814
Administrative Expenses	4,638,101	436,416	13,754,145	4,708,833	23,537,495	-	117,591,618	141,129,113
Other Operating Expenses	8,142,090	1,924,369	50,789,926	5,880,729	66,737,114	-	210,758,555	277,495,669
Total Operating Expenses	14,387,329	2,897,810	76,500,262	11,829,246	105,614,647	-	367,386,949	473,001,596
Total Operating Revenue	4,389,000	624,500	12,113,310	3,414,365	20,541,175	-	220,949,148	242,240,773
Deficit	9,998,329	2,273,310	64,386,952	8,414,881	85,073,472	-	146,437,801	230,760,823
Total Federal / Other State Operating Asst	-	-	-	-	-	-	1,950,049	1,950,049
Deficit before State Operating Assistance	9,998,329	2,273,310	64,386,952	8,414,881	85,073,472	-	144,487,752	228,810,774

**NVTC  
VRE  
APPLICATION FOR STATE CAPITAL GRANT ASSISTANCE  
FY 2011**

**SCHEDULE D**

	<u>Total Cost</u>	<u>Federal</u>	<u>Non-Federal</u>
Spotsylvania Third Track	5,900,000	4,720,000	1,180,000
Mid-Day Storage	1,000,000	800,000	200,000
Rolling Stock	5,749,000	4,599,200	1,149,800
Locomotives #19 & #20	4,000,000	-	4,000,000
Rolling Road Platform Extension	2,000,000	1,600,000	400,000
WUT Capitalization Project	2,600,000	2,080,000	520,000
Track Lease	12,890,000	10,312,000	2,578,000
Debt Service - 60 Railcars	4,700,000	3,760,000	940,000
Debt Service - 1998 Bond	6,900,000	-	6,900,000
	<b><u>45,739,000</u></b>	<b><u>27,871,200</u></b>	<b><u>17,867,800</u></b>



AGENDA ITEM #4

**TO:** Chairman Eulle and NVTC Commissioners  
**FROM:** Scott Kalkwarf and Colethia Quarles  
**DATE:** January 27, 2011  
**SUBJECT:** NVTC's Financial Reports for December, 2010

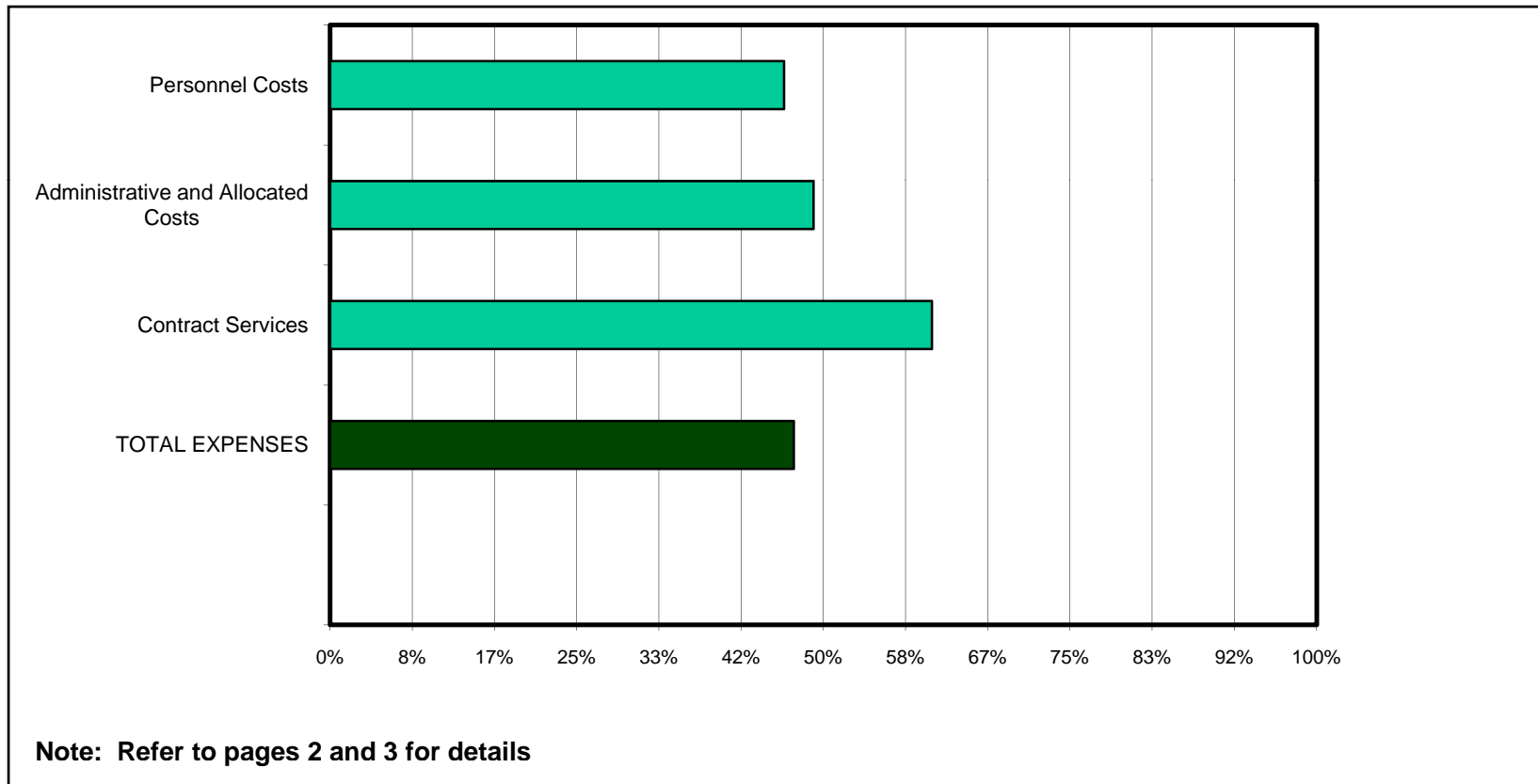
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The reports are attached for your information.

# Northern Virginia Transportation Commission

Financial Reports  
December, 2010

Percentage of FY 2011 NVTC Administrative Budget Used  
December, 2010  
(Target 50% or less)





**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**G&A BUDGET VARIANCE REPORT**  
**December 2010**

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<u>Personnel Costs</u>					
Salaries	\$ 81,589.00	\$ 348,273.79	\$ 737,900.00	\$ 389,626.21	52.8%
Temporary Employee Services	-	-	-	-	
Total Personnel Costs	81,589.00	348,273.79	737,900.00	389,626.21	52.8%
<u>Benefits</u>					
Employer's Contributions:					
FICA	3,069.38	20,873.03	52,400.00	31,526.97	60.2%
Group Health Insurance	5,933.57	34,943.46	80,200.00	45,256.54	56.4%
Retirement	5,240.00	33,740.00	73,700.00	39,960.00	54.2%
Workmans & Unemployment Compensation	93.75	562.50	2,950.00	2,387.50	80.9%
Life Insurance	301.32	1,784.72	4,300.00	2,515.28	58.5%
Long Term Disability Insurance	252.81	1,769.67	3,950.00	2,180.33	55.2%
Total Benefit Costs	14,890.83	93,673.38	217,500.00	123,826.62	56.9%
<u>Administrative Costs</u>					
Commissioners Per Diem	2,150.00	7,500.00	16,850.00	9,350.00	55.5%
<i>Rents:</i>					
Office Rent	17,163.00	97,290.20	182,180.00	84,889.80	46.6%
Parking	15,489.10	92,716.30	170,980.00	78,263.70	45.8%
	1,673.90	4,573.90	11,200.00	6,626.10	59.2%
<i>Insurance:</i>					
Public Official Bonds	1,169.57	1,744.57	4,100.00	2,355.43	57.4%
Liability and Property	900.00	900.00	2,300.00	1,400.00	60.9%
	269.57	844.57	1,800.00	955.43	53.1%
<i>Travel:</i>					
Conference Registration	1,049.34	2,041.04	6,300.00	4,258.96	67.6%
Conference Travel	-	-	-	-	0.0%
Local Meetings & Related Expenses	-	92.74	2,000.00	1,907.26	95.4%
Training & Professional Development	952.34	1,851.30	4,000.00	2,148.70	53.7%
	97.00	97.00	300.00	203.00	67.7%
<i>Communication:</i>					
Postage	662.85	4,221.37	10,200.00	5,978.63	58.6%
Telephone - LD	152.34	1,512.44	4,000.00	2,487.56	62.2%
Telephone - Local	162.17	681.55	1,300.00	618.45	47.6%
	348.34	2,027.38	4,900.00	2,872.62	58.6%
<i>Publications &amp; Supplies</i>					
Office Supplies	1,119.77	5,945.25	13,500.00	7,554.75	56.0%
Duplication	330.75	689.35	3,000.00	2,310.65	77.0%
Public Information	389.02	4,855.90	10,000.00	5,144.10	51.4%
	400.00	400.00	500.00	100.00	20.0%

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION  
G&A BUDGET VARIANCE REPORT  
December 2010**

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<i>Operations:</i>	159.85	1,333.60	8,000.00	6,666.40	83.3%
Furniture and Equipment	-	-	-	-	0.0%
Repairs and Maintenance	-	-	1,000.00	1,000.00	100.0%
Computers	159.85	1,333.60	7,000.00	5,666.40	80.9%
<i>Other General and Administrative</i>	192.64	1,740.22	5,350.00	3,609.78	67.5%
Subscriptions	-	-	-	-	0.0%
Memberships	-	205.00	1,300.00	1,095.00	84.2%
Fees and Miscellaneous	192.64	1,270.86	2,950.00	1,679.14	56.9%
Advertising (Personnel/Procurement)	-	264.36	1,100.00	835.64	76.0%
Total Administrative Costs	<u>23,667.02</u>	<u>121,816.25</u>	<u>246,480.00</u>	<u>124,663.75</u>	<u>50.6%</u>
	<u>Contracting Services</u>				
Auditing	4,320.00	12,320.00	20,000.00	7,680.00	38.4%
Consultants - Technical	-	-	-	-	0.0%
Legal	-	-	-	-	0.0%
Total Contract Services	<u>4,320.00</u>	<u>12,320.00</u>	<u>20,000.00</u>	<u>7,680.00</u>	<u>38.4%</u>
 Total Gross G&A Expenses	<u><u>\$ 124,466.85</u></u>	<u><u>\$ 576,083.42</u></u>	<u><u>\$ 1,221,880.00</u></u>	<u><u>\$ 645,796.58</u></u>	<u><u>52.9%</u></u>

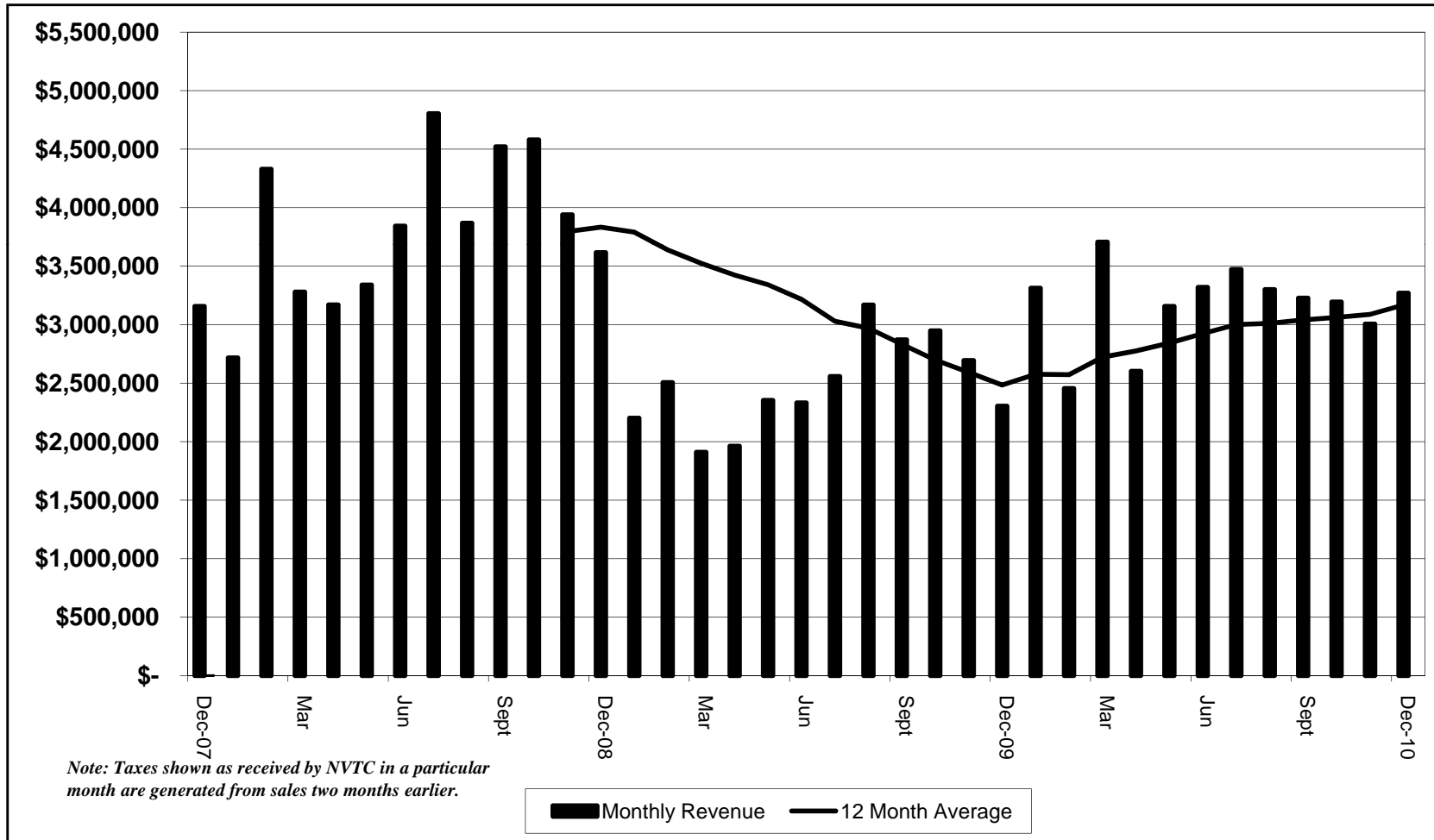
**NVTC**  
**RECEIPTS and DISBURSEMENTS**  
**December, 2010**

Date	Payer/ Payee	Purpose	Wachovia (Checking)	Wachovia (Savings)	VA LGIP	
					G&A / Project	Trusts
<b>RECEIPTS</b>						
2	DRPT	Capital grants receipts				\$ 429,951.00
6	DRPT	Capital grants receipts				1,040.00
7	DRPT	Vanpool project grant receipt			3,162.00	
7	FTA	Vanpool project grant receipt			12,648.00	
8	DRPT	Capital grants receipts				989,448.00
9	DRPT	Capital grants receipts				109,313.00
13	VRE	Reimbursement for staff support		6,314.17		
13	Staff	Reimbursement of expenses		33.15		
13	FTA	Capital grant receipt			106,709.00	
15	Dept. of Taxation	Motor Vehicle Fuels Sales tax receipt				3,268,961.54
16	DRPT	Capital grant receipt				3,051,900.00
21	DRPT	FTM/Admin grant receipt				4,269,759.00
21	DRPT	Capital grant receipt				98,188.00
23	DRPT	Capital grant receipt				708,911.00
31	Banks	Interest earnings		10.78	61.16	21,591.84
			<u>-</u>	<u>6,358.10</u>	<u>122,580.16</u>	<u>12,949,063.38</u>
<b>DISBURSEMENTS</b>						
1-31	Various	G&A expenses	(104,027.63)			
8	Fairfax County	Other capital				(160,000.00)
8	City of Fairfax	Other operating				(132,276.04)
8	WMATA	Other operating				(19,658.00)
9	Vanasse	Consulting - Van pool study	(15,810.01)			
15	Arlington County	Other capital			(106,709.00)	
21	City of Fairfax	Other capital				(12,746.26)
22	Redmon Group	E Schedule project	(1,565.10)			
29	Stantec	Consulting - bus data project	(19,852.25)			
31	Wachovia Bank	Service fees	(38.10)			
			<u>(141,293.09)</u>	<u>-</u>	<u>(106,709.00)</u>	<u>(324,680.30)</u>
<b>TRANSFERS</b>						
21	Transfer	LGIP to checking	150,000.00		(150,000.00)	
29	Transfer	LGIP to LGIP (Bus data project)			19,852.25	(19,852.25)
			<u>150,000.00</u>	<u>-</u>	<u>(130,147.75)</u>	<u>(19,852.25)</u>
<b>NET INCREASE (DECREASE) FOR MONTH</b>			<u>\$ 8,706.91</u>	<u>\$ 6,358.10</u>	<u>\$ (114,276.59)</u>	<u>\$ 12,604,530.83</u>

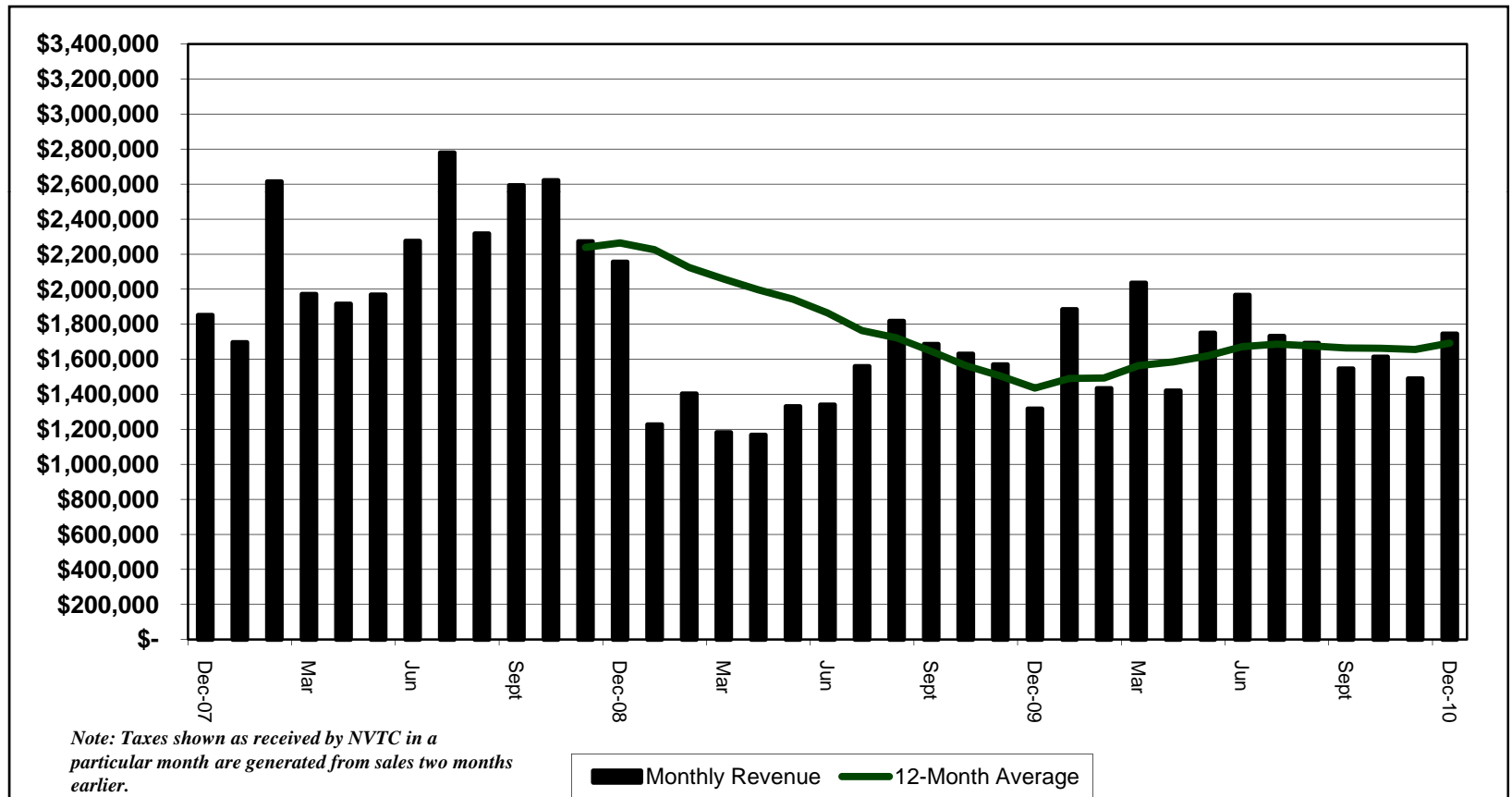
**NVTC  
INVESTMENT REPORT  
December, 2010**

<u>Type</u>	<u>Rate</u>	<u>Balance 11/30/2010</u>	<u>Increase (Decrease)</u>	<u>Balance 12/31/2010</u>	<u>NVTC G&amp;A/Project</u>	<u>Jurisdictions Trust Fund</u>	<u>Loudoun Trust Fund</u>
<b><u>Cash Deposits</u></b>							
Wachovia: NVTC Checking	N/A	\$ 107,092.22	\$ 8,706.91	\$ 115,799.13	\$ 115,799.13	\$ -	\$ -
Wachovia: NVTC Savings	0.500%	250,394.69	6,358.10	256,752.79	256,752.79	-	-
<b><u>Investments - State Pool</u></b>							
Nations Bank - LGIP	0.195%	125,023,933.44	12,490,254.24	137,514,187.68	286,914.25	123,715,100.38	13,512,173.05
		<u>\$ 125,381,420.35</u>	<u>\$ 12,391,042.66</u>	<u>\$ 137,886,739.60</u>	<u>\$ 659,466.17</u>	<u>\$ 123,715,100.38</u>	<u>\$ 13,512,173.05</u>

