

MINUTES
NVTC COMMISSION MEETING – DECEMBER 6, 2012
NVTC CONFERENCE ROOM – ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Fisette at 8:11 P.M.

Members Present

Richard H. Black
Sharon Bulova
Barbara Comstock
John Cook
Phil Duncan (alternate, city of Falls Church)
James Dyke
William D. Euille
Jay Fisette
John Foust
Mark R. Herring
Catherine Hudgins
Mary Hynes
Jeffrey McKay
David Ramadan
Ken Reid
Thomas Rust
Paul Smedberg
Christopher Zimmerman

Members Absent

Jeffrey Greenfield
Joe May
David F. Snyder

Staff Present

Doug Allen (VRE)
Mariela Garcia-Colberg
Rhonda Gilchrest
Scott Kalkwarf
Mark Roeber (VRE)
Kala Quintana
Rick Taube

Minutes of the November 1, 2012 Meeting

Senator Black moved, with a second by Delegate Rust, to approve the minutes. The vote in favor was cast by commissioners Black, Bulova, Comstock, Cook, Dyke, Fisette, Foust, Herring, Hudgins, Hynes, McKay, Ramadan, Rust, Smedberg and Zimmerman.

Oath of Office for New NVTC Alternate

Chairman Fisette announced that Phil Duncan has been appointed by the City of Falls Church to serve as an alternate for Mr. Snyder. Chairman Fisette administered the oath of office to Mr. Duncan.

Commissioners Euille and Reid arrived at 8:13 P.M.

VRE Items

Report from the VRE Operations Board and Chief Executive Officer. Mr. Allen reported that VRE Average Daily Ridership (ADR) for November, 2012 was 18,000 and on-time performance (OTP) for the month was 95 percent. VRE will conduct its annual Santa Trains on December 8th. Tickets sold out on-line within four minutes. On December 5th VRE collected 36 bags of toys and over \$15,000 for the annual Toys for Tots campaign. He also reported that the October Master Agreement Survey has been completed and is being used to shape the FY 2014 VRE budget. Finally, he reported that he made a presentation at the Board of Trade about potential run-through service with MARC.

VRE FY 2012 Audited Financial Statements. Mrs. Bulova reported that the VRE Operations Board recommends approval of Resolution #2204, which would authorize VRE's CEO to release VRE's audited financial statements to interested agencies, firms and members of the public. She reported that VRE achieved a clean audit.

Mrs. Bulova moved, with a second by Mr. Smedberg, to approve the resolution. The vote in favor was cast by commissioners Black, Bulova, Comstock, Cook, Duncan, Dyke, Euille, Fisette, Foust, Herring, Hudgins, Hynes, McKay, Ramadan, Reid, Rust, Smedberg and Zimmerman. (A copy of the resolution is attached.)

Status of Audit by the Virginia Auditor of Public Accounts. Mrs. Bulova reported that the audit is still being conducted.

Other VRE Business. Mrs. Bulova reported that the Express Lanes on the Capital Beltway are now open to the public. Starting in January, the Fairfax County Connector Bus system will be offering express bus service from the VRE Burke and Lorton stations to Tysons. In response to a question from Mr. Euille, Mrs. Hynes stated that currently Metrobus routes do not align properly with the Express Lanes in order to

utilize them for Metrobus service; however, it does not mean that it could not be done in the future.

Mr. McKay asked for an update about the potential loss of \$9.6 million of track lease funding. Mr. Allen stated that DRPT Director Drake has assured VRE that DRPT is working hard to restore the funding. VRE expects DRPT to respond before the December 21st VRE Operations Board meeting.

NVTC's FY 2012 Audit

Mr. Taube introduced Mike Garber and Dwight Buracker of PBGH LLP, NVTC's audit firm. Mr. Garber stated that they met with the Executive Committee prior to this meeting and provided a more