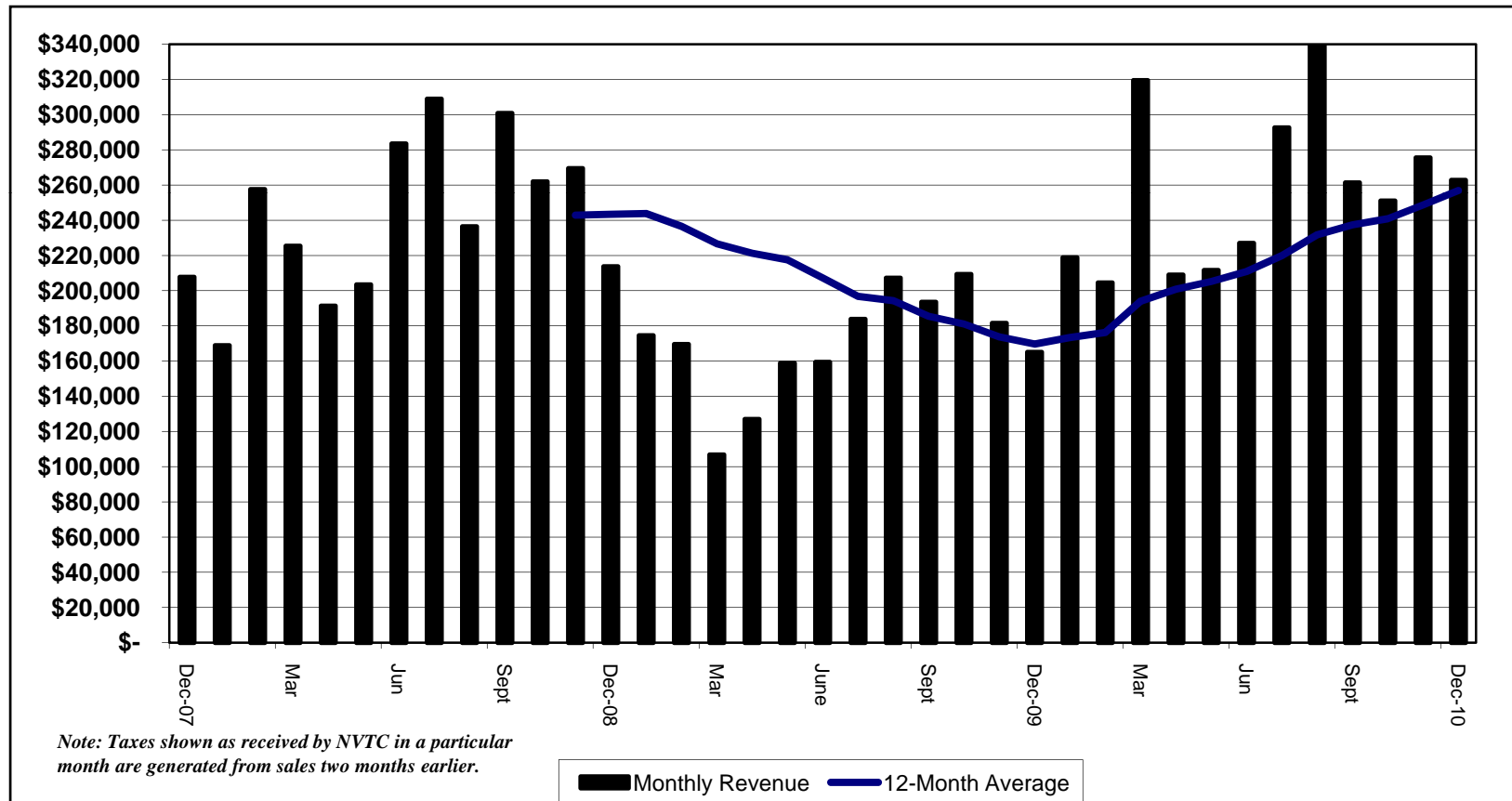
# NVTC MONTHLY GAS TAX REVENUE ALL JURISDICTIONS FISCAL YEARS 2008-2011



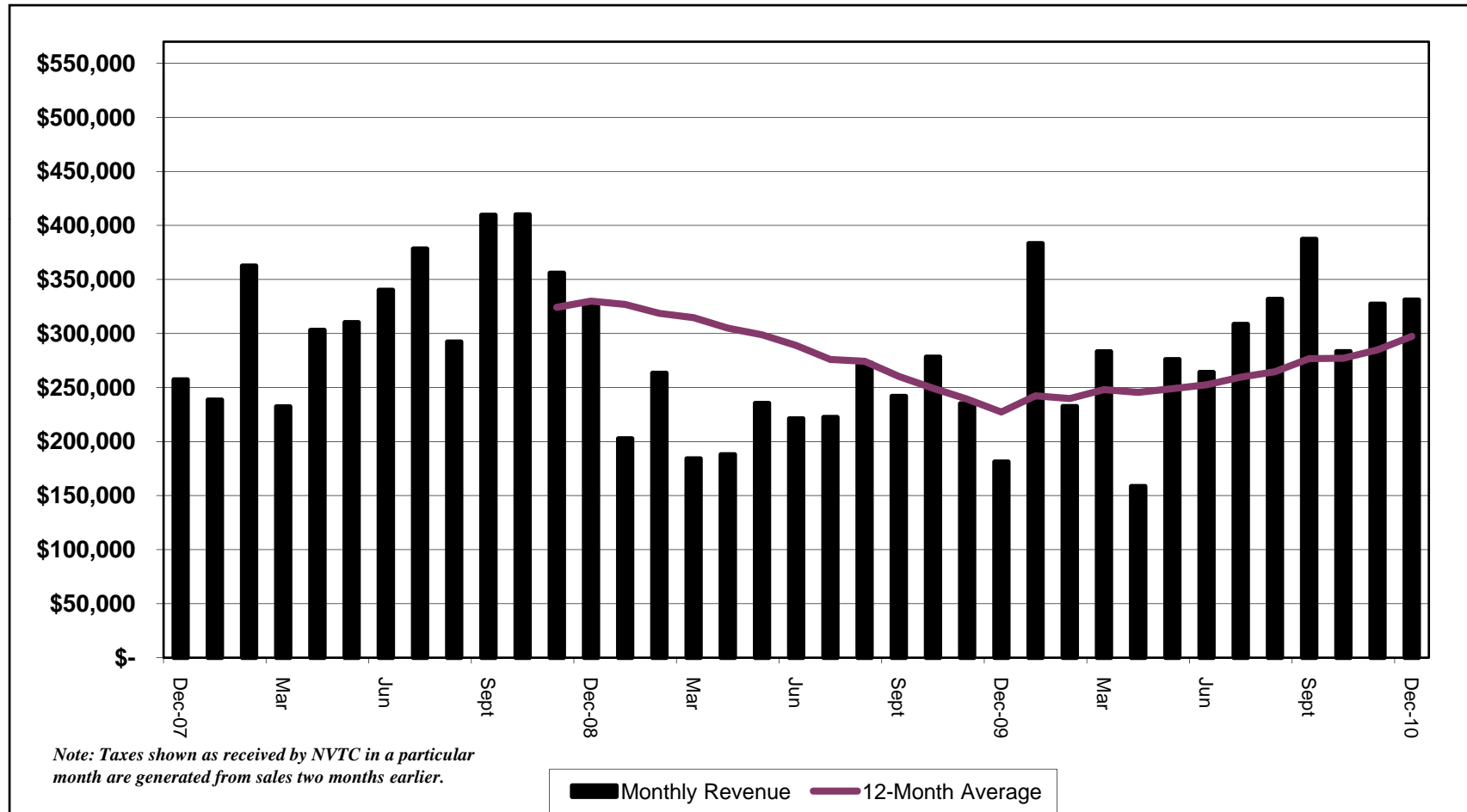
# NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2008-2011



# NVTC MONTHLY GAS TAX REVENUE CITY OF ALEXANDRIA FISCAL YEARS 2008-2011

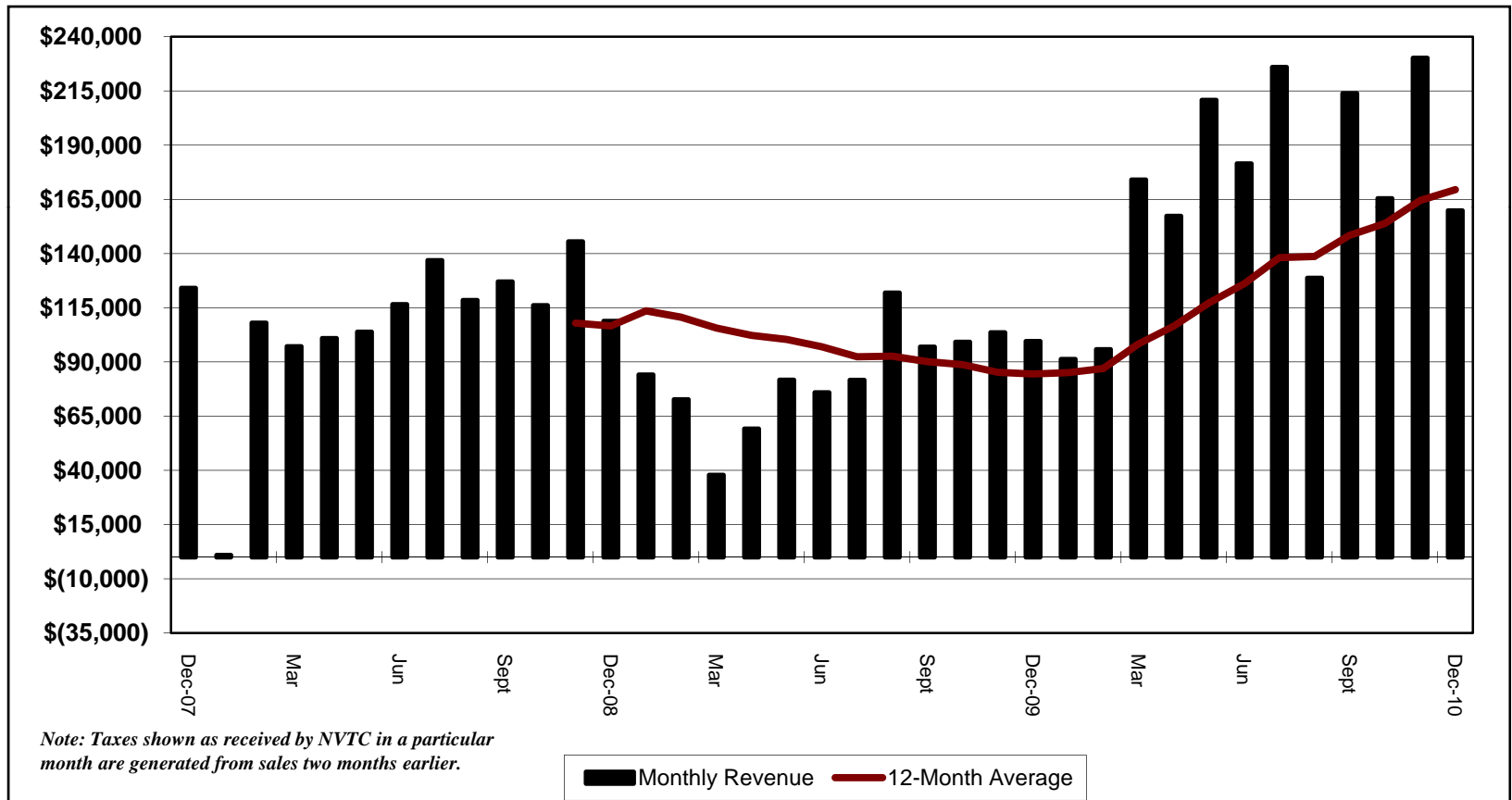


# NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2008-2011

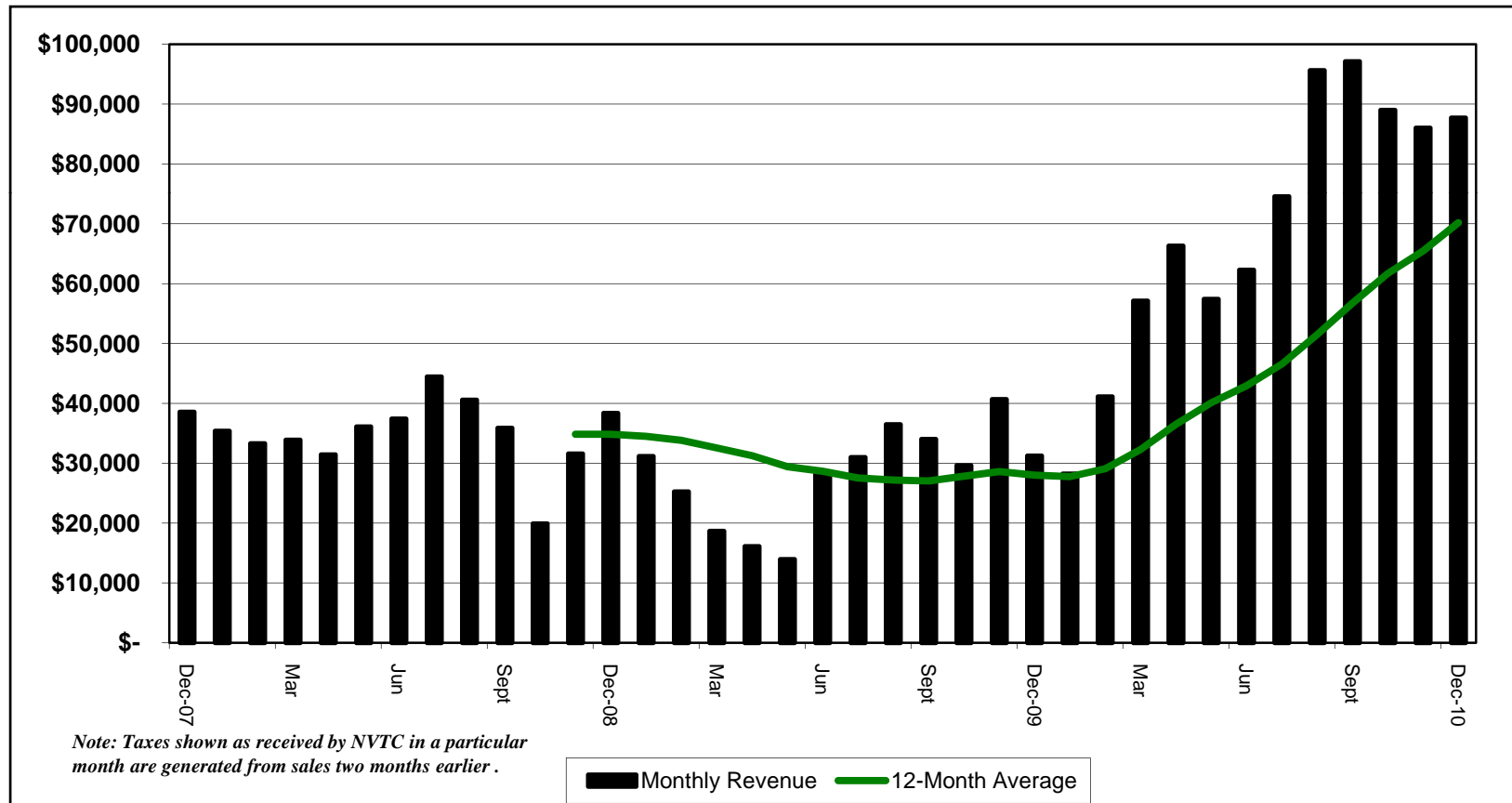




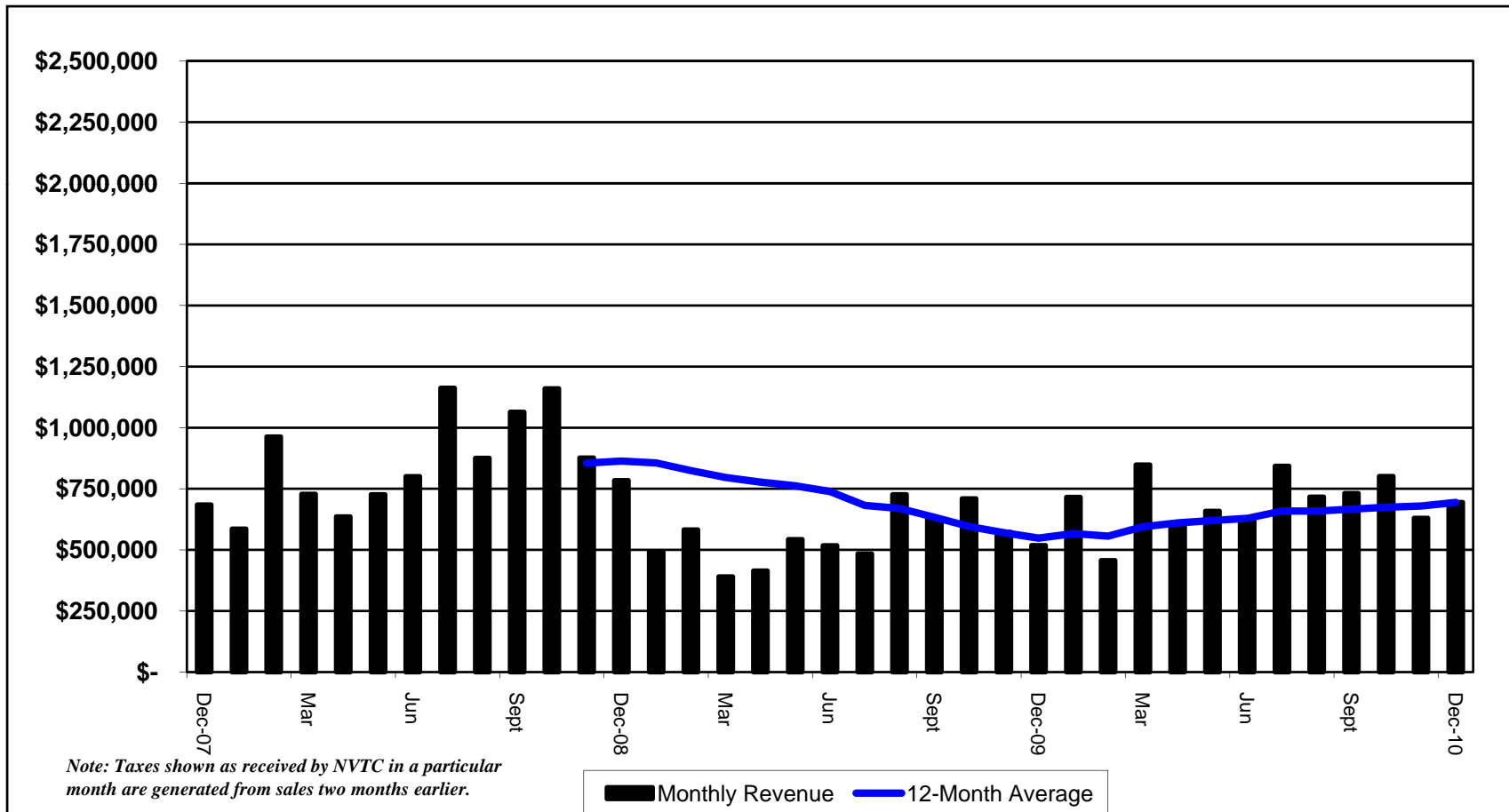
# NVTC MONTHLY GAS TAX REVENUE CITY OF FAIRFAX FISCAL YEARS 2008-2011



# NVTC MONTHLY GAS TAX REVENUE CITY OF FALLS CHURCH FISCAL YEARS 2008-2011



# NVTC MONTHLY GAS TAX REVENUE LOUDOUN COUNTY FISCAL YEARS 2008-2011





AGENDA ITEM #5

**TO:** Chairman Eulle and NVTC Commissioners  
**FROM:** Rick Taube and Kala Quintana  
**DATE:** January 27, 2011  
**SUBJECT:** Legislative Items (Joint Discussion with the Northern Virginia Transportation Authority)

---

Attached for your information are several items pertaining to state and federal legislation of immediate interest to NVTC and its member jurisdictions. Staff and commissioners will review current legislative developments and determine if follow up actions are required.

**PLEASE OPPOSE: HB 2016 (Albo)**  
**The Consolidation of NVTC, PRTC and NVTA**  
**January 24, 2011**

---

- The **Northern Virginia Transportation Commission (NVTC)**, **Potomac and Rappahannock Transportation Commission (PRTC)** and **Northern Virginia Transportation Authority (NVTA)** were each created by the General Assembly at different times in order to address the growing transportation needs in Northern Virginia.
  - **NVTC's** (1964) responsibilities include appointing Virginia's membership of the Washington Metropolitan Area Transit Authority (WMATA) Board, managing Northern Virginia gas tax revenues for its jurisdictions, as well as coordination of transit services.
  - **PRTC** (1986) was established to help create and oversee the Virginia Railway Express (VRE), to manage transportation resource allocations and to provide bus service for its jurisdictions.
  - **VRE** (1992), Northern Virginia's highly successful commuter rail system, began service in 1992 and is jointly owned by NVTC and PRTC, and must be considered in any consolidation proposal.
  - **NVTA** (2002) is tasked with long-range multi-modal transportation infrastructure planning, programming transportation funds to all modes, and serving as an advocate for Northern Virginia's transportation needs.
- In Northern Virginia, transportation spending priorities are developed in a collaborative manner, transit services are effectively and closely coordinated, and territorial conflicts do not exist between the agencies. These organizations are truly complementary and effective. This multi-faceted approach to transportation planning and service delivery in Northern Virginia is unified.
- Currently the three agencies serve widely different territories spanning two Metropolitan Area Planning Organizations (MPO's) covering 2,000 square miles and with a population of nearly 2.5 million people comprising 30% of the total population of the Commonwealth. Consolidating these agencies would result in jurisdictions voting on issues outside their boundaries/interests. The problem is compounded by NVTA's population requirement that changes the usual quorum and majority requirements for voting. Additionally, due to the large geographical area of the proposed agency, travel time for many members would increase significantly, regardless of where the meetings would be held.
- NVTC, PRTC, VRE and NVTA have adopted differing approaches to allocating revenue and shares of their administrative budgets, either statutorily or through other agreements in order to best serve their constituencies. Many of these agreements took years to develop.
- There are significant legal implications arising out of the proposed consolidation.
  - NVTC and PRTC, jointly and individually, hold title to land and property (e.g., bus and rail equipment). They both have contractual obligations, lease commitments, and debt finance obligations, including bonds. VRE alone has \$333 million in assets, \$280 million of which are capital assets.
  - The procedures required to transfer these various obligations require detailed analysis and likely require the consent of all affected parties, including lenders and bondholders. It will likely be necessary to continue at least NVTC and PRTC as legal entities until their respective and shared obligations are transferred.

(continued)

- It is also conceivable that either or both will be required to remain in existence until certain matters, such as bonded indebtedness, are retired. NVTC is also assigned specific duties in the interstate compact governing WMATA. The complexity of consolidation should not be underestimated and should not proceed without a better understanding of these details while providing for them appropriately within the legislation.
- NVTA does not have the statutory, nor the constitutional, authority to indemnify the freight railroads and Amtrak thereby invalidating the \$250 million VRE Insurance Plan and the cornerstone for access to the freight rail corridors.
- Current Board memberships include local representatives, General Assembly members, and the Governor's appointees. The Boards are currently governed by, and represent, 12 different localities, for a total of 68 combined voting board member seats for the four entities. A membership this sizeable would be unwieldy.
- There is no evidence that consolidation would achieve any financial or planning efficiencies. To ensure that all issues are properly addressed, a new agency would likely have to include subcommittees to address specific areas, thereby creating more bureaucratic layers that would likely simply mirror the current organizations. An increase in total Board Member meeting times is also likely.
- In summary, such a consolidation would require significant resources to implement with no discernable tangible benefit and a host of newly created legal and financial complications. Moreover, the significant resources required would be a major diversion for each organization, at the expense of current missions.

# The Washington Post

## Va. bill to merge 3 transit agencies alarms officials

By Jennifer Buske  
Washington Post Staff Writer  
Thursday, January 27, 2011; T14

If it's not broken, then don't fix it: That's the attitude some Northern Virginia transit officials have toward a bill in the state legislature that proposes to merge three major transit agencies in July 2012.

Del. David B. Albo (R-Fairfax) has filed a bill to consolidate the Northern Virginia Transportation Authority, the Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission.

"There are just too many cooks in the kitchen, so what this bill attempts to do is make one organization responsible," Albo said. "To me, the most important thing is you would have one place to go to get something done."

Albo said the bill follows a recommendation from a government restructuring committee appointed by Gov. Robert F. McDonnell (R). Collapsing three organizations into one, Albo said, would save money and be more effective.

Those close to the issue, however, say otherwise.

"Why break something that is working well?"

asked Kala Quintana, NVTC's public outreach director. "This is something that may look good on paper by someone who doesn't have a fundamental knowledge of how we all work . . . but these are very different" agencies.

NVTC coordinates transit services throughout Northern Virginia, including Metro, Virginia Railway Express, Loudoun County commuter buses, the Fairfax Connector and other transit systems. PRTC is responsible for the bus system in Prince William County. NVTA is a transportation planning group, transit officials said.

Quintana said members of the three groups met with Virginia Transportation Secretary Sean T. Connaughton last year when the proposal surfaced. But he reassured them that it was not a "huge priority," Quintana said.

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## The Washington Post

### Va. bill to merge 3 transit agencies alarms officials

"We didn't hear anything for a while, and we permitted ourselves to believe that would be the end of it, but it turned out it was not," said Al Harf, executive director of PRTC.

"There is already a long and proud history of collaboration among these agencies, and this is a concern."

Connaughton said another bill, which calls on the state to dedicate 0.25 percent of the sales tax to NVTA, the organization that is proposed to absorb PRTC and NVTC, has put the issue back in the spotlight. He said Northern Virginia is the only area in the commonwealth that has multiple state-chartered transportation organizations.

"We welcome the idea of new funding, but there is no reason to reorganize . . . and create a behemoth of a bureaucracy to achieve this goal," Quintana said, noting she also questions what will suffer if sales tax money is shifted to it. "There is no reason they couldn't do that now with the existing infrastructure."

NVTA Chairman and Prince William Supervisor Martin E. Nohe (R-Coles) said it's unclear what would be gained from a merger, because the three agencies have very different missions and responsibilities. What would be lost, he said, is the jurisdictional autonomy of the groups, which each comprise members from various Northern Virginia localities.

"How operating agencies would tie into a planning agency is not clear to us," Nohe said. "It is a concern that those who are pushing the idea to merge have not articulated how to accomplish the efficiencies they are looking for."

Harf said the makeup of the new group could be "a recipe for quorum problems." For example, Stafford County officials are involved in PRTC but not NVTC. Those representatives might not feel compelled to attend a meeting mainly addressing Metro, which they don't have a stake in.

"Everyone should be concerned about every aspect of transportation in Northern Virginia," Connaughton said. "It's time to have an organization that can address transportation in a comprehensive fashion. . . . We are trying to give Northern Virginia a strong, united regional voice on

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## The Washington Post

### Va. bill to merge 3 transit agencies alarms officials

transportation matters."

Stephen MacIsaac, attorney for Arlington County and VRE, said that if the state moves forward with the merger, it must do so carefully. Several legal issues must be addressed, because each agency has different bond obligations, contracts with service providers and transportation equipment, he said.

"You don't want to terminate two commissions without taking care of these details first," MacIsaac said.

Officials from Fairfax and Stafford counties have also expressed concern with the bill. Prince William supervisors have not taken an official position on the issue, but Deputy County Executive Susan Roltsch told them last week that county officials "see no benefit to this consolidation." Loudoun supervisors are likely to take a position on the bill Monday, county officials said.

Albo's bill was scheduled to be heard by a transportation subcommittee this week. Albo said that he understands some of the criticisms but that with work, he thinks the bill is the right solution.

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# Virginia Railway Express Operations Board

1500 King Street • Suite 202 • Alexandria, Virginia 22314-2730 • (703) 684-1001 • FAX (703) 684-1313  
Web Site: <http://www.vre.org> • E-Mail: [gotrains@vre.org](mailto:gotrains@vre.org)

January 25, 2011

The Honorable Robert F. McDonnell  
Office of the Governor  
Patrick Henry Building, 3<sup>rd</sup> Floor  
1111 East Broad Street  
Richmond, VA 23219

Dear Governor McDonnell:

I am writing on behalf of the Virginia Railway Express (VRE) Operations Board, an advisory subcommittee of the Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC), to express the concerns of that body regarding the proposed consolidation of the NVTC, PRTC, and the Northern Virginia Transportation Authority (NVTA) as proposed in House Bill 2016 (Albo). A primary concern is that any organizational changes of the role of the Commissions be made only after careful discussion among all affected parties and thoughtful consideration of the actual problems intended to be solved by consolidation, and of the unintended consequences that may follow from doing so.

VRE is a transportation partnership of NVTC and PRTC; as such all assets are owned jointly by the Commissions on behalf of VRE. VRE is not a legal entity and all legal arrangements, including debt financings, are in the name of NVTC and/or PRTC. The Commissions hold title in their name to all VRE real estate and personal property, including rail equipment, and enter into contracts and other legal agreements on behalf of VRE. It is, therefore, critical that any consolidation or other changes affecting the two Commissions include a transition period to enable the transfer or assignment of assets, contracts, financial provisions and other agreements to a successor organization. There is a lengthy list of agreements critical to VRE operations that run the risk of being voided should NVTC or PRTC abruptly cease to exist, including:

- The Master Agreement for the Provision of Commuter Rail Services between and among the Commissions and all local jurisdictions participating in the VRE service
- The VRE Liability Insurance Plan administered by the Division of Risk Management
- Access agreements with CSX Transportation, Inc., Norfolk-Southern, Inc., and Amtrak
- Operating agreement with Keolis Rail Services America

Northern Virginia  
Transportation Commission  
2300 Wilson Blvd., Suite 620  
Arlington, Virginia 22201  
(703) 524-3322

**- A Transportation Partnership -**

Potomac and Rappahannock  
Transportation Commission  
14700 Potomac Mills Road  
Woodbridge, Virginia 22192  
(703) 583-7782

The Honorable Robert F. McDonnell

January 25, 2011

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- Contracts with vendors who provide VRE with fuel, physical security services, communications infrastructure, fare collection maintenance, ticket sales, and numerous other goods and services that support daily operations
- Deeds and lease agreements for VRE facilities and leases and maintenance agreements for parking at VRE stations
- Consultant contracts for engineering, safety and security, advertising, fuel price risk management and other services
- Outstanding bonds and other debt instruments issued in the name of one or both Commissions
- Liability and property insurance policies
- Construction contracts for VRE capital improvements
- Assets with a book value of \$333 million
- Grant agreements between the Federal Transit Administration (FTA), Commonwealth of Virginia, and PRTC for federal funding to VRE and between the Commonwealth and NVTC for state funding to VRE
- The agreement between WMATA and PRTC designating PRTC as the sub-recipient of VRE-generated federal transportation funds which come to WMATA as the Washington, DC region's designated recipient

The procedures required to transfer these various obligations will require detailed analysis and will likely require the consent of the affected parties, e.g., lenders, bondholders, etc. It should not be assumed that the three entities can be quickly dissolved and reconstituted as a single entity. It will be necessary to continue at least NVTC and PRTC as legal entities until their respective and shared obligations are transferred. It is also conceivable that either or both will be required to remain in existence until certain matters, such as bonded indebtedness, are retired. More detail can be provided but the complexity of the proposed consolidation should not be underestimated, nor should the consolidation proceed without better understanding these details and providing for them to some extent in an appropriate way in the legislation.

Additionally, replacement of the Commissions with NVTA creates a potentially significant liability problem that may eliminate the legal basis for the indemnification insisted upon by the freight railroads and Amtrak as a condition of access to their rights of way and facilities. The

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ability of the NVTA to indemnify the VRE host railroads (CSX, NS and Amtrak) must be investigated in conjunction with the consolidation proposal. The loss of NVTC and PRTC's indemnification authority would disrupt and potentially end the ability to provide commuter rail services in Northern Virginia.

Finally, the Virginia Code (§ 58.1-1720) authorizes NVTC and PRTC, as transportation districts, to collect a 2.1% regional sales tax on wholesale fuel sales within their district boundaries. A substantial portion of those tax revenues make up the local operating subsidy paid by PRTC/VRE member jurisdictions. NVTC jurisdictions use these revenues for WMATA. Should NVTC and PRTC no longer exist, appropriate Code changes would be necessary to ensure the regional gas tax revenues continue to flow to VRE's parent organization on behalf of member jurisdictions.

We look forward to participating with you, your representatives and members of the General Assembly in the ongoing dialog on the merits of the proposed consolidation, the timeframe needed to affect the consolidation and the costs associated with it.

Sincerely,



Sharon Bulova  
Chairman, VRE Operations Board

cc: The Honorable Sean Connaughton  
Members of the Northern Virginia Legislative Delegation  
Northern Virginia Transportation Commission Members  
Potomac and Rappahannock Transportation Commission Members  
VRE Operations Board Members

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11101175D

**HOUSE BILL NO. 2016**

Offered January 12, 2011

Prefiled January 11, 2011

*A BILL to amend and reenact §§ 15.2-4503.1, 15.2-4507, 15.2-4515, 15.2-4832, 15.2-4839, 15.2-4840, 33.1-221.1:3, 46.2-753, 58.1-3, 58.1-638, and 58.1-815.1 of the Code of Virginia, relating to the consolidation of the Northern Virginia Transportation Authority, the Northern Virginia Transportation Commission, and the Potomac and Rappahannock Transportation Commission.*

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Referred to Committee on Transportation  
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Be it enacted by the General Assembly of Virginia:

1. That §§ 15.2-4503.1, 15.2-4507, 15.2-4515, 15.2-4832, 15.2-4839, 15.2-4840, 33.1-221.1:3, 46.2-753, 58.1-3, 58.1-638, and 58.1-815.1 of the Code of Virginia are amended and reenacted as follows:

§ 15.2-4503.1. Northern Virginia Transportation District.

A. There is hereby created the Northern Virginia Transportation District comprised of the Counties of Arlington, Fairfax, Loudoun, and the Cities of Alexandria, Falls Church, and Fairfax and such other county or city contiguous to the District that agrees to join the District.

~~There is hereby established the Northern Virginia Transportation Commission (the Commission) as a transportation commission pursuant to this chapter. The Commission shall consist of five nonlegislative citizen members from Fairfax County, three nonlegislative citizen members from Arlington County, one nonlegislative citizen member from the County of Loudoun, two nonlegislative citizen members from the City of Alexandria, one nonlegislative member from the City of Falls Church, one nonlegislative citizen member from the City of Fairfax, and the Chairman of the Commonwealth Transportation Board or his designee to serve ex officio with voting privileges. If a county or city contiguous to the District agrees to join the District, such jurisdiction shall appoint one nonlegislative citizen member to the Commission. Members from the respective counties and cities shall be appointed from their governing bodies. The Commission shall also include four members of the House of Delegates appointed by the Speaker of the House of Delegates for terms coincident with their terms of office and two members of the Senate appointed by the Senate Committee on Rules for terms coincident with their terms of office. Members may be reappointed for successive terms. All members shall be citizens of the Commonwealth. Except for the Chairman of the Commonwealth Transportation Board or his designee, all members of the Commission shall be residents of the localities comprising the Transportation District. Vacancies occurring other than by expiration of a term shall be filled for the unexpired term. Vacancies shall be filled in the same manner as the original appointments.~~

*B. All powers and duties of the Northern Virginia Transportation Commission as of June 30, 2012, as well as all administrative positions held by the Commission, are hereby transferred to the Northern Virginia Transportation Authority.*

§ 15.2-4507. Members of transportation district commissions.

A. Any transportation district commission created shall consist of the number of members the component governments shall from time to time agree upon, or as may otherwise be provided by law. The governing body of each participating county and city shall appoint from among its members the number of commissioners to which the county or city is entitled; however, for those commissions with powers as set forth in subsection A of § 15.2-4515, the governing body of each participating county or city is not limited to appointing commissioners from among its members. In addition, the governing body may appoint from its number or otherwise, designated alternate members for those appointed to the commission who shall be able to exercise all of the powers and duties of a commission member when the regular member is absent from commission meetings. Each such appointee shall serve at the pleasure of the appointing body; however, no appointee to a commission with powers as set forth in subsection B of

§ 15.2-4515 may continue to serve when he is no longer a member of the appointing body. Each governing body shall inform the commission of its appointments to and removals from the commission by delivering to the commission a certified copy of the resolution making the appointment or causing the removal.

~~In the case of a transportation district, commonly known as the Potomac and Rappahannock Transportation Commission, which was established on or after July 1, 1986, and which includes more than one jurisdiction located within the Washington, D.C., metropolitan area, such commission shall also include two members of the House of Delegates and one member of the Senate from legislative districts located wholly or in part within the boundaries of the transportation district. The members of the House of Delegates shall be appointed by the Speaker of the House for terms coincident with their terms of office, and the member of the Senate shall be appointed by the Senate Committee on Rules for a term coincident with his term of office. The members of the General Assembly shall be eligible for reappointment for successive terms. Vacancies occurring other than by expiration of a term shall be filled for the unexpired term. Vacancies shall be filled in the same manner as the original appointments.~~

In the case of the Transportation District Commission of Hampton Roads, such commission shall also include one member of the House of Delegates and one member of the Senate, one of whom shall be a resident of the City of Hampton or the City of Newport News and one of whom shall be a resident of the City of Chesapeake, the City of Norfolk, the City of Portsmouth, the City of Suffolk, or the City of Virginia Beach. The member of the House of Delegates shall be appointed by the Speaker of the House for a term coincident with his term of office and the member of the Senate shall be appointed by the Senate Committee on Rules for a term coincident with his term of office. The members of the General Assembly shall be eligible for reappointment for successive terms. Vacancies occurring other than by expiration of a term shall be filled for the unexpired term. Vacancies shall be filled in the same manner as the original appointments.

The Chairman of the Commonwealth Transportation Board, or his designee, shall be a member of each commission, ex officio with voting privileges. The chairman of the Commonwealth Transportation Board may appoint an alternate member who may exercise all the powers and duties of the chairman of the Commonwealth Transportation Board when neither the chairman of the Commonwealth Transportation Board nor his designee is present at a commission meeting.

~~B. Any appointed member of a commission of a transportation district, commonly known as the Northern Virginia Transportation Commission, which was established prior to July 1, 1986, and which includes jurisdictions located within the Washington, D.C., metropolitan statistical area, is authorized to serve as a member of the board of directors of the Washington Metropolitan Area Transit Authority (Chapter 627 of the Acts of Assembly of 1958 as amended) and while so serving the provisions of § 2.2-2800 shall not apply to such member.~~

*C. All powers and duties of the Potomac and Rappahannock Transportation Commission as of June 30, 2012, as well as all administrative positions held by the Commission, are hereby transferred to the Northern Virginia Transportation Authority.*

§ 15.2-4515. Powers and functions generally.

A. Any other provision of law to the contrary notwithstanding, a commission shall, except as provided in subsection B herein, have the following powers and functions:

1. The commission shall prepare the transportation plan for the transportation district and shall from time to time revise and amend the plan in accordance with the planning process and procedures specified in Article 7 (§§ 15.2-4527 and 15.2-4528) of this chapter.
2. The commission may, when a transportation plan is adopted according to Article 7, construct or acquire, by purchase or lease, the transportation facilities specified in such transportation plan.
3. The commission may enter into agreements or leases with private companies for the operation of its facilities, or may operate such facilities itself.
4. The commission may enter into contracts or agreements with the counties and cities within the transportation

district, or with counties and cities which adjoin the transportation district and are within the same planning district, or with other commissions of adjoining transportation districts, to provide, or cause to be provided, transit facilities and service to such counties and cities, or to provide transit facilities and other modes of transportation between adjoining transportation districts. Such contracts or agreements, together with any agreements or leases for the operation of such facilities, may be utilized by the transportation district to finance the construction and operation of transportation facilities and such contracts, agreements or leases shall inure to the benefit of any creditor of the transportation district.

Notwithstanding the above, however, except in any transportation district containing any or all of the Counties of Hanover, Henrico, and Chesterfield or the City of Richmond, being so delegated by the respective local governments, the commission shall not have the power to regulate services provided by taxicabs, either within municipalities or across municipal boundaries, which regulation is expressly reserved to the municipalities within which taxicabs operate. In any transportation district containing any or all of the Counties of Hanover, Henrico, and Chesterfield or the City of Richmond, the commission may upon proper authority granted by the respective component governments, regulate services provided by taxicabs, either within localities or across county or city boundaries.

B. When the transportation district is located within a metropolitan area which includes all or a portion of a state or states contiguous to Virginia, the commission:

1. Shall not prepare a transportation plan nor construct or operate transit facilities, but shall collaborate and cooperate in the manner specified in Article 7 (§§ 15.2-4527 and 15.2-4528) with an agency in preparing, revising, and amending a transportation plan for such metropolitan area.
2. Shall, according to Article 7 and in cooperation with the governing bodies of the component governments embraced within the transportation district, formulate the tentative policy and decisions of the transportation district with respect to the planning, design, location, construction, operation and financing of transportation facilities.
3. May, when a transportation plan applicable to such a transportation district is adopted, enter into contracts or agreements with an agency to contribute to the capital required for the construction and/or acquisition of transportation facilities and for meeting expenses and obligations in the operations of such facilities.
4. May, when a transportation plan applicable to such transportation district is adopted, enter into contracts or agreements with the counties and cities within the transportation district to provide or cause to be provided transportation facilities and service to such counties and cities.
5. Notwithstanding any other provision herein to the contrary:
  - a. May acquire land or any interest therein by purchase, lease, gift, condemnation or otherwise and provide transportation facilities thereon for use in connection with any transportation service;
  - b. May acquire land or any interest therein by purchase, lease, gift, condemnation or otherwise in advance of need for sale or contribution to an agency, for use by that agency in connection with an adopted mass transit plan;
  - c. May, in accordance with the terms of any grant from or loan by the United States of America or the Commonwealth, or any agency or instrumentality thereof, or when necessary to preserve essential transportation service, acquire transit facilities or any carrier, which is subject to the jurisdiction of the Washington Metropolitan Area Transit Commission, by acquisition of the capital stock or transit facilities and other assets of any such carrier and shall provide for the performance of transportation by any such carrier or with such transit facilities by contract or lease. However, the contract or lease shall be for a term of no more than one year, renewable for additional terms of similar duration, and, in order to assure acceptable fare levels, may provide for financial assistance by purchase of service, operating subsidies or otherwise. No such service will be rendered which will adversely affect transit service rendered by the transit facilities owned or controlled by the agency or any existing private transit or transportation company. When notified by the agency that it is authorized to perform or cause to be performed transportation services with motor vehicle facilities, the commission, upon request by the agency, shall transfer such capital stock or transit facilities to the agency at a price to be agreed upon; and

d. May prepare a plan for mass transportation services with cities, counties, agencies, authorities, or commissions and may further contract with transportation companies, cities, counties, commissions, authorities, agencies, and departments of the Commonwealth and appropriate agencies of the federal government and/or governments contiguous to Virginia to provide necessary facilities, equipment, operations and maintenance, access, and insurance pursuant to such plan.

C. The provisions of subdivisions 1 through 4 and provisions b and c of subdivision 5 of subsection B shall not apply (i) to any transportation district which may be established on or after July 1, 1986, and which includes any one or more jurisdictions which are located within a metropolitan area, but which were not, on January 1, 1986, members of any other transportation district or (ii) to any jurisdiction which, after July 1, 1989, joins a transportation district which was established on or before January 1, 1986. The provisions of this subsection shall only apply to any transportation district or jurisdiction which is contiguous to the Northern Virginia Transportation District. Any such district or jurisdiction shall be subject to the provisions of subsection A hereof, and further may exercise the powers granted by subdivision B 5 a to acquire land or any interest therein by purchase, lease, gift, condemnation or otherwise and provide transportation facilities thereon for use in connection with any transportation service.

D. Until such time as a commission enters into contracts or agreements with its component governments under the provisions of subdivisions A 4 and B 4 and is receiving revenues thereunder, adequate to meet the administrative expenses of the commission after paying or providing for the payment of the obligations arising under said subdivisions, the administrative expenses of the commission shall be borne by the component governments in the manner herein set forth. The commission annually shall submit to the governing bodies of the component counties and cities a budget of its administrative requirements for the next year. ~~Except for the Northern Virginia Transportation Commission, the~~ The administrative expenses of the commission, to the extent funds for such expenses are not provided from other sources, shall be allocated among the component governments on the basis of population as reflected by the latest population statistics of the ~~Bureau of the Census~~ *United States Census Bureau*; however, upon the request of any component government, the commission shall make the allocation upon estimates of population prepared in a manner approved by the commission and by the governing body of the component government making such request. ~~For the Northern Virginia Transportation Commission, the administrative expenses of the Commission, to the extent funds for such expenses are not provided from other sources, shall be allocated among the component governments on the basis of the relative shares of state and federal transit aids allocated by the Commission among its component governments. Such budget shall be limited solely to the administrative expenses of the Commission and shall not include any funds for construction or acquisition of transportation facilities and/or the performing of transportation service. In addition, the Commission annually shall submit to the governing bodies of the component counties and cities a budget of its other expenses and obligations for the ensuing year. Such expenses and obligations shall be borne by the component counties and cities in accordance with prior arrangements made therefor.~~

E. When a transportation plan has been adopted under § ~~15.2-4528~~ A 4, the commission shall determine the equitable allocation among the component governments of the costs incurred by the district in providing the transportation facilities proposed in the transportation plan and any expenses and obligations from the operation thereof to be borne by each county and city. In making such determinations, the commission shall consider the cost of the facilities located within each county and city, the population of each county and city, the benefits to be derived by each county and city from the proposed transportation service and all other factors which the commission determines to be relevant. Such determination, however, shall not create a commitment by the counties and cities and such commitments shall be created only under the contracts or agreements specified in subdivisions A 4 and B 4.

§ 15.2-4832. Composition of Authority; membership; terms.

The Authority shall consist of ~~17 members as follows~~ *the following members*:

The chief elected officer of the governing body of each county and city embraced by the Authority or, in the discretion of the chief elected officer, his designee, who shall be a current elected officer of such governing body;

Two members of the House of Delegates who reside in different counties or cities embraced by the Authority, appointed by the Speaker of the House, to the extent practicable, from the membership of the House Committee on Appropriations, the House Committee on Finance, or the House Committee on Transportation;



One member of the Senate who resides in a county or city embraced by the Authority, appointed by the Senate Committee on Rules, to the extent practicable, from the membership of the Senate Committee on Finance and the Senate Committee on Transportation; ~~and~~

*The Director of the Virginia Department of Rail and Public Transportation, or his designee;*

*The Secretary of the Virginia Department of Transportation, or his designee;*

Two citizens who reside in counties and cities embraced by the Authority, appointed by the Governor. One gubernatorial appointment shall include a member of the Commonwealth Transportation Board who resides in a county or city embraced by the Authority. The remaining gubernatorial appointment shall be a person who has significant experience in transportation planning, finance, engineering, construction, or management and shall be a resident of a county or city embraced by the Authority, but shall not be a resident of the same county or city as the other gubernatorial appointee to the Authority; *and*

*All members of the Potomac and Rappahannock Transportation Commission as it existed on June 30, 2012, and all members of the Northern Virginia Transportation Commission as it existed on June 30, 2012.*

Legislative members shall serve terms coincident with their terms of office. The gubernatorial appointee who is not a member of the Commonwealth Transportation Board shall serve for a term of four years. Vacancies occurring other than by expiration of a term shall be filled for the unexpired term. Vacancies shall be filled in the same manner as the original appointments.

In addition, the following persons shall serve as nonvoting members of the Authority: ~~the Director of the Virginia Department of Rail and Public Transportation, or his designee;~~ the Commonwealth Transportation Commissioner, or his designee; and the chief elected officer of one town in a county which the Authority embraces to be chosen by the Authority.

The Authority shall appoint the chairman and vice-chairman.

§ 15.2-4839. Authority to issue bonds.

The Authority may issue bonds and other evidences of debt as may be authorized by this section or other law. The provisions of Article 5 (§ 15.2-4519 et seq.) of Chapter 45 of this title shall apply, mutatis mutandis, to the issuance of such bonds or other debt. The Authority may issue bonds or other debt in such amounts as it deems appropriate. The bonds may be supported by any funds available except that funds from tolls collected pursuant to subdivision 7 of § 15.2-4840 shall be used only as provided in that subdivision.

*The Authority shall assume and update all bonds, debts, and agreements of the commissions previously known as the Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission.*

§ 15.2-4840. Other duties and responsibilities of Authority.

In addition to other powers herein granted, the Authority shall have the following duties and responsibilities:

1. General oversight of regional programs involving mass transit or congestion mitigation, including, but not necessarily limited to, carpooling, vanpooling, and ridesharing;
2. Long-range regional planning, both financially constrained and unconstrained;
3. Recommending to state, regional, and federal agencies regional transportation priorities, including public-private transportation projects, and funding allocations;
4. Developing, in coordination with affected counties and cities, regional priorities and policies to improve air quality;

5. Allocating to priority regional transportation projects any funds made available to the Authority and, at the discretion of the Authority, directly overseeing such projects;
6. Recommending to the Commonwealth Transportation Board priority regional transportation projects for receipt of federal and state funds;
7. Imposing, collecting, and setting the amount of tolls for use of facilities in the area embraced by the Authority, when the facility is either newly constructed or reconstructed solely with revenues of the Authority or solely with revenues under the control of the Authority in such a way as to increase the facility's traffic capacity, with the amount of any tolls variable by time of day, day of the week, vehicle size or type, number of axles, or other factors as the Authority may deem proper, and with all such tolls to be used for programs and projects that are reasonably related to or benefit the users of the applicable facility, including, but not limited to, for the debt service and other costs of bonds whose proceeds are used for such construction or reconstruction;
8. General oversight of regional transportation issues of a multijurisdictional nature, including but not limited to intelligent transportation systems, signalization, and preparation for and response to emergencies;
9. Serving as an advocate for the transportation needs of Northern Virginia before the state and federal governments;
10. Applying to and negotiating with the government of the United States, the Commonwealth of Virginia, or any agency, instrumentality, or political subdivision thereof, for grants and any other funds available to carry out the purposes of this chapter and receiving, holding, accepting, and administering from any source gifts, bequests, grants, aid, or contributions of money, property, labor, or other things of value to be held, used and applied to carry out the purposes of this chapter subject, however, to any conditions upon which gifts, bequests, grants, aid, or contributions are made. Unless otherwise restricted by the terms of the gift, bequest, or grant, the Authority may sell, exchange, or otherwise dispose of such money, securities, or other property given or bequeathed to it in furtherance of its purposes;
11. Acting as a "responsible public entity" for the purpose of the acquisition, construction, improvement, maintenance and/or operation of a "qualifying transportation facility" under the Public-Private Transportation Act of 1995 (§ 56-556 et seq.); ~~and~~
12. To decide and vote to impose certain fees and taxes authorized under law for imposition or assessment by the Authority, provided that any such fee or tax assessed or imposed is assessed or imposed in all counties and cities embraced by the Authority. The revenues from such certain fees and taxes shall be kept in a separate account and shall be used only for the purposes provided in this chapter;
13. *To oversee the bus and commuter rail transit planning, programming, funding, and operational activities, occurring in whole or in part in the areas specified in § 15.2-4831 of the Code of Virginia; and*
14. *To retain and manage separate transit-related accounts according to their transportation district sources and services, and assume full fiscal responsibility over them.*

§ 33.1-221.1:3. Northern Virginia Transportation District Program.

A. The General Assembly declares it to be in the public interest that the economic development needs and economic growth potential of Northern Virginia be addressed by a special transportation program to provide for the costs of providing an adequate, modern, safe and efficient transportation network in Northern Virginia which shall be known as the Northern Virginia Transportation District Program (the Program), including, without limitation, environmental and engineering studies, rights-of-way acquisition, construction, improvements to all modes of transportation, and financing costs. The Program consists of the following projects: the Fairfax County Parkway, Route 234 Bypass, Metrorail Capital Improvements attributable to Fairfax County including Metro parking expansions, Metro Capital Improvements, including the Franconia-Springfield Metrorail Station and new rail car purchases, Route 7 improvements in Loudoun County and Fairfax County, the Route 50/Courthouse Road interchange improvements in Arlington County, the Route 28/Route 625 interchange improvements in Loudoun County, Metrorail capital improvements attributable to the City of Alexandria including the King Street Metrorail

Station access, Metrorail capital improvements attributable to Arlington County, including Ballston Station improvements, Route 15 safety improvements in Loudoun County, Route 28 parallel roads in Loudoun County, the Route 28/Sterling Boulevard interchange in Loudoun County, Route 1/Route 123 interchange improvements in Prince William County, Lee Highway improvements in the City of Fairfax, Route 123 improvements in Fairfax County, Telegraph Road improvements in Fairfax County, Route 123 Occoquan River Bridge, Gallows Road in Fairfax County, Route 1/Route 234 interchange improvements in Prince William County, *the bus replacement program formerly under the auspices of the Potomac- and Rappahannock Transportation Commission* ~~bus replacement program~~, and Dulles Corridor Enhanced Transit program.

B. Allocations to this Program from the Northern Virginia Transportation District Fund established by § 58.1-815.1 shall be made annually by the Commonwealth Transportation Board for the creation and enhancement of a safe, efficient transportation system connecting the communities, businesses, places of employment, and residences of the Commonwealth, thereby enhancing the economic development potential, employment opportunities, mobility and quality of life in Virginia.

C. Except in the event that the Northern Virginia Transportation District Fund is insufficient to pay for the costs of the Program, allocations to the Program shall not diminish or replace allocations made from other sources or diminish allocations to which any district, system, or locality would be entitled under other provisions of this title, but shall be supplemental to other allocations to the end that transportation improvements in the Northern Virginia Transportation District may be accelerated and augmented. Allocations under this subsection shall be limited to projects specified in subdivision (2) (s) of § 33.1-268.

D. The Commonwealth Transportation Board may expend such funds from all sources as may be lawfully available to initiate the Program and to support bonds and other obligations referenced in subsection E.

E. The Commonwealth Transportation Board is authorized to receive, dedicate or use first from (i) revenues received from the Northern Virginia Transportation District Fund; (ii) to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project or projects to be financed are located or to the city or county in which the project or projects to be financed are located; (iii) to the extent required, legally available revenues of the Transportation Trust Fund; and (iv) such other funds which may be appropriated by the General Assembly for the payment of bonds or other obligations, including interest thereon, issued in furtherance of the Program. No such bond or other obligations shall pledge the full faith and credit of the Commonwealth.

§ 46.2-753. Additional license fees in certain localities.

Notwithstanding any other provision of law, the governing bodies of Alexandria, Arlington, Fairfax County, Fairfax City, and Falls Church are authorized to charge annual license fees, in addition to those specified in § 46.2-752, on passenger cars not used for the transportation of passengers for compensation. The additional fee shall be no more than five dollars. The total local license fee shall be no more than twenty-five dollars on any vehicle and this license fee shall not be imposed on any motor vehicle exempted under § 46.2-739.

The governing bodies are also authorized to charge additional annual license fees on the motor vehicles, trailers, and semitrailers as specified in § 46.2-697 in an amount of no more than five dollars for each such vehicle. This authorization shall not increase the maximum chargeable by more than five dollars or affect any existing exemption.

Any funds acquired in excess of those allowed by § 46.2-752, shall be allocated to the Northern Virginia Transportation Commission *account of the Northern Virginia Transportation Authority* to be a credit to that jurisdiction making the payment for its share of any operating deficit assigned to it by the Washington Metropolitan Area Transit Authority.

§ 58.1-3. Secrecy of information; penalties.

A. Except in accordance with a proper judicial order or as otherwise provided by law, the Tax Commissioner or agent, clerk, commissioner of the revenue, treasurer, or any other state or local tax or revenue officer or employee, or any person to whom tax information is divulged pursuant to § 58.1-512 or 58.1-2712.2, or any former officer or

employee of any of the aforementioned offices shall not divulge any information acquired by him in the performance of his duties with respect to the transactions, property, including personal property, income or business of any person, firm or corporation. Such prohibition specifically includes any copy of a federal return or federal return information required by Virginia law to be attached to or included in the Virginia return. This prohibition shall apply to any reports, returns, financial documents or other information filed with the Attorney General pursuant to the provisions of Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2. Any person violating the provisions of this section shall be guilty of a Class 2 misdemeanor. The provisions of this subsection shall not be applicable, however, to:

1. Matters required by law to be entered on any public assessment roll or book;
2. Acts performed or words spoken or published in the line of duty under the law;
3. Inquiries and investigations to obtain information as to the process of real estate assessments by a duly constituted committee of the General Assembly, or when such inquiry or investigation is relevant to its study, provided that any such information obtained shall be privileged;
4. The sales price, date of construction, physical dimensions or characteristics of real property, or any information required for building permits;
5. Copies of or information contained in an estate's probate tax return, filed with the clerk of court pursuant to § 58.1-1714, when requested by a beneficiary of the estate or an heir at law of the decedent;
6. Information regarding nonprofit entities exempt from sales and use tax under § 58.1-609.11, when requested by the General Assembly or any duly constituted committee of the General Assembly.

B. Nothing contained in this section shall be construed to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns and the items thereof or the publication of delinquent lists showing the names of taxpayers who are currently delinquent, together with any relevant information which in the opinion of the Department may assist in the collection of such delinquent taxes. This section shall not be construed to prohibit a local tax official from disclosing whether a person, firm or corporation is licensed to do business in that locality and divulging, upon written request, the name and address of any person, firm or corporation transacting business under a fictitious name. Additionally, notwithstanding any other provision of law, the commissioner of revenue is authorized to provide, upon written request stating the reason for such request, the Tax Commissioner with information obtained from local tax returns and other information pertaining to the income, sales and property of any person, firm or corporation licensed to do business in that locality.

C. Notwithstanding the provisions of subsection A or B or any other provision of this title, the Tax Commissioner is authorized to: (i) divulge tax information to any commissioner of the revenue, director of finance or other similar collector of county, city or town taxes who, for the performance of his official duties, requests the same in writing setting forth the reasons for such request; (ii) provide to the Commissioner of the Department of Social Services, upon written request, information on the amount of income, filing status, number and type of dependents, and whether a federal earned income tax credit has been claimed as reported by persons on their state income tax returns who have applied for public assistance or social services benefits as defined in § 63.2-100; (iii) provide to the chief executive officer of the designated student loan guarantor for the Commonwealth of Virginia, upon written request, the names and home addresses of those persons identified by the designated guarantor as having delinquent loans guaranteed by the designated guarantor; (iv) provide current address information upon request to state agencies and institutions for their confidential use in facilitating the collection of accounts receivable, and to the clerk of a circuit or district court for their confidential use in facilitating the collection of fines, penalties and costs imposed in a proceeding in that court; (v) provide to the Commissioner of the Virginia Employment Commission, after entering into a written agreement, such tax information as may be necessary to facilitate the collection of unemployment taxes and overpaid benefits; (vi) provide to the Alcoholic Beverage Control Board, upon entering into a written agreement, such tax information as may be necessary to facilitate the collection of state and local taxes and the administration of the alcoholic beverage control laws; (vii) provide to the Director of the State Lottery Department such tax information as may be necessary to identify those lottery ticket retailers who owe delinquent taxes; (viii) provide to the Department of the Treasury for its confidential use such tax information as may be necessary to facilitate the location of owners and holders of unclaimed property, as defined in § 55-210.2; (ix) provide to the State

Corporation Commission, upon entering into a written agreement, such tax information as may be necessary to facilitate the collection of taxes and fees administered by the Commission; (x) provide to the Executive Director of the ~~Potomac and Rappahannock Transportation Commission~~ *Northern Virginia Transportation Authority* for his confidential use such tax information as may be necessary to facilitate the collection of the motor vehicle fuel sales tax; (xi) provide to the Commissioner of the Department of Agriculture and Consumer Services such tax information as may be necessary to identify those applicants for registration as a supplier of charitable gaming supplies who have not filed required returns or who owe delinquent taxes; (xii) provide to the Department of Housing and Community Development for its confidential use such tax information as may be necessary to facilitate the administration of the remaining effective provisions of the Enterprise Zone Act (§ 59.1-270 et seq.), and the Enterprise Zone Grant Program (§ 59.1-538 et seq.); (xiii) provide current name and address information to private collectors entering into a written agreement with the Tax Commissioner, for their confidential use when acting on behalf of the Commonwealth or any of its political subdivisions; however, the Tax Commissioner is not authorized to provide such information to a private collector who has used or disseminated in an unauthorized or prohibited manner any such information previously provided to such collector; (xiv) provide current name and address information as to the identity of the wholesale or retail dealer that affixed a tax stamp to a package of cigarettes to any person who manufactures or sells at retail or wholesale cigarettes and who may bring an action for injunction or other equitable relief for violation of Chapter 10.1, Enforcement of Illegal Sale or Distribution of Cigarettes Act; (xv) provide to the Commissioner of Labor and Industry, upon entering into a written agreement, such tax information as may be necessary to facilitate the collection of unpaid wages under § 40.1-29; (xvi) provide to the Director of the Department of Human Resource Management, upon entering into a written agreement, such tax information as may be necessary to identify persons receiving workers' compensation indemnity benefits who have failed to report earnings as required by § 65.2-712; ~~and~~ (xvii) provide to any commissioner of the revenue, director of finance, or any other officer of any county, city, or town performing any or all of the duties of a commissioner of the revenue and to any dealer registered for the collection of the Communications Sales and Use Tax, a list of the names, business addresses, and dates of registration of all dealers registered for such tax; ~~and (xviii) provide to the Executive Director of the Northern Virginia Transportation Commission for his confidential use such tax information as may be necessary to facilitate the collection of the motor vehicle fuel sales tax.~~ The Tax Commissioner is further authorized to enter into written agreements with duly constituted tax officials of other states and of the United States for the inspection of tax returns, the making of audits, and the exchange of information relating to any tax administered by the Department of Taxation. Any person to whom tax information is divulged pursuant to this section shall be subject to the prohibitions and penalties prescribed herein as though he were a tax official.

D. Notwithstanding the provisions of subsection A or B or any other provision of this title, the commissioner of revenue or other assessing official is authorized to (i) provide, upon written request stating the reason for such request, the chief executive officer of any county or city with information furnished to the commissioner of revenue by the Tax Commissioner relating to the name and address of any dealer located within the county or city who paid sales and use tax, for the purpose of verifying the local sales and use tax revenues payable to the county or city; (ii) provide to the Department of Professional and Occupational Regulation for its confidential use the name, address, and amount of gross receipts of any person, firm or entity subject to a criminal investigation of an unlawful practice of a profession or occupation administered by the Department of Professional and Occupational Regulation, only after the Department of Professional and Occupational Regulation exhausts all other means of obtaining such information; and (iii) provide to any representative of a condominium unit owners' association, property owners' association or real estate cooperative association, or to the owner of property governed by any such association, the names and addresses of parties having a security interest in real property governed by any such association; however, such information shall be released only upon written request stating the reason for such request, which reason shall be limited to proposing or opposing changes to the governing documents of the association, and any information received by any person under this subsection shall be used only for the reason stated in the written request. The treasurer or other local assessing official may require any person requesting information pursuant to clause (iii) of this subsection to pay the reasonable cost of providing such information. Any person to whom tax information is divulged pursuant to this subsection shall be subject to the prohibitions and penalties prescribed herein as though he were a tax official.

Notwithstanding the provisions of subsection A or B or any other provisions of this title, the treasurer or other collector of taxes for a county, city or town is authorized to provide information relating to any motor vehicle, trailer or semitrailer obtained by such treasurer or collector in the course of performing his duties to the commissioner of the revenue or other assessing official for such jurisdiction for use by such commissioner or other official in

performing assessments.

This section shall not be construed to prohibit a local tax official from imprinting or displaying on a motor vehicle local license decal the year, make, and model and any other legal identification information about the particular motor vehicle for which that local license decal is assigned.

E. Notwithstanding any other provisions of law, state agencies and any other administrative or regulatory unit of state government shall divulge to the Tax Commissioner or his authorized agent, upon written request, the name, address, and social security number of a taxpayer, necessary for the performance of the Commissioner's official duties regarding the administration and enforcement of laws within the jurisdiction of the Department of Taxation. The receipt of information by the Tax Commissioner or his agent which may be deemed taxpayer information shall not relieve the Commissioner of the obligations under this section.

F. Additionally, it shall be unlawful for any person to disseminate, publish, or cause to be published any confidential tax document which he knows or has reason to know is a confidential tax document. A confidential tax document is any correspondence, document, or tax return that is prohibited from being divulged by subsection A, B, C, or D of this section and includes any document containing information on the transactions, property, income, or business of any person, firm, or corporation that is required to be filed with any state official by § 58.1-512. This prohibition shall not apply if such confidential tax document has been divulged or disseminated pursuant to a provision of law authorizing disclosure. Any person violating the provisions of this subsection shall be guilty of a Class 2 misdemeanor.

§ 58.1-638. Disposition of state sales and use tax revenue; localities' share; Game Protection Fund.

A. The Comptroller shall designate a specific revenue code number for all the state sales and use tax revenue collected under the preceding sections of this chapter.

1. The sales and use tax revenue generated by the one-half percent sales and use tax increase enacted by the 1986 Special Session of the General Assembly shall be paid, in the manner hereinafter provided in this section, to the Transportation Trust Fund as defined in § 33.1-23.03:1. Of the funds paid to the Transportation Trust Fund, an aggregate of 4.2 percent shall be set aside as the Commonwealth Port Fund as provided in this section; an aggregate of 2.4 percent shall be set aside as the Commonwealth Airport Fund as provided in this section; and an aggregate of 14.5 percent in fiscal year 1998-1999 and 14.7 percent in fiscal year 1999-2000 and thereafter shall be set aside as the Commonwealth Mass Transit Fund as provided in this section. The Fund's share of such net revenue shall be computed as an estimate of the net revenue to be received into the state treasury each month, and such estimated payment shall be adjusted for the actual net revenue received in the preceding month. All payments shall be made to the Fund on the last day of each month.

2. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the Transportation Trust Fund and which shall be known as the Commonwealth Port Fund.

a. The Commonwealth Port Fund shall be established on the books of the Comptroller and the funds remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on such funds shall remain in the Fund and be credited to it. Funds may be paid to any authority, locality or commission for the purposes hereinafter specified.

b. The amounts allocated pursuant to this section shall be allocated by the Commonwealth Transportation Board to the Board of Commissioners of the Virginia Port Authority to be used to support port capital needs and the preservation of existing capital needs of all ocean, river, or tributary ports within the Commonwealth.

c. Commonwealth Port Fund revenue shall be allocated by the Board of Commissioners to the Virginia Port Authority in order to foster and stimulate the flow of maritime commerce through the ports of Virginia, including but not limited to the ports of Richmond, Hopewell and Alexandria.

3. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be part of the Transportation Trust Fund and which shall be known as the Commonwealth Airport Fund. The Commonwealth

Airport Fund shall be established on the books of the Comptroller and any funds remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on the funds shall be credited to the Fund. The funds so allocated shall be allocated by the Commonwealth Transportation Board to the Virginia Aviation Board. The funds shall be allocated by the Virginia Aviation Board to any Virginia airport which is owned by the Commonwealth, a governmental subdivision thereof, or a private entity to which the public has access for the purposes enumerated in § 5.1-2.16, or is owned or leased by the Metropolitan Washington Airports Authority (MWAA), as follows:

Any new funds in excess of \$12.1 million which are available for allocation by the Virginia Aviation Board from the Commonwealth Transportation Fund, shall be allocated as follows: 60 percent to MWAA, up to a maximum annual amount of \$2 million, and 40 percent to air carrier airports as provided in subdivision A 3 a. Except for adjustments due to changes in enplaned passengers, no air carrier airport sponsor, excluding MWAA, shall receive less funds identified under subdivision A 3 a than it received in fiscal year 1994-1995.

Of the remaining amount:

- a. Forty percent of the funds shall be allocated to air carrier airports, except airports owned or leased by MWAA, based upon the percentage of enplanements for each airport to total enplanements at all air carrier airports, except airports owned or leased by MWAA. No air carrier airport sponsor, however, shall receive less than \$50,000 ~~more~~ more than \$2 million per year from this provision.
  - b. Forty percent of the funds shall be allocated by the Aviation Board for air carrier and reliever airports on a discretionary basis, except airports owned or leased by MWAA.
  - c. Twenty percent of the funds shall be allocated by the Aviation Board for general aviation airports on a discretionary basis.
4. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the Transportation Trust Fund and which shall be known as the Commonwealth Mass Transit Fund.
- a. The Commonwealth Mass Transit Fund shall be established on the books of the Comptroller and any funds remaining in such Fund at the end of the biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on such funds shall be credited to the Fund. Funds may be paid to any local governing body, transportation district commission, or public service corporation for the purposes hereinafter specified.
  - b. The amounts allocated pursuant to this section shall be used to support the public transportation administrative costs and the costs borne by the locality for the purchase of fuels, lubricants, tires and maintenance parts and supplies for public transportation at a state share of 80 percent in 2002 and 95 percent in 2003 and succeeding years. These amounts may be used to support up to 95 percent of the local or nonfederal share of capital project costs for public transportation and ridesharing equipment, facilities, and associated costs. Capital costs may include debt service payments on local or agency transit bonds. The term "borne by the locality" means the local share eligible for state assistance consisting of costs in excess of the sum of fares and other operating revenues plus federal assistance received by the locality.
  - c. Commonwealth Mass Transit Fund revenue shall be allocated by the Commonwealth Transportation Board as follows:
    - (1) Funds for special programs, which shall include ridesharing, experimental transit, and technical assistance, shall not exceed 1.5 percent of the Fund.
    - (2) The Board may allocate these funds to any locality or planning district commission to finance up to 80 percent of the local share of all costs associated with the development, implementation, and continuation of ridesharing programs.
    - (3) Funds allocated for experimental transit projects may be paid to any local governing body, transportation district commission, or public corporation or may be used directly by the Department of Rail and Public Transportation for

the following purposes:

(a) To finance up to 95 percent of the capital costs related to the development, implementation and promotion of experimental public transportation and ridesharing projects approved by the Board.

(b) To finance up to 95 percent of the operating costs of experimental mass transportation and ridesharing projects approved by the Board for a period of time not to exceed 12 months.

(c) To finance up to 95 percent of the cost of the development and implementation of any other project designated by the Board where the purpose of such project is to enhance the provision and use of public transportation services.

d. Funds allocated for public transportation promotion and operation studies may be paid to any local governing body, planning district commission, transportation district commission, or public transit corporation, or may be used directly by the Department of Rail and Public Transportation for the following purposes and aid of public transportation services:

(1) At the approval of the Board to finance a program administered by the Department of Rail and Public Transportation designed to promote the use of public transportation and ridesharing throughout Virginia.

(2) To finance up to 50 percent of the local share of public transportation operations planning and technical study projects approved by the Board.

e. At least 73.5 percent of the Fund shall be distributed to each transit property in the same proportion as its operating expenses bear to the total statewide operating expenses and shall be spent for the purposes specified in subdivision 4 b.

f. The remaining 25 percent shall be distributed for capital purposes on the basis of 95 percent of the nonfederal share for federal projects and 95 percent of the total costs for nonfederal projects. In the event that total capital funds available under this subdivision are insufficient to fund the complete list of eligible projects, the funds shall be distributed to each transit property in the same proportion that such capital expenditure bears to the statewide total of capital projects. Prior to the annual adoption of the Six-Year Improvement Program, the Commonwealth Transportation Board may allocate up to 20 percent of the funds in the Commonwealth Mass Transit Fund designated for capital purposes to transit operating assistance if operating funds for the next fiscal year are estimated to be less than the current fiscal year's allocation, to attempt to maintain transit operations at approximately the same level as the previous fiscal year.

g. There is hereby created in the Department of the Treasury a special nonreverting fund known as the Commonwealth Transit Capital Fund. The Commonwealth Transit Capital Fund shall be part of the Commonwealth Mass Transit Fund. The Commonwealth Transit Capital Fund subaccount shall be established on the books of the Comptroller and consist of such moneys as are appropriated to it by the General Assembly and of all donations, gifts, bequests, grants, endowments, and other moneys given, bequeathed, granted, or otherwise made available to the Commonwealth Transit Capital Fund. Any funds remaining in the Commonwealth Transit Capital Fund at the end of the biennium shall not revert to the general fund, but shall remain in the Commonwealth Transit Capital Fund. Interest earned on funds within the Commonwealth Transit Capital Fund shall remain in and be credited to the Commonwealth Transit Capital Fund. Proceeds of the Commonwealth Transit Capital Fund may be paid to any political subdivision, another public entity created by an act of the General Assembly, or a private entity as defined in § 56-557 and for purposes as enumerated in subdivision 4c of § 33.1-269 or expended by the Department of Rail and Public Transportation for the purposes specified in this subdivision. Revenues of the Commonwealth Transit Capital Fund shall be used to support capital expenditures involving the establishment, improvement, or expansion of public transportation services through specific projects approved by the Commonwealth Transportation Board. Projects financed by the Commonwealth Transit Capital Fund shall receive local, regional or private funding for at least 20 percent of the nonfederal share of the total project cost.

5. Funds for Metro shall be paid by the Northern Virginia Transportation ~~Commission (NVTC)~~ Authority (NVTa), from the Northern Virginia Transportation Commission account to the Washington Metropolitan Area Transit Authority (WMATA) and be a credit to the Counties of Arlington and Fairfax and the Cities of Alexandria, Falls



Church and Fairfax in the following manner:

- a. Local obligations for debt service for WMATA rail transit bonds apportioned to each locality using WMATA's capital formula shall be paid first by ~~NVTC NVTA~~. ~~NVTC NVTA~~ shall use 95 percent state aid for these payments.
- b. The remaining funds shall be apportioned to reflect WMATA's allocation formulas by using the related WMATA-allocated subsidies and relative shares of local transit subsidies. Capital costs shall include 20 percent of annual local bus capital expenses. Hold harmless protections and obligations for ~~NVTC's NVTA's~~ jurisdictions agreed to by *the former Northern Virginia Transportation Commission* ~~NVTC~~ on November 5, 1998, shall remain in effect.

Appropriations from the Commonwealth Mass Transit Fund are intended to provide a stable and reliable source of revenue as defined by Public Law 96-184.

B. The sales and use tax revenue generated by a one percent sales and use tax shall be distributed among the counties and cities of this Commonwealth in the manner provided in subsections C and D.

C. The localities' share of the net revenue distributable under this section among the counties and cities shall be apportioned by the Comptroller and distributed among them by warrants of the Comptroller drawn on the Treasurer of Virginia as soon as practicable after the close of each month during which the net revenue was received into the state treasury. The distribution of the localities' share of such net revenue shall be computed with respect to the net revenue received into the state treasury during each month, and such distribution shall be made as soon as practicable after the close of each such month.

D. The net revenue so distributable among the counties and cities shall be apportioned and distributed upon the basis of the latest yearly estimate of the population of cities and counties ages five to 19, provided by the Weldon Cooper Center for Public Service of the University of Virginia. Such population estimate produced by the Weldon Cooper Center for Public Service of the University of Virginia shall account for persons who are domiciled in orphanages or charitable institutions or who are dependents living on any federal military or naval reservation or other federal property within the school division in which the institutions or federal military or naval reservation or other federal property is located. Such population estimate produced by the Weldon Cooper Center for Public Service of the University of Virginia shall account for members of the military services who are under 20 years of age within the school division in which the parents or guardians of such persons legally reside. Such population estimate produced by the Weldon Cooper Center for Public Service of the University of Virginia shall account for persons who are confined in state hospitals, state training schools or state training centers for the mentally retarded, mental institutions, or state or federal correctional institutions or who attend the Virginia School for the Deaf and the Blind within the school division in which the parents or guardians of such persons legally reside. Such population estimate produced by the Weldon Cooper Center for Public Service of the University of Virginia shall account for persons who attend institutions of higher education within the school division in which the student's parents or guardians legally reside. To such estimate, the Department of Education shall add the population of students with disabilities, ages two through four and 20 through 21, as provided to the Department of Education by school divisions. The revenue so apportionable and distributable is hereby appropriated to the several counties and cities for maintenance, operation, capital outlays, debt and interest payments, or other expenses incurred in the operation of the public schools, which shall be considered as funds raised from local resources. In any county, however, wherein is situated any incorporated town constituting a school division, the county treasurer shall pay into the town treasury for maintenance, operation, capital outlays, debt and interest payments, or other expenses incurred in the operation of the public schools, the proper proportionate amount received by him in the ratio that the school population of such town bears to the school population of the entire county. If the school population of any city or of any town constituting a school division is increased by the annexation of territory since the last estimate of school population provided by the Weldon Cooper Center for Public Service, such increase shall, for the purposes of this section, be added to the school population of such city or town as shown by the last such estimate and a proper reduction made in the school population of the county or counties from which the annexed territory was acquired.

E. Beginning July 1, 2000, of the remaining sales and use tax revenue, the revenue generated by a two percent sales and use tax, up to an annual amount of \$13 million, collected from the sales of hunting equipment, auxiliary hunting equipment, fishing equipment, auxiliary fishing equipment, wildlife-watching equipment, and auxiliary wildlife-watching equipment in Virginia, as estimated by the most recent U.S. Department of the Interior, Fish and Wildlife Service and U.S. Department of Commerce, Bureau of the Census National Survey of Fishing, Hunting, and

Wildlife-Associated Recreation, shall be paid into the Game Protection Fund established under § 29.1-101 and shall be used, in part, to defray the cost of law enforcement. Not later than 30 days after the close of each quarter, the Comptroller shall transfer to the Game Protection Fund the appropriate amount of collections to be dedicated to such Fund. At any time that the balance in the Capital Improvement Fund, established under § 29.1-101.1, is equal to or in excess of \$35 million, any portion of sales and use tax revenues that would have been transferred to the Game Protection Fund, established under § 29.1-101, in excess of the net operating expenses of the Board, after deduction of other amounts which accrue to the Board and are set aside for the Game Protection Fund, shall remain in the general fund until such time as the balance in the Capital Improvement Fund is less than \$35 million.

F. 1. Of the net revenue generated from the one-half percent increase in the rate of the state sales and use tax effective August 1, 2004, pursuant to enactments of the 2004 Special Session I of the General Assembly, the Comptroller shall transfer from the general fund of the state treasury to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund established under § 58.1-638.1 an amount equivalent to one-half of the net revenue generated from such one-half percent increase as provided in this subdivision. The transfers to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund under this subdivision shall be for one-half of the net revenue generated (and collected in the succeeding month) from such one-half percent increase for the month of August 2004 and for each month thereafter.

2. For the purposes of the Comptroller making the required transfers under subdivision 1, the Tax Commissioner shall make a written certification to the Comptroller no later than the twenty-fifth of each month certifying the sales and use tax revenues generated in the preceding month. Within three calendar days of receiving such certification, the Comptroller shall make the required transfers to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund.

G. If errors are made in any distribution, or adjustments are otherwise necessary, the errors shall be corrected and adjustments made in the distribution for the next quarter or for subsequent quarters.

H. The term "net revenue," as used in this section, means the gross revenue received into the general fund or the Transportation Trust Fund of the state treasury under the preceding sections of this chapter, less refunds to taxpayers.

§ 58.1-815.1. Northern Virginia Transportation District Fund.

A. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the Transportation Trust Fund and which shall be known as the Northern Virginia Transportation District Fund, consisting of transfers pursuant to § 58.1-816 of annual collections of the state recordation taxes attributable to the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park and the Counties of Arlington, Fairfax, Loudoun, and Prince William; however, this dedication shall not affect the local recordation taxes under §§ 58.1-802 B and 58.1-814. The Fund shall also include any public rights-of-way use fees appropriated by the General Assembly; any state or local revenues, including but not limited to, any funds distributed pursuant to § 33.1-23.3, 33.1-23.4 or 33.1-23.5:1, which may be deposited into the Fund pursuant to a contract between a jurisdiction participating in the Northern Virginia Transportation District Program and the Commonwealth Transportation Board; and any other funds as may be appropriated by the General Assembly from time to time and designated for this Fund and all interest, dividends and appreciation which may accrue thereto. Any moneys remaining in the Fund at the end of a biennium shall not revert to the general fund, but shall remain in the Fund, subject to the determination by the Commonwealth Transportation Board that a Category 2, 3 or 4 project or projects may be funded.

B. Allocations from this Fund may be paid (i) to any authority, locality or commission for the purposes of paying the costs of the Northern Virginia Transportation District Program which consists of the following: the Fairfax County Parkway, Route 234 Bypass, Metrorail Capital Improvements attributable to Fairfax County including Metro parking expansions, Metro Capital Improvements, including the Franconia-Springfield Metrorail Station and new rail car purchases, Route 7 improvements in Loudoun County and Fairfax County, the Route 50/Courthouse Road interchange improvements in Arlington County, the Route 28/Route 625 interchange improvements in Loudoun County, Metrorail capital improvements attributable to the City of Alexandria including the King Street Metrorail Station access, Metrorail capital improvements attributable to Arlington County, including Ballston Station improvements, Route 15 safety improvements in Loudoun County, Route 28 parallel roads in Loudoun County, the

Route 28/Sterling Boulevard interchange in Loudoun County, Route 1/Route 123 interchange improvements in Prince William County, Lee Highway improvements in the City of Fairfax, Route 123 improvements in Fairfax County, Telegraph Road improvements in Fairfax County, Route 123 Occoquan River Bridge, Gallows Road in Fairfax County, Route 1/Route 234 interchange improvements in Prince William County, *the bus replacement program formerly under the auspices of the Potomac- and Rappahannock Transportation Commission* ~~bus replacement program~~, and Dulles Corridor Enhanced Transit program and (ii) for Category 4 projects as provided in § 2 of the act or acts authorizing the issuance of Bonds for the Northern Virginia Transportation District Program.

C. On or before July 15, 1994, \$19 million shall be transferred to the Fund. Such transfer shall be made by the issuance of a treasury loan at no interest in the amount of \$19 million in the event such an amount is not included for the Fund in the general appropriation act enacted by the 1994 Session of the General Assembly. Such treasury loan shall be repaid from the Commonwealth's portion of the state recordation tax imposed by Chapter 8 (§ 58.1-800 et seq.) of Title 58.1 designated for the Fund by this section and § 58.1-816.

2. That effective July 1, 2012, all duties, responsibilities, and powers of the Northern Virginia Transportation Commission, as set forth in § 15.2-4503.1 of the Code of Virginia, and the Potomac and Rappahannock Transportation Commission, as set forth in § 15.2-4507 of the Code of Virginia, shall be transferred to the Northern Virginia Transportation Authority.

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**Legislative Information System**

Initial Bills of Interest to Northern Virginia  
January 17, 2011

Transportation Agencies

**HB 2016** (Albo): Expands the duties of NVTA to include the assumption and oversight of the NVTC and PRTC administrative activities, bus and commuter rail transit planning, programming, funding, and operation activities that occur in the areas embraced by NVTA. Upon enactment, the NVTC and PRTC will be dissolved. Additional technical changes are made throughout the Code to account for the consolidation. This bill has a delayed enactment of July 1, 2012.

**HB 1648** (Cosgrove): Eliminates the Rail Advisory Board; creating additional flexibility in the Rail Enhancement Fund.

Use of Revenues by NVTA

**HB 1999** (LeMunyon): Revises criteria for allocating regional transportation revenues as follows: after returning 40% of the funding to jurisdictions in which it is raised and allocating \$50 million to Metro and \$25 million to VRE (current law), NVTA must allocate the remainder of its funds to “(i) reduce traffic congestion as quickly as possible and (ii) maximize regional mobility and minimize the loss of life in the event of a homeland security emergency in the national capital area.” Also puts the same restrictions on the NVTD bond program.

Appointments to NVTC and the WMATA Board

**HB 2000** (LeMunyon): Provides that the Governor shall appoint an additional member to NVTC and that appointees have significant experience in mass transit planning, finance, engineering, construction, or management. Also directs that NVTC appoint one of the Governor appointee as a principal member of the WMATA Board and the other as alternate member to the WMATA Board. **(Apparently there is also a budget amendment).**

Northern Virginia Long Range Transportation Planning

**HB 1998** (LeMunyon): Establishes responsibilities for various entities for long-range transportation planning for VDOT in the Northern Virginia Transportation District. Creates requirements for NVTA to report annually on funding allocated from NVTA’s Special Revenue Account related to reducing traffic congestion and improving air quality.

Toll Road Bill

**HB 1539** (LeMunyon): Requires advance approval of any tolls for use of the Dulles Toll Road or Dulles Greenway by every local governing body of every county, city, and town through which the facility passes.

Transportation Infrastructure Bank

**HB 1582** (Cosgrove): Provides loans and grants to public and private entities to fund transportation projects. The special fund shall consist of revenues generated through the privatization of the Commonwealth’s ABC stores and revenues generated through a one-time drawing down of construction cash reserves by the Virginia Department of Transportation. VTIB is authorized to issue bonds in an amount not to exceed \$4 billion.

### HOV Bills

**HB 1432** (Greason)/**HB 1754** (Plum)/**SB 1034** (Barker): Extends until July 1, 2012, the sunset on use of HOV lanes by clean special fuel vehicles, regardless of the number of occupants

**HB 1048** (Barker): Requires that HOT lane construction contracts contain requirements for minimum average speed for vehicles using the facility.

### Revenue Sharing

**HB 2021** (May) – eliminates tiers; changes total amount to at least \$50 million, but does not change the \$1 million limit per jurisdiction.

**HB 2203** (Comstock) – eliminates tiers; does not change dollar amounts

**SB 1329** (Herring) – changes first tier from local government managed to congestion relief. Increases total funding to \$50 million to \$250 million. Removes jurisdictional cap.

**HB 2527** (Howell)/**SB 1446** (Wampler): Removes tiers (entire paragraph B, including that project must be in the Six Year Program) and the \$1 million limit. Removes funding total funding level.

### Metropolitan Planning Organizations

**SB 1112** (Miller, Y): Specifies the role of MPOs in the Commonwealth's transportation decision-making process, including an examination of the structure and cost of transit operations; the endorsement of long-range plans assuring maximum utilization and integration of mass transportation facilities throughout the Commonwealth; and the study of long-range financial needs for improving public transportation systems.

### Commonwealth Transportation Board

**HB 1801** (Surovell): Changes the composition of the CTB. One member will be appointed from each of Virginia's 11 congressional districts (as they were on January 1, 2011) and four more will be at-large appointees: one representing seaports, one representing aviation, one representing railroads, and one representing mass transit. The three ex-officio members remain unchanged.

### Metrorail Extension to Prince William County

**HB 2238** (Torian): Creates the Prince William County Metrorail Improvement District to provide a means of financing an extension of commuter rail service from Fairfax County into Prince William County.

### Bicycles

**HB 1683**(Toscano)/**HB 2194** (Ebbin)/**SB 928** (McDougle): Adds bicycles, electric personal assistive mobility devices, electric power-assisted bicycles, and mopeds to the list of vehicles that the driver of a motor vehicle shall not follow more closely than is reasonable. In addition, the bill increases passing distance for passing bicycles from two to three feet.

### Towing

**HB 1956** (Rust)/**SB 1179** (Marsden): Provides that, when a local governing body regulates towing by ordinance, such ordinance shall permit the towing company to tow the vehicle at least 10 miles from the origination of the tow.

### Studies

**SJ 292** (Puller): Requests DRPT to conduct a study for improved public transportation services to Fort Belvoir and the Marine Corps Base at Quantico. DRPT shall conduct the study in consultation with Fort Belvoir, the Marine Corps Base at Quantico, the Washington Metropolitan Area Transit Authority, the NVTC, PRTC, VRE, the Counties of Fairfax, Prince William, and Stafford and affected federal agencies.

**SJ 297** (Miller, Y.B.): Requests the Department of Rail and Public Transportation (DRPT) to make a one-year study of transit programs in the Commonwealth, including but not limited to the funding of such programs.

### Other

**HB 1491** (Albo)/**HB 1884** (Filler-Corn) Provides that when allocating funds for the interstate system of highways, the primary system of state highways, and the secondary system of state highways maintained by the Commonwealth, the CTB shall consider achieving a minimal level of disparity among highway construction districts in meeting asset performance standards. Prior to such allocation, the Board shall release for public review a comparison of the proposed allocation of funds by highway construction district with an allocation of funds based entirely on specific asset performance standards by highway construction district.

**HB 2248** (Torian) Provides that any person who obstructs, hinders, or interferes with the operation or operator of a transit vehicle engaged in the performance of a public transportation service or a person engaged in his official duties as a conductor, station agent, or station attendant of a public transportation service is guilty of a Class 1 misdemeanor.

**SB 898** (Miller, Y.B.) Repeals the requirement that localities submit the list of intersections approved for installation of photo-monitoring systems to the Virginia Department of Transportation for final approval if the locality has a population of 149,500 or more.

## **Governor McDonnell's Transportation Plan January 21, 2011**

### **Elements of the Governor's Transportation Plan**

***Total funding in the Governor's plan is \$4 billion.***

- **Accelerate issuance of \$1.8 billion in already authorized bonds from HB 3202 (2007)** - these funds were authorized by the 2007 General Assembly. This is not new funding, but the Governor proposes to accelerate issuance. It was originally envisioned that \$300 million in bonds would be sold each year. The Governor proposes to sell \$600 million per year for each of the next three years. These bonds are repaid by insurance premium taxes that are dedicated to the Priority Transportation Fund. The Administration believes that this source of funds is adequate to support the higher issuance.
- **Authorize \$1.1 billion in new Grant Anticipation Revenue Vehicle (GARVEE) bonds which are bonds supported by future Federal transportation revenues** - using anticipated Federal revenues to fund transportation is similar to the Gilmore Administration's use of Federal Revenue Anticipation Notes (FRAN) debt. Unlike the FRANS, the GARVEE bonds will be issued to support specific projects. Both the principal and interest are repaid with future Federal transportation funds. It is estimated that this would require \$110 million in Federal transportation funds annually depending on the interest rate and the term of the bonds. It appears that the Administration is planning to sell 12 to 15 year bonds.
- **Use of toll credits to match Federal funds** – These toll credits would replace the use of cash from the Transportation Trust Fund or other sources to provide the required 20 percent non-Federal match for transportation projects. The technique allows projects to be funded with 100 percent Federal funds, and releases state funds to be used for non-Federal projects. It does not generate new Federal funds, but allows state transportation funds to be stretched further. FHWA has granted preliminary authority to use the toll credits. It is not clear whether the Federal toll credits would be tied to specific toll roads/projects or regions where the tolls were collected.
- **\$400 million to the new Virginia Transportation Infrastructure Bank (VTIB) (\$250 million comes from the VDOT audit and \$150 million comes from the FY 2010 General Fund surplus)** – the funds in this bank could be used for grants or loans. VTIB funding would be available to local governments, regional transportation agencies and the private sector. A variety of projects, including highways, transit, ports and airports would be eligible. A nine member board would be established to oversee the distribution of funds. It is not clear how funds would be distributed. Potentially Northern Virginia and other large regions could be required to use local funds to pay back loans, while rural localities receive grants, according to the Secretary's September 2010 presentation.
- **Additional funding over the next three years to the Virginia Transportation Infrastructure Bank** – these funds may come from an anticipated future budget surplus, possibly diminishing funds going to General Fund supported activities. In addition, the Governor previously stated that proceeds from the privatization of Alcoholic Beverage Commission (ABC) stores would go to the Infrastructure Bank. The Governor estimates that \$300 million can be raised by selling the retail ABC stores and licenses. The Secretary indicated that he would like to raise a total of \$1 million for the Infrastructure Bank.

- **Modify the calculation for determining the amount of surplus General Funds that would be allocated to transportation** – current law states that 2/3<sup>rd</sup> of the annual budget is to be designated to transportation. This calculation is made after the deposits to the Revenue Stabilization (rainy day) Fund, the Water Quality Fund and others. The Governor proposes to take 2/3<sup>rd</sup> of the budget surplus immediately after making deposits to the Revenue Stabilization Fund and dedicate it to transportation.
- **Allocates 0.25 percent of the state sales taxes collected in Northern Virginia and Hampton Roads and dedicate it to transportation projects in those regions** – The Governor estimates that this will raise about \$100 million per year for transportation in Northern Virginia and about \$40 million per year in Hampton Roads. These funds would otherwise have been deposited in the General Fund. The revenues would be dedicated to the Northern Virginia Transportation Authority and the Hampton Roads Transportation Planning Organization.
- **Permits dedication of two percent of the growth in the General Fund to transportation in years in which the General Fund growth is at least five percent** – uses a portion of General Fund revenue growth for transportation. These revenues “may” be dedicated to the Transportation Trust Fund.
- **Constitutional amendment to permanently protect the Commonwealth Transportation Fund from transfers to the General Fund** – continues prior efforts to protect transportation funds from being transferred to the General Fund for non-transportation purposes.
- **Increase the availability of Revenue Sharing, specifically eliminating the \$1 million cap per project and \$50 million program maximum** - this does not provide new transportation funding. It would provide additional transportation funds to localities by leveraging the funds raised by the localities.
- **Establish a Passenger Rail Capital and Operating Fund** – The Federal Passenger Rail Investment Act (PRIA) indicates that states will need to assume financial support for regional corridor trains by 2013. In addition, the Commonwealth is funding new trains from Lynchburg to Washington and from Richmond to Washington using a three year grant. At the end of the grant, the Commonwealth will need to either identify an alternative revenue source or discontinue these trains. The Governor proposes to establish this fund; however, no revenue source has been identified yet.
- **Recapitalization of the Transportation Partnership Opportunity Fund (TPOF)** – the Governor’s proposals added \$50 million the TPOF. This fund is used to assist with Public Private Transportation Act (PPTA) projects.



# 2011 General Assembly Session Transportation Funding/Allocation Bills

Bills	Patron	Description	Committee	Status	Position	Notes
<b>Transportation Funding Bills</b>						
HB 1413	Scott	Motor fuels tax rate, converts rate of taxation from cents per gallon to a percentage rate.	H Finance, Sub. #1			Converts the rate of taxation on motor fuels from cents per gallon to a percentage rate in an amount that will most closely yield the amount of cents per gallon being charged on the applicable motor fuel prior to the effective date of the bill. Thereafter, the percentage rates would not change, but would be applied against the average price per gallon of the fuel, less federal and state taxes, as determined by the DMV Commissioner over rolling six-month periods, to determine the cents to be charged.
HB 1531	Howell, A.	Motor fuels tax; increases rate and dedicates additional revenue to transportation system.	H Finance, Sub. #1			Increases the motor fuels tax rate by \$0.10 per gallon and dedicates the additional revenue to the operation, maintenance, improvement, and expansion of the Commonwealth's transportation system.
HB 1604	Albo	Corporate income tax; market-based sourcing.	H Finance, Sub. #1			Changes the way the sales factor is determined, for purposes of the corporate income tax, so that it will be market-based sourcing rather than costs-of-performance, which is the current method used.
HB 1653	Purkey	Motor fuels tax; imposes additional tax in certain transportation districts, referendum.	H Finance, Sub. #1			Imposes an additional 2.1% tax on motor fuels sold by a wholesale distributor to retailers in the counties and cities within each transportation district wherein the citizens affirm the imposition at referendum on November 8, 2011. The revenue attributable to each transportation district shall be used solely for the construction of highways, bridges, or tunnels within the respective transportation district.
HB 1892	Watts	Northern Virginia Transportation Authority Sales & Use Tax Fund; established, etc.	H Finance			Provides additional funding for transportation by (i) imposing a motor fuels sales tax rate of 4%, phased in over four years, for highway maintenance, (ii) increasing the state sales tax in No. Va. by 0.5% for transportation projects in No. Va., and (iii) increasing the recapture tax in No. Va. at a rate of \$0.40 per \$100 valuation. The motor fuels tax is not effective until the unemployment rate in the Commonwealth decreases for four consecutive quarters after July 1, 2010. The bill also reduces the sales and use tax rate on food from 1.5% to 1%, and repeals the authority for certain localities to impose a local income tax. The bill requires DMV, in consultation with the Virginia Port Authority and the Commonwealth Transportation Commissioner, to develop a fee schedule for overweight vehicles, to be presented to the Joint Commission on Transportation Accountability by December 15, 2011. In addition, the bill removes the sunset date that reduced the special real property tax rate on commercial property in the localities embraced by NVTAA from \$0.25 per \$100 of assessed value, to \$0.125 per \$100 of assessed value. Finally, the bill increases the special real property tax rate on commercial property in localities in Hampton Roads from \$0.10 per \$100 of assessed value to \$0.125 per \$100 of assessed value.
HB 1926	Marshall, D.	Salem Highway Construction District Transportation Revenue Fund; established	H Trans, Sub. #4			Provides funds for transportation in the Salem Highway Construction District by allocating revenue attributable to a portion of economic growth due to or facilitated by the Inland Port in Montgomery County.
HB 2222	Oder	Transportation funding and administration; funding in Northern Virginia, Hampton Roads, etc.	H Approps, Sub. Trans			Provides for transportation funding and administration in No. Va., Hampton Roads, the Richmond Highway Construction District, the Staunton Highway Construction District, and the Salem Highway Construction District. The amount of funding is based on (i) for No. Va., a portion of the growth in certain state tax revenues in No. Va.; (ii) for Hampton Roads, a portion of the growth in certain state tax revenues generated or facilitated by the marine terminals in Hampton Roads; (iii) for the Richmond Highway Construction District, a portion of the growth in certain state tax revenues generated or facilitated by the Port of Richmond; (iv) for the Staunton Highway Construction District, a portion of the growth in certain state tax revenues generated or facilitated by the Inland Port at Front Royal; and (v) for the Salem Highway Construction District, a portion of the growth in certain state tax revenues expected to be generated or facilitated by the Elliston Intermodal Facility.
HB 2404	Rust	State sales & use tax revenue; dedicates portion for transportation projects in Hampton Roads	H Finance; Sub #2			Governor's Transportation Proposal. Dedicates a portion of state sales and use tax revenue for transportation projects in No. Va. and Hampton Roads equivalent to a 1/4% sales and use tax rate in the localities in Northern Virginia and the localities in Hampton Roads, with the amount for each region calculated separately. The amounts calculated for Northern Virginia and Hampton Roads are transferred to the Northern Virginia Transportation Authority and the Hampton Roads Transportation Planning Organization, respectively, to be used solely for projects in the Commonwealth Transportation Board's Six-Year Improvement Program.
HB 2456	Brink	Alcoholic beverage control; privatization of government stores	H Gen. Laws			Provides for the full implementation of retail privatization of distilled spirits by January 1, 2013. Under the provisions of the bill the ABC Board is to develop a plan for the discontinuation of government stores by December 31, 2011, at which time the process of auctioning of retail licenses for distilled spirits will begin. The ABC Board will still operate the warehouse for the wholesale sale of distilled spirits and wine produced by farm wineries. The bill creates a new distilled spirits retail license, which will be granted to successful bidders at an auction conducted by the ABC Board, and sets out the privileges of the license and the rates for the annual state and local license taxes. Under the provisions of the bill, these new licenses are transferable, are categorized by tier depending on square footage of the retail space and shelf space of the successful bidder, and are limited in number to one license per 8,000 people in each locality. Among other things, the bill (i) allows the new licensee the ability to set prices in accordance with their own individual business plans and in response to market conditions; (ii) provides that no one business entity shall be awarded more than 25 percent of the total number of distilled spirits retail licenses granted in any one tier, nor shall more than 25 percent of the total dedicate to the Highway Maintenance and Operating Fund one-third of the total revenue from the insurance license tax, phased in over three years, beginning with fiscal year 2013.
HB 2499	Albo	Insurance license tax; dedicates to Highway Maintenance & Operating Fund one-third of total revenue	H Finance; Sub #1			
HB 2527	Howell, W.	VA. Transportation Infrastructure Fund and VA. Transportation Infrastructure Bank; created	H Approps, Sub. Trans			Governor's Transportation Proposal. The bill creates the Virginia Transportation Infrastructure Fund (Fund) and the Virginia Transportation Infrastructure Bank (Bank) whose board of directors administers the Fund. The initial deposit into the Fund consists of general fund surplus and certain savings identified at the Virginia Department of Transportation. Up to 20 percent of the Fund may be used to make grants to localities for transportation projects as determined by the Bank, and the remainder is used to make loans to private or public entities for transportation projects as determined by the Bank. The bill authorizes the issuance of Commonwealth of Virginia Transportation Grant Anticipation Revenue Notes whose outstanding aggregate principal amount, together with any outstanding aggregate principal amount of Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes, cannot exceed \$1.2 billion, with the proceeds used for transportation projects as determined by the Commonwealth Transportation Board. The bill also increases the aggregate principal amount of Commonwealth of Virginia Transportation Capital Projects Revenue Bonds that may be issued in a fiscal year from \$300 million to \$600 million. The bill establishes the Intercity Passenger Rail Operating and Maintenance Fund, to be administered by the Director of the Department of Rail and Public Transportation, with the approval of the Commonwealth

# 2011 General Assembly Session Transportation Funding/Allocation Bills

SENATE	Author	Motor fuels taxes; indexing of tax rates.	S Finance			
SB 833	Peterson	Motor fuels taxes; indexing of tax rates.	S Finance			Increases or decreases each year the rates of Virginia's fuels taxes using a fuel efficiency index, which is defined using total annual vehicle miles traveled and the total gallons of motor fuel consumed for highway use in the Commonwealth for the relevant year. The bill would establish 2007 as the base year for the index. Thus, the percentage change in the index between the current year and 2007 would determine the annual percentage increase or decrease in the rates of Virginia's fuels taxes. Each December the DMV Commissioner would compute the adjusted rates of fuels taxes.
SB 1295	Miller, J.C.	Transportation funding.	S Finance			Provides new and increased taxes, tolls, and general fund revenues for transportation funding. The bill would (i) decrease the motor fuels tax from \$0.175 per gallon to \$0.05 per gallon and establish a 5% tax on motor fuels sales based upon the statewide average wholesale price of a gallon of self-serve unleaded gasoline; (ii) subject to the amount of the additional revenues generated by the changes described in clause (i), increase the motor fuels tax rate by \$0.10 per gallon in increments of \$0.02 per gallon each year over the five-year period beginning in 2012; (iii) beginning in 2012 increase the motor vehicle sales and use tax by 0.5% each year for four years; (iv) provide that of the retail sales and use tax revenues generated by the Commonwealth's 4% tax on sales of automobile parts and automobile accessories, an amount equivalent to the revenues generated by a 2.5% retail sales and use tax on such parts and accessories would be deposited into the Highway Maintenance and Operating Fund (HMOF); (v) subject to receipt of federal authorization, authorize the CTB to impose and collect a toll of \$1 per axle on every vehicle entering the Commonwealth from the state of North Carolina via I-85 and I-95; and (vi) dedicate for highway maintenance purposes 10% of the future growth in certain state taxes that is attributable to economic activity generated or facilitated by the public and private general cargo marine terminals and inland ports of the Commonwealth. All amounts generated under the bill would be deposited into the HMOF to be used for highway maintenance except the revenues from tolls on vehicles entering the Commonwealth from North Carolina, which would be deposited into the Transportation Trust Fund.
SB 1347	Normont	Virginia Racing Commission; authorizes wagering on horse historical racing	S Finance			Authorizes wagering on historical horse racing. The bill also allocates the proceeds from such racing with fifty percent of the proceeds distributed to the Commonwealth Transportation Trust Fund and the remaining fifty percent distributed to other entities. In addition, the bill (i) requires the existing race track to provide gambling educational programs including information on the availability of gambling addiction counseling and (ii) requires the promulgation of emergency regulations
SB 1385	Coigan	Year-end surplus of general fund balance; changes priority of assignment	S Finance			<b>Governor's Transportation Proposal.</b> Changes the priority for assigning any year-end surplus by requiring that 10 percent of the general fund balance remaining after funds are set aside for required deposits to the Revenue Stabilization Fund, the Virginia Water Quality Improvement Fund, the Transportation Trust Fund, and other commitments would be assigned to provide funding to the Department of Veterans Services.
SB 1394	McWaters	State sales & use tax revenue; dedicates portion for transportation projects in Hampton Roads	S Finance			<b>Governor's Transportation Proposal.</b> Dedicates a portion of state sales and use tax revenue for transportation projects in Northern Virginia and Hampton Roads equivalent to one quarter percent sales and use tax rate in the localities in Northern Virginia and the localities in Hampton Roads, with the amount for each region calculated separately. The amounts calculated for Northern Virginia and Hampton Roads are transferred to the Northern Virginia Transportation Authority and the Hampton Roads Transportation Planning Organization, respectively, to be used solely for projects in the Commonwealth Transportation Board's Six-County Program.
SB 1417	Obenshain	Alcoholic beverage control; privatization of government stores	S Rehab and Social Services			Provides for the full implementation of retail privatization of distilled spirits by January 1, 2013. Under the provisions of the bill the ABC Board is to develop a plan for the discontinuation of government stores by December 31, 2011, at which time the process of auctioning of retail licenses for distilled spirits will begin. The ABC Board will still operate the warehouse for the wholesale sale of distilled spirits and wine produced by farm wineries. The bill creates a new distilled spirits retail license, which will be granted to successful bidders at an auction conducted by the ABC Board, and sets out the privileges of the license and the rates for the annual state and local license taxes. Under the provisions of the bill, these new licenses are transferable, are categorized by tier depending on square footage of the retail space and shelf space of the successful bidder, and are limited in number to one license per 6,000 people in each locality. Among other things, the bill (i) allows the new licensee the ability to set prices in accordance with their own individual business plans and in response to market conditions; (ii) provides that no one business entity shall be awarded more than one license in any locality.
SB 1438	Herring	Virginia Racing Commission; authorizes wagering on historical horse racing	S General Laws	Incorporated into SB 1347		Authorizes wagering on historical horse racing. The bill also allocates the proceeds from such racing with forty-two percent of the proceeds distributed to the Commonwealth Transportation Trust Fund and the remaining fifty-eight percent distributed to other entities. In addition, the bill (i) requires the existing race track to provide gambling educational programs including information on the availability of gambling addiction counseling and (ii) requires the promulgation of emergency regulations
SB 1446	Wampler	Va. Transportation Infrastructure Fund and VA. Transportation Infrastructure Bank; created				<b>Governor's Transportation Proposals.</b> The bill creates the Virginia Transportation Infrastructure Fund (Fund) and the Virginia Transportation Infrastructure Bank (Bank) whose board of directors administers the Fund. The initial deposit into the Fund consists of general fund surplus and certain savings identified at the Virginia Department of Transportation. Up to 20 percent of the Fund may be used to make grants to localities for transportation projects as determined by the Bank, and the remainder is used to make loans to private or public entities for transportation projects as determined by the Bank. The bill authorizes the issuance of Commonwealth of Virginia Transportation Grant Anticipation Revenue Notes whose outstanding aggregate principal amount, together with any outstanding aggregate principal amount of Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes, cannot exceed \$1.2 billion, with the proceeds used for transportation projects as determined by the Commonwealth Transportation Board. The bill also increases the aggregate principal amount of Commonwealth of Virginia Transportation Capital Projects Revenue Bonds from \$1.2 billion to \$2.0 billion.
SJ 328	Miller, J.C.	Study; replacement of the state motor fuel tax; report.	S Rules			Requests the Virginia Transportation Research Council to study the desirability and feasibility of replacing the state motor fuel tax with alternatives including a mileage-based fee predicated on vehicle-miles traveled in Virginia.
<b>Transportation Allocation Formula Bills</b>						
HOUSE	Albo	Highway maintenance funds; requires CTB to allocate funds on basis of achieving level of disparity.	H Trans, Sub. #4			Provides that when allocating funds for the interstate system of highways, the primary system of state highways, and the secondary system of state highways maintained by the Commonwealth, the CTB shall consider achieving a minimal level of disparity among highway construction districts in meeting asset performance standards. Prior to such allocation, the Board shall release for public review a comparison of the proposed allocation of funds by highway construction district with an allocation of funds based entirely on specific asset performance standards by highway construction district.

# 2011 General Assembly Session Transportation Funding/Allocation Bills

HB 1544	Kory	Commonwealth Mass Transit Fund; increases percentage of Transportation Trust Fund revenues, etc.	H Appropriations, Sub. Trans			Increases the percentage of Transportation Trust Fund revenues flowing into the Commonwealth Mass Transit Fund from 14.7% to 19%.
HB 1582	Cosgrove	Virginia Transportation Infrastructure Bank; created.	H Appropriations, Sub. Trans			Creates the Virginia Transportation Infrastructure Bank (VTIB) as a special fund to provide loans and grants to public and private entities to fund transportation projects in the Commonwealth. The special fund shall consist of revenues generated through the privatization of the Commonwealth's ABC stores and revenues generated through a one-time drawing down of construction cash reserves by the VDOT. VTIB is authorized to issue bonds in an amount not to exceed \$4 billion.
HB 1631	Watts	Highway maintenance; payments to cities and towns.	H Trans, Sub. #4			Equalizes municipal street payments to comparable amounts paid for state maintenance.
HB 2331	Lingamfelter	Allocation of highway maintenance & construction funds; alters manner Transportation Bd. allocates.	H Appropriations, Sub. Trans			Alters the manner in which the CTB allocates highway maintenance and construction funds from the Transportation Trust Fund and the HMOF.
<del>SENATE</del>						
SB 1044	Barber	Highway maintenance allocations.	S Trans			Provides that allocation by the CTB for maintenance of assets within the Interstate System of Highways and the primary and secondary systems of state highways shall be based on achieving a minimal level of disparity among highway construction districts in meeting asset management performance standards established pursuant to § 33.1-13.02.
<b>Protecting the Transportation Trust Fund</b>						
<b>House</b>						
HJ 511	Oder	Constitutional amendment; Transportation Funds.	S Privileges and Elections	Passed House (98-0)		Requires the General Assembly to maintain permanent and separate Transportation Funds to include the Commonwealth Transportation Fund, Transportation Trust Fund, Highway Maintenance and Operating Fund, and other funds established by general law for transportation. All revenues dedicated to Transportation Funds on January 1, 2012, by general law, other than a general appropriation law, shall be deposited to the Transportation Funds, unless the General Assembly by general law, other than a general appropriation law, alters the revenues dedicated to the Funds. The amendment limits the use of Fund moneys to transportation and related purposes. The General Assembly may borrow from the Funds for other purposes only by a vote of two-thirds plus one of the members voting in each house, and the loan must be repaid with reasonable interest by the end of the fourth fiscal year following the date of the borrowing.
HJ 572	Watts	Constitutional amendment; Transportation Funds	S Privileges and Elections	incorporated into HJ 511		Requires the General Assembly to maintain permanent and separate Transportation Funds to include the Commonwealth Transportation Fund, Transportation Trust Fund, Highway Maintenance and Operating Fund, and Priority Transportation Fund. All revenues dedicated to Transportation Funds on January 1, 2013, by general law, other than a general appropriation law, shall be deposited to the Transportation Funds, unless the General Assembly by general law, other than a general appropriation law, alters the revenues dedicated to the Funds. The amendment requires Funds be appropriated only for transportation systems and projects. The General Assembly may borrow from the Funds for other purposes only by a vote of two-thirds plus one of the members voting in each house, and the loan or reduction must be repaid with reasonable interest within three years. The amendment also limits the use of general and other nontransportation funds for transportation purposes except for obligations authorized or entered into before January 1, 2013.
<b>Senate</b>						
SJ 353	Obenshain	Constitutional amendment; Transportation Funds	S Privileges and Elections, Sub. Const. Amendments			Requires the General Assembly to maintain permanent and separate Transportation Funds to include the Commonwealth Transportation Fund, Transportation Trust Fund, Highway Maintenance and Operating Fund, and other funds established by general law for transportation. All revenues dedicated to Transportation Funds on January 1, 2013, by general law, other than a general appropriation law, shall be deposited to the Transportation Funds, unless the General Assembly by general law, other than a general appropriation law, alters the revenues dedicated to the Funds. The amendment limits the use of Fund moneys to transportation and related purposes. The General Assembly may borrow from the Funds for other purposes only by a vote of two-thirds plus one of the members voting in each house, and the loan must be repaid with reasonable interest within four years.
SJ 363	Norment	Constitutional amendment; Transportation Funds	S Privileges and Elections, Sub. Const. Amendments			Requires the General Assembly to maintain permanent and separate Transportation Funds to include the Commonwealth Transportation Fund, Transportation Trust Fund, Highway Maintenance and Operating Fund, and Priority Transportation Fund. All revenues dedicated to Transportation Funds on January 1, 2013, by general law, other than a general appropriation law, shall be deposited to the Transportation Funds, unless the General Assembly by general law, other than a general appropriation law, alters the revenues dedicated to the Funds. The amendment requires Funds be appropriated only for transportation systems and projects. The General Assembly may borrow from the Funds for other purposes only by a vote of two-thirds plus one of the members voting in each house, and the loan or reduction must be repaid with reasonable interest within three years. The amendment also limits the use of general and other nontransportation funds for transportation purposes except for obligations authorized or entered into before January 1, 2013.
<b>Other Transportation Bills</b>						
<b>House</b>						
<b>Senate</b>						
<b>House</b>						

2011 General Assembly Session Transportation Funding/Allocation Bills

Senate		House		Legislation No Longer Under Consideration	
<b>Transportation Funding Bills</b>					
<b>HOUSE</b>					
<b>SENATE</b>					
<b>Transportation Allocation Formula Bills</b>					
<b>HOUSE</b>	<b>HB 1884</b>	<b>Filler-Com</b>	<b>Highway maintenance funds; requires CTB to allocate funds on basis of achieving level of disparity.</b>	<b>H Trans, Sub. #4</b>	<b>Incorporated into HB 1491 (Albo)</b>
<b>SENATE</b>					
<b>Transportation Trust Fund Bills</b>					
<b>HJR</b>	<b>HJ 572</b>	<b>Watts</b>	<b>Constitutional amendment; Transportation Funds (first reference).</b>	<b>H Privileges and Elections</b>	<b>Incorporated into HJ 511 (Oder)</b>
<b>SENATE</b>					
<b>Other Transportation Bills</b>					
<b>House</b>					
<b>Senate</b>					

Provides that when allocating funds for the interstate system of highways, the primary system of state highways, and the secondary system of state highways maintained by the Commonwealth, the CTB shall consider achieving a minimal level of disparity among highway construction districts in meeting asset performance standards. Prior to such allocation, the Board shall release for public review a comparison of the proposed allocation of funds by highway construction district with an allocation of funds based entirely on specific asset performance standards by highway construction district.

Requires the General Assembly to maintain permanent and separate Transportation Funds to include the Commonwealth Transportation Fund, Transportation Trust Fund, Highway Maintenance and Operating Fund, and Priority Transportation Fund. All revenues dedicated to Transportation Funds on January 1, 2013, by general law, other than a general appropriation law, shall be deposited to the Transportation Funds, unless the General Assembly by general law, other than a general appropriation law, alters the revenues dedicated to the Funds. The amendment requires Funds be appropriated only for transportation systems and projects. The General Assembly may borrow from the Funds for other purposes only by a vote of two-thirds plus one of the members voting in each house, and the loan or reduction must be repaid with reasonable interest within three years. The amendment also limits the use of general and other nontransportation funds for transportation purposes except for obligations authorized or entered into before January 1, 2013.



Commonwealth Transportation Board  
CMAQ Sub-Committee  
January 19, 2011  
Chief of Planning and Programming



## Overview

- Background
- CMAQ allocations by MPO
- Inactive CMAQ and RSTP projects
- Appropriations Act
- Options
- Legislative Changes
- Staff recommendations

## Background - CMAQ

- Virginia receives approximately \$70 million annually in CMAQ funds and match
- CMAQ funds must be spent in air quality nonattainment areas on eligible projects as determined by federal guidance
- By policy, the CTB has delegated the authority to allocate CMAQ funds to the MPOs in nonattainment and maintenance areas (NVTA, FAMPO, RRMPO, TCMPO, and HRTPO)
- CMAQ projects must be included in the SYIP and transfers must be approved by the CTB
- VDOT/DRPT have concerns regarding the ability of MPOs to appropriately manage these funds

## Background - RSTP

- Virginia receives approximately \$90 million annually in RSTP funds and match
- RSTP funds must be spent in Transportation Management Areas (MPOs greater than 200,000 population)
- By Federal code, funds must be programmed by qualifying MPOs (NVTA, FAMPO, RRMPO, TCMPO, and HRTPO)
- RSTP funds are very flexible and may be used on any system on any federally qualifying route
- RSTP projects must be included in the SYIP but transfers do not need to be approved by the CTB
- VDOT/DRPT have concerns regarding the ability of MPOs to appropriately manage these funds



## CMAQ Allocations by MPO

MPO	Previous	FY17	FY18	FY19	FY20	FY21	FY22	Total
FAMPO Total Allocations	-	\$2,539,386	\$2,568,111	\$2,608,049	\$2,662,354	\$2,704,478	\$2,747,208	\$15,830,586
FAMPO Unprogrammed	\$699,006	\$544,396	\$2,568,111	\$2,608,049	\$2,662,354	\$2,704,478	\$2,747,208	\$14,534,602
HRTPO Total Allocations	-	\$15,154,503	\$15,324,171	\$15,586,059	\$15,731,191	\$15,980,094	\$16,232,581	\$83,988,599
HRTPO Unprogrammed	\$3,404,804	\$591,325	\$992,597	\$1,209,381	\$1,635,492	\$2,410,352	\$16,232,581	\$26,476,332
NOVA Total Allocations	-	\$21,595,776	\$21,839,976	\$22,188,116	\$22,641,449	\$22,999,688	\$23,363,080	\$134,628,085
NOVA Unprogrammed	\$3,289,605	\$770,776	\$21,839,976	\$22,188,116	\$22,641,449	\$22,999,688	\$23,363,080	\$117,092,690
Richmond Total Allocations	-	\$7,644,541	\$7,731,710	\$7,855,983	\$8,081,960	\$8,209,834	\$8,339,550	\$47,863,578
Richmond Unprogrammed	\$3,622,438	\$0	\$1,932,928	\$1,983,996	\$2,020,490	\$8,209,834	\$8,339,550	\$26,089,236
Tri-Cities Total Allocations	-	\$1,416,998	\$1,431,465	\$1,452,090	\$1,341,375	\$1,362,598	\$1,384,128	\$8,388,654
Tri-Cities Unprogrammed	\$1,332,818	\$761,998	\$526,465	\$467,090	\$516,875	\$622,598	\$1,384,128	\$5,611,972
Total MPO Allocations	\$0	\$33,351,214	\$33,936,453	\$34,635,297	\$35,485,328	\$36,286,592	\$36,766,437	\$300,699,512
Total MPO Unprogrammed	\$12,948,777	\$2,086,995	\$22,380,077	\$22,497,682	\$22,476,880	\$15,346,850	\$12,059,441	\$169,804,832

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Based on Final FY11-16 SYIP



## RSTP Allocations by MPO

MPO	Previous	FY17	FY18	FY19	FY20	FY21	FY22	Total
FAMPO Total Allocations	-	\$821,983	\$842,063	\$854,184	\$866,480	\$878,954	\$891,608	\$5,155,272
FAMPO Unprogrammed	\$145,777	\$82,000	\$842,063	\$854,184	\$866,480	\$878,954	\$891,608	\$4,561,066
HRTPO Total Allocations	-	\$24,110,830	\$24,699,804	\$25,055,374	\$25,416,064	\$25,781,946	\$26,153,095	\$151,217,113
HRTPO Unprogrammed	\$7,396,544	\$52,054	\$1,137,412	\$1,348,092	\$1,563,001	\$1,782,206	\$26,153,095	\$39,432,404
NOVA Total Allocations	-	\$30,115,009	\$30,850,651	\$31,294,768	\$31,745,278	\$32,202,274	\$32,665,848	\$188,873,828
NOVA Unprogrammed	\$18,027,058	\$0	\$30,850,651	\$31,294,768	\$31,745,278	\$32,202,274	\$32,665,848	\$176,785,877
Richmond Total Allocations	-	\$12,247,731	\$12,546,915	\$12,727,536	\$12,910,759	\$13,096,619	\$13,285,153	\$76,814,713
Richmond Unprogrammed	\$5,697,689	(\$299,169)	\$3,001,263	\$3,044,468	\$6,052,063	\$13,096,619	\$13,285,153	\$43,878,086
Tri-Cities Total Allocations	-	\$1,910,519	\$1,957,189	\$1,985,364	\$2,013,944	\$2,042,936	\$2,072,346	\$11,982,298
Tri-Cities Unprogrammed	\$1,332,818	\$1,910,519	\$1,957,189	\$1,985,364	\$2,013,944	\$2,042,936	\$2,072,346	\$13,621,768
Total MPO Allocations	\$0	\$89,209,072	\$90,893,622	\$91,917,221	\$92,952,525	\$94,002,729	\$95,088,050	\$546,045,224
Total MPO Unprogrammed	\$24,897,835	\$1,746,844	\$37,798,675	\$38,382,616	\$42,220,789	\$50,002,989	\$75,085,050	\$278,273,201

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Based on Final FY11-16 SYIP

## Inactive CMAQ and RSTP Projects

Total Estimate of Projects	\$306,420,574
Total Allocations on Projects	\$167,521,432
Obligations on Projects	\$ 16,765,725
Expenditures on Projects	\$ 0

Based on Final FY11-16 SYIP and includes Locally administered and VDOT administered projects

## Item 436 of the Virginia Appropriations Act

- Projects funded, in whole or part, from federal funds referred to as *CMAQ*, shall be selected as directed by the board. Such funds shall be federally obligated within 24 months of their allocation by the board and expended within 48 months of such obligation. If the requirements included in this paragraph are not met by such agency or recipient, then the board shall use such federal funds for any other project eligible under 23 USC 149.



## Appropriations Act continued

- Funds made available to the MPO known as the *RSTP* for urbanized areas greater than 200,000, in FY 2011 and each fiscal year thereafter shall be federally obligated within 12 months of their allocation by the board and expended within 36 months of such obligation. If the requirements included in this paragraph are not met by the recipient, then the board shall rescind the required match for such federal funds.
- Funds made available to the MPO known as the *RSTP* for urbanized areas greater than 200,000, in FY 2010 and any preceding fiscal year shall be federally obligated within 12 months of the effective date of this act and expended within 36 months of such obligation. If the requirements included in this paragraph are not met by the recipient, then the board shall rescind the required match for such federal funds.

## Options

1. Status quo
  - MPOs continue to program CMAQ funds to projects as identified and approved by the MPOs
  - CTB approves SYIP amendments and fund transfers as requested by MPOs
  - Does not address concerns regarding appropriate programming of CMAQ funds
  - Legislative revisions still necessary

## Options

2. Status quo with additional guidance to MPOs
  - MPOs continue to program CMAQ funds
  - CTB provides guidance on priorities
  - CTB approves SYIP amendments and transfers as requested by MPOs
  - Does not address concerns regarding appropriate programming of CMAQ funds
  - Legislative revisions still necessary

## Options

3. Localities apply for CMAQ funding
  - Implement a process similar to the Enhancement Program
  - VDOT/DRPT evaluate projects submitted by localities
  - CTB approves projects for funding as part of the SYIP update
  - CTB approves SYIP amendments and transfers as recommended by VDOT/DRPT staff
  - Does not address concerns regarding appropriate programming of CMAQ funds
  - May lengthen time required to program CMAQ funds
  - Legislative revisions still necessary

## Options

4. Program FY12 CMAQ allocations and forward centrally by VDOT/DRPT with input from the MPOs in nonattainment and maintenance areas
  - MPOS receive funding targets each year and work with their member localities to recommend projects to VDOT/DRPT for inclusion in the SYIP
  - VDOT/DRPT staff programs funds to projects consistent with CTB priorities
  - CTB approves CMAQ allocations as part of SYIP update
  - CTB approves SYIP amendments and transfers as recommended by VDOT staff
  - Legislative revisions still necessary

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## Legislative Changes

- Seek legislative changes and implement Appropriations Act language
- Align timeframes for CMAQ and RSTP funds
  - Eliminate retroactive implementation
  - Insert language to provide locality with an opportunity to address breach prior to withdrawing state match for RSTP
  - Eliminate CMAQ requirements and address issues via CTB policy guidelines for the CMAQ program

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## Staff Recommendation

- Option 4 Program FY12 CMAQ allocations and forward centrally by VDOT/DRPT with input from the MPOs in nonattainment and maintenance areas
  - Facilitates more expeditious use of the funds
  - Ensures allocation of funds consistent with CTB priorities
  - EPA is expected to promulgate a new, lower ozone standard, which is likely to result in more nonattainment areas in VA and qualify more jurisdictions for CMAQ funds; programming the funds centrally will create less disruption to existing nonattainment/maintenance areas if additional eligible areas are identified

## Staff Recommendation continued

- Apply the Appropriations Act language with the FY12 SYIP and forward; the clock starts (whether 12 month or 24 month) with FY12 allocations
- The Appropriations Act language applies to the year of the allocation, not the phase or project
- The clock starts with the year of the allocation, regardless of transfers; an FY12 allocation is always an FY12 allocation and must be obligated and expended within the specified timeframes



# COMMONWEALTH of VIRGINIA

## Office of the Governor

Robert F. McDonnell  
Governor

January 14, 2011

The Honorable William D. Euille, Chairman  
Northern Virginia Transportation Commission  
2300 Wilson Boulevard, Suite 620  
Arlington, Virginia 22201

Dear Chairman Euille:

Thank you for your recent letter regarding representation for the Commonwealth of Virginia on the Washington Metropolitan Area Transit Authority's (WMATA) Board of Directors.

As you know, the Commonwealth has added value on other transit boards and commissions throughout Virginia for many years and I appreciate your acknowledgement that Commonwealth representation would do the same for WMATA. However, I am very disappointed by the Northern Virginia Transportation Commission's action, despite the Commonwealth's significant ongoing funding, responsibility for safety oversight of WMATA, and offer to maintain representation for the three jurisdictions currently occupying Virginia's four seats on the WMATA Board. For the state of Virginia to have no seat, when Maryland, DC, and the federal government do, is simply not right.

Today, Maryland Governor Martin O'Malley, District of Columbia Mayor Vincent Gray and I announced an implementation plan and schedule for transforming governance of the Washington Metropolitan Area Transit Authority (WMATA) consistent with the good recommendations made by the Washington Board of Trade. The plan includes taking steps on Compact amendments that will, among other things, alter the structure of the WMATA Board. I look forward to NVTC's cooperation as these amendments are carried forward.

Sincerely,

A handwritten signature in black ink that reads "Robert F. McDonnell".

Robert F. McDonnell

RFM/kfs



# NVTC

Northern Virginia Transportation Commission

# NVTC

January 6, 2011

The Honorable Robert F. McDonnell, Governor  
Commonwealth of Virginia  
Patrick Henry Building, Third Floor  
1111 East Broad Street  
Richmond, VA 23219

Dear Governor McDonnell:

The Northern Virginia Transportation Commission has authorized me to summarize a productive series of discussions regarding governance reforms for the Washington Metropolitan Area Transportation Authority. Your Secretary of Transportation, Sean Connaughton, contacted NVTC to convey your desire for the Commonwealth of Virginia to have a greater role in ensuring the success of WMATA. Several state and local members of NVTC's board met with DRPT Director Thelma Drake and members of her staff on three separate occasions to consider how best to accomplish your request.

As a result of these productive discussions, the local government members of NVTC wish to summarize the outcome from their perspective:

The local government members of NVTC's board believe there is value in having the Commonwealth participate in the oversight of WMATA and welcome the Commonwealth as a partner in addressing various operating and capital challenges, including the safety, reliability, increase funding and long-term viability of the transit system on which our region and the Commonwealth so critically depend. These local members are willing to support appointment of a representative of the Commonwealth to the WMATA Board, but not at the expense of current local representation.

This local representation is critical, since the local governments interact with WMATA on a daily basis on a variety of local issues (including location of facilities, facility improvements, land use, transit-oriented development and levels of service) and also are responsible for providing funding to close WMATA's budget shortfalls. Further, WMATA's effectiveness depends on a close coordination with local transit services.



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Tel (703) 524-3322 • Fax (703) 524-1756 • TDD (800) 828-1120 • VA Relay Service  
E-mail [nvtdc.org](mailto:nvtdc.org) • Website [www.thinkoutsidethecar.org](http://www.thinkoutsidethecar.org)

There is an immediacy to the effect of rail, bus, and paratransit operations to the local community that is felt much more acutely in Northern Virginia than in Richmond, far from the communities Metro serves. Citizens affected by delays, or by Metro-related construction, or operational changes like bus stop relocations will call their local officials and expect action.

NVTC's local representatives believe that your request should be addressed in the context of amendments to the WMATA Compact related to the composition of the WMATA Board and other issues. As part of the discussion of these amendments, NVTC's local representatives would like to reach an understanding with the Commonwealth on how positions will be determined on an expanded WMATA Board of Directors in a manner that will ensure a unified Virginia approach.

NVTC's local representatives pledge to work in good faith to bring about such an agreement by April 1, 2011 and thereafter to actively support its passage in the other Compact jurisdictions and the Congress.

In the interim, we will continue to work with your representatives through NVTC on a regular, on-going basis to ensure that your concerns on WMATA matters are addressed appropriately by the Board of Directors.

Thank you for your interest in enhancing the WMATA system. We look forward to continued productive discussions with you and your representatives that will lead to prompt and effective Compact amendments.

Sincerely,

  
William D. Euille  
NVTC Chairman

cc: The Honorable Sean Connaughton  
The Honorable Thelma Drake  
NVTC Chief Administrative Officers  
Richard Sarles, WMATA General Manager



[Home](#) > [Newsroom](#)

## PRESS RELEASE

PRINT

**For Immediate Release:**  
January 20, 2011

**Contact: Anne Hughes**  
202-225-4372

# Moran Statement on Republican Study Committee's Proposed Cuts to WMATA

**Congressman Jim Moran, Northern Virginia Democrat and senior member of the House Appropriations Committee, released the following statement in response to the Republican Study Committee's plan to drastically cut federal funding, including a \$150 million annual cut to Metro funding:**

"The Republican Study Committee plan to gut federal funding for WMATA is irresponsible. The funding provides for critical capital improvements to fix Metro so that the Washington Metropolitan region has a safer and more efficient transit system in the future. This money was sought by a bipartisan group of area legislators and represents a compact between WMATA, Virginia, Maryland, D.C., and the federal government, the latter of which was given representation on the WMATA board in exchange for joining the cost share agreement. Removing the funding would decrease federal involvement in Metro at a time when it is most necessary.

"These cuts would also have a detrimental effect on our federal workforce. Not only was Metro created in large part to accommodate federal employees, but with 40% of peak Metro ridership comprised of federal employees, it is more than appropriate for the federal government to help fund the system. A large number of federal employees in critical national security roles rely on the Metro system to get to work every day. If Metro stops running, so does the government."

###

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# Congress of the United States

Washington, DC 20515

January 19, 2011

The Honorable Robert Gates  
Secretary of Defense  
U.S. Department of Defense  
1000 Defense Pentagon, Room 3E718  
Washington, DC 20301

Dear Secretary Gates:

We write today to express our continued concern over the Base Closure and Realignment (BRAC) recommendation #133. In particular, we believe the full implementation of BRAC #133 will have tremendously negative effects upon the transportation infrastructure and the provision of fire and emergency medical services (EMS) in northern Virginia.

As you know, BRAC #133 will relocate approximately 6,400 Department of Defense (DoD) personnel from leased office space, accessible by public transit, in northern Virginia to the Mark Center complex in Alexandria, VA, which is not proximate to any Metro station. Numerous reports, including the Army's own Transportation Management Plan (TMP), have concluded that the implementation of BRAC #133 will severely degrade the transportation infrastructure surrounding the Mark Center, causing failing levels of service. Further, without updated mutual aid agreements, local municipalities, whose resources are already constrained, will struggle to respond to a fire or medical emergency in a timely manner.

To address the tremendous transportation challenge BRAC #133 poses, Section 2704 of the National Defense Authorization Act for Fiscal Year 2011 (H.R. 6523) requires the Secretary of the Army to produce a transportation plan for BRAC #133 that maintains existing levels of service at six key intersections surrounding the site. The Army's TMP, as it exists today, fails to meet the standard imposed by Section 2704. Though we have serious doubts that the full implementation of BRAC #133 will lead to any result other than failing levels of service, the Army can mitigate this by implementing the following recommendations.

First, the DoD should immediately waive Defense Access Roads Program (DAR) criteria and fund the short- and medium-term transportation infrastructure improvements as recently recommended by the Virginia Department of Transportation (VDOT). According to VDOT's most recent analysis, without these improvements all six intersections identified by Section 2704 will experience failing levels of service. To be clear, even should funding be identified, ground would not be broken on any of the improvements until February 2012, five months after the full implementation of BRAC #133, and the short-term improvements would not be completed before December 2012.

Second, before the Mark Center is occupied, the DoD should agree to subsidize local transit which already provides service to stops surrounding the Mark Center. Currently, the Washington Headquarters Service (WHS) plans to pay for private shuttles to transport approximately 23% of its employees from surrounding Metro stops and the Pentagon. Subsidizing local transit options provided by the City of Alexandria (DASH) and WMATA would allow each to expand service to the Mark Center, serving the dual purpose of providing an additional transit option for DoD employees and reducing the number of single and multiple occupancy vehicles commuting to the site.

Third, the WHS should pay for the location of traffic police provided by an appropriate jurisdiction at several intersections surrounding the Mark Center complex. Throughout the National Capital Region the DoD pays for basic police functions to provide static security at locations housing defense personnel. In fact, at the Defense Advanced Research Projects Agency headquarters in Arlington, VA, the DoD has since 2001 temporarily and indirectly paid Arlington County for county police and vehicles. The DoD should replicate this model to provide temporary police functions at intersections that will be affected by the BRAC #133 relocation until sufficient transportation infrastructure is in place to support the relocation without causing a degradation of service.

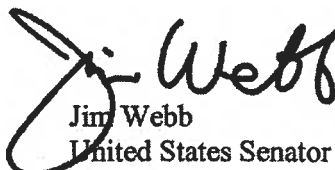
Fourth, if the Army cannot implement the BRAC #133 without causing a degradation of service to local intersections, we ask that the DoD not fully implement the move until sufficient transportation infrastructure is in place. As you know, in 2007 the Army suspended a record of decision to place BRAC #133 on the Engineering Proving Grounds (EPG) of Fort Belvoir due to transportation concerns and the costs of mitigation measures. We ask that the same standard be applied in order to avoid inflicting undue hardship upon civilian infrastructure.


Finally, we remain concerned that the Army has yet to update a mutual aid agreement for the provision of fire and emergency medical services at the Mark Center with all of the signatories of the northern Virginia Emergency Services Mutual Response Agreement. Nine months from the full occupation of the Mark Center, northern Virginia remains woefully underprepared to respond to an incident at the site without simultaneously jeopardizing the safety and security of the area's other residents, despite written reassurances from LTG Rick Lynch and Secretary McHugh.


We believe that the complete implementation of BRAC #133 will cause a tremendous burden upon not only northern Virginia residents, but also upon the nearly 200,000 commuters that use I-395 everyday. Should the DoD implement the recommendations described above, we believe the department's effect upon the area's transportation infrastructure can be lessened. Thank you for your consideration of our request and we hope the department will remain a willing partner as the BRAC deadline approaches.

Sincerely,

  
James P. Moran  
U.S. Representative

  
Jim Webb  
United States Senator

  
Mark Warner  
United States Senator

  
Gerald E. Connolly  
U.S. Representative

CC: The Honorable John McHugh, Secretary of the Army  
The Honorable Dorothy Robyn, Deputy Under Secretary of Defense (Installations and Environment)  
The Honorable Katherine Hammack, Assistant Secretary of the Army (Installations and Environment)  
Lieutenant General Rick Lynch, Commanding General, U.S. Army Installation Management Command  
Michael Rhodes, Director of Administration and Management, Washington Headquarters Service

**Congress of the United States**  
**Washington, DC 20515**

July 30, 2010

The Honorable Robert M. Gates  
Secretary  
Department of Defense  
1000 Defense Pentagon  
Washington, DC 20301-0001

Dear Secretary Gates,

Thank you for your continued service to our nation and your steadfast support for the men and women of our armed forces.

With the deadline for implementing the 2005 Base Realignment and Closure movements a little more than a year away, we write to seek your assistance in ensuring that all affected communities, particularly those here in the National Capital Region, have a reasonable chance of successfully addressing the transportation needs posed by the influx of new military and related personnel. We believe the Department's Defense Access Roads (DAR) program needs to be revisited with the intent of better sharing the cost burden with our state and local partners and encouraging multimodal solutions in urban areas.

In Northern Virginia, more than 24,100 jobs are moving to Fort Belvoir and the Engineer Proving Ground (EPG) in Fairfax County and another 3,600 are moving to the Quantico Marine Corps Base in Prince William and Stafford counties. Most personnel are being relocated from generally transit-accessible work sites to locations that are almost exclusively auto-reliant. In fact, just two roads, Interstate 95 and U.S. Route 1, will provide primary access to the new regional hospital, offices, and related facilities. The National Capital Region suffers the third-worst congestion in the country, and, according to the Virginia Department of Transportation, the worst bottleneck in Northern Virginia is located on I-95 between Quantico and Fort Belvoir. When the 2005 BRAC movements are complete, the workforce at Fort Belvoir will rival that of the Pentagon, but, as you know, the Pentagon is served by a robust multimodal network of transportation options to ensure an orderly movement of military and civilian commuters.

While on-site construction at our regional installations is on schedule for completion prior to the Sept. 15, 2011, deadline, of equally critical importance is the fact that the off-site transportation improvements are nowhere close to being ready (due to lack of funds). To their credit, the Commonwealth of Virginia and Fairfax County have invested more than \$350 million in transportation improvements around Fort Belvoir, but that still leaves more than \$1.4 billion in identified priorities unfunded. To help ensure that mission-critical personnel can reach their work stations, we urge you to revisit the DAR criteria to allow funding for off-site improvements directly related to base readiness and for multi-modal solutions, which are not referenced under current policy. As you know, DAR regulations have not been changed since 1978, and they no longer reflect the current needs of the military or the affected communities. In fact, the criteria put metropolitan areas like the National Capital Region at a distinct disadvantage. BRAC relocations to Fort Belvoir and the Engineer Proving Ground, for example, simply will not work without transit service.

As part of your review, we also urge you to consider amending two other criteria within the DAR program that currently impede off-site infrastructure improvements, particularly in urban communities. The first is the requirement for traffic to double as a result of the defense action. In a community like Northern Virginia, where roads already are saturated with traffic even during non-peak times, such a rigid threshold is nonsensical. The National Academy of Sciences, which is conducting an assessment of the DAR program as requested by the Warner Defense Access Roads Study, issued an interim report last month highlighting the fact that densely populated communities are unable to qualify for assistance due to the outdated requirement of doubling traffic on the affected roads. Clearly this is an impossible standard on major highways like Interstates 95 and 395 and must be addressed. We invite you to commute to Fort Belvoir during rush hour. The line of cars waiting to enter the Tully Gate routinely extends far down Route 1 under present conditions.

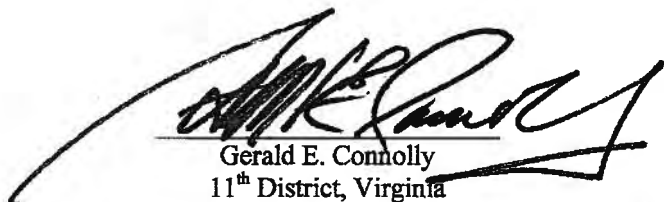
We also would urge you to allow our local and state partners to have a stronger voice in requesting projects through the DAR program. Currently, such requests must originate with garrison commanders, who are presented with a Sophie's choice between on- and off-site improvements that are critical to mission-ready operations. While local and state leaders may not have insight to the needs of our military posts, they have intimate knowledge of local infrastructure necessary to support them and should be part of the decision making process.

We believe these changes are consistent with the spirit of DAR policy, which states "DoD recognizes that situations occur where defense traffic places an unexpected burden on state and local highway programs. ... The DAR program may then be able to be used to help fund highway improvements necessary to accommodate the sudden and unusual defense impacts."

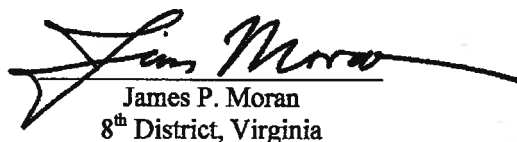
Finally, let us touch on the public safety risk to our military personnel and local residents from the failure to make these vital improvements. As you know, inadequate highway safety in these transportation corridors, and others across the nation, is a threat to military readiness and the public in general. According to the National Highway Transportation Safety Administration, I-95 already is among the most dangerous interstates in America without the pending addition of thousands of more cars. We know the Department recently considered modifying DAR criteria to recognize the need to address traffic safety, and the situation created by BRAC, particularly here in the National Capital Region, further underscores the importance of re-evaluating current policy.

Thank you for your attention to this critical issue. We stand ready to assist you in any fashion to update the DAR program, whether through administrative or legislative means. We look forward to working with you to further improve the readiness of our men and women in uniform and to improve our partnership with the communities that support them.

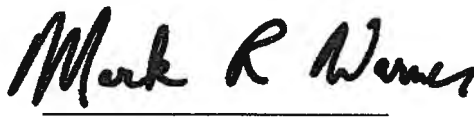
Sincerely,



Gerald E. Connolly  
11<sup>th</sup> District, Virginia



James P. Moran  
8<sup>th</sup> District, Virginia

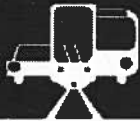


Mark Warner  
U.S. Senator, Virginia

**Rick Taube**

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**From:** KEN ORSKI [korski@verizon.net]  
**Sent:** Sunday, January 23, 2011 12:52 PM  
**To:** Our Readers  
**Subject:** What Lies Ahead for Transportation in the 112th Congress?



## INNOVATION NEWSBRIEFS

CELEBRATING OUR 22ND YEAR OF PUBLICATION

Vol. 22, No. 3

[www.innobriefs.com](http://www.innobriefs.com)

January 23, 2011

### **What Lies Ahead for Transportation in the 112th Congress?**

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As Congress gets down to business and awaits the President's State of the Union address and his Budget Message, here is how informed observers view the prospects for transportation in the days ahead. Our prognosis is based on published reports and informal conversations with members of the Washington transportation community, congressional sources and fellow journalists and reporters

Congressional action on transportation this year, including the shape of the next surface transportation bill, will be inevitably influenced by the changed political geography of the 112th Congress. Not only will the level of funding for transportation be dictated by new, fiscally conservative House majority, but the program priorities will be influenced by a newly elected GOP representation that largely hails from small-town and suburban America.

The freshly re-constituted House Transportation and Infrastructure (T&I) Committee is comprised of 33 Republicans and 26 Democrats, a net decrease of 16 members. Of the 33 Republicans, 20 are newly elected House members and only 13 are committee veterans with transportation experience. A majority of the new GOP members come from the heartland and none of them represent big city transit-oriented districts. The closest to a major urbanized areas that any of the Republican members come from, are Oklahoma City and Charleston SC. The new chairman of the House Highways and Transit Subcommittee, John Duncan, represents Tennessee's conservative 2nd congressional district and the chairman of the House Transportation Appropriations subcommittee, Tom Latham, comes from a rural district of Iowa.

*Thus, the House transportation committees will likely focus on the traditional concerns of keeping roads and bridges in a state of good repair. They also will be under pressure to stabilize the Highway Trust Fund (HTF) by bringing transportation expenditures in line with expected gas tax receipts. Letting available resources determine the appropriate level of spending represents a change in congressional posture from years past when often poorly documented investment "needs" tended to dictate funding levels. Today, a heightened concern about the mounting federal budget deficit seems to have overshadowed concerns about deteriorating infrastructure and has led fiscal conservatives to conclude that living within the limits of the Trust Fund is both proper and necessary. How to strike the right balance between the need to reduce the budget deficit and*

*the legitimate needs to preserve and improve the nation's infrastructure will undoubtedly dominate the upcoming debate about the multi-year surface transportation authorization. With Congress opposed to raising the gas tax, attention will likely turn to alternative means of financing such as public-private partnerships, tolling, TIFIA, Private Activity Bonds, state infrastructure banks and other creative financial mechanisms.*

The flow of gas tax revenues into the Highway Trust Fund is expected to average \$40-41 billion/year for the next several years according to the most recent Congressional Budget Office projections (Highway and Transit accounts combined). Keeping spending within those limits will require shedding certain discretionary programs that are deemed to be of little national significance as, for example, various "transportation enhancement" activities that benefit local communities. In the short term, the Trust Fund will be supplemented by unspent stimulus funds, thus softening transition to a more austere spending regimen. The unspent ARRA funds still amount to about 50 percent of the originally allocated sum, according to Congressman Mica.

Transit is expected to maintain its customary share of total spending — although "New Starts," traditionally funded with general revenue, may receive a smaller allocation, given the increased influence of fiscal conservatives and a diminished presence of city-oriented transit advocates on the current T&I Committee. Also likely to be curtailed will be support for high-speed rail (HSR), amid its cool reception in Wisconsin, Ohio, Iowa, Florida and other Republican-dominated state legislatures. A proposal by the influential Republican Study Committee (RSC), a caucus of 165 conservative Republicans, would eliminate all future high-speed rail grants. Although House Transportation Committee chairman John Mica (R-FL) is generally supportive of rail and has talked of shifting more freight from roads to rail, he has been highly critical, along with Rep. Bill Shuster (R-PA) the new chairman of the subcommittee on Railroads, of the unfocused way the Administration has handled the high-speed rail program. He is likely to reorder the passenger rail priorities and reallocate any unobligated rail money to where, in his words, "it makes sense." A likely beneficiary will be the Boston-to-Washington corridor. "Ignoring development of true high-speed rail in the Northeast Corridor would be a monumental failure," Congressman Mica wrote last year ("U.S. Musn't Squander High-Speed Rail Funds, *The Hill*, October 15, 2009.)

As of January 20, approximately \$4.7 billion of the high-speed rail funds remained unobligated. This includes \$2.4 billion allocated to Florida's Tampa-to-Orlando line and a number of smaller HSR projects that remain stalled in contentious negotiations with the affected Class 1 railroads. The fate of the Florida project remains uncertain. Gov. Scott awaits the results of a feasibility study, due in February, before making up his mind. Along with Rep. Mica and Florida Senate President Mike Haridopolos, he reportedly feels that any remaining project costs (estimated at \$280 million or \$1.5 billion depending on who is doing the estimating) should be covered by the private partners to the project. While several private consortia have expressed interest in building and operating the high-speed line, they have remained silent so far as to their willingness to underwrite any construction overruns and operating losses. Undoubtedly, they too, are conducting their own "due diligence" analysis of the project's construction costs and ridership estimates before committing themselves financially to the project.

Another U.S. DOT program expected to come under congressional scrutiny will be the discretionary "executive earmarks" like the TIGER grants. These grants have not been popular with Republican lawmakers, partly because of an alleged lack of consultations between U.S. DOT and the lawmakers in making the awards. Executive earmarks are likely to be curtailed if Mr. Mica's review finds that the process of awarding the TIGER grants has lacked fairness and transparency. Also likely to suffer cuts (if not total extinction) will be the "livability" program. The \$4 billion Livable Communities Act, (S. 1619 and HR 4690) died in the 111th Congress and is unlikely to be revived. Its main supporters, Sen. Chris Dodd (D-CT) and Rep. James Oberstar (D-MN) are no longer in Congress and the new Republican majority is generally skeptical of the Administration's fixation on the ill-defined concept of "livability."

Further economies could come from not pursuing the Administration's proposal for a National Infrastructure Bank. This initiative has met with bipartisan opposition in the Senate because lawmakers do not want to create a new semi-autonomous body with powers to make capital grants.

The lending function, they assert, can be adequately handled through existing financing mechanisms such as the TIFIA program (Transportation Infrastructure Finance and Innovation Act). Earlier attempts by former Rep. Oberstar (D-MN) to impose closer federal control and supervision over state-initiated toll concessions and other public-private arrangements will likewise be abandoned.

Chairman Mica's resolve to make passage of a multi-year authorization a top priority increases the likelihood that a transportation bill will be brought to the House floor and approved during the first session of the 112<sup>th</sup> Congress. Once the bill passes the House, it will also likely pass the Democrat-controlled Senate. Few of the 21 Democratic senators who are up for reelection in 2012 will refuse to support legislation containing badly needed money for transportation. In the meantime, the short-term extension of the surface transportation program that expires March 4 will once again have to be extended. House Budget Committee chairman Paul Ryan (R-WI) will be authorized to set a ceiling on spending for the rest of the fiscal year "at or below the levels set in Fiscal Year 2008."

This, in essence, is how informed opinion appears to view the prospects for the federal-aid transportation program in the 112th Congress. While the next authorization will, by all accounts, be more modest in size and less ambitious in its reach than many in the transportation community had hoped, at least the 112th Congress will offer the states a promise of stable and predictable multi-year funding, necessary for long-term investment decisions.

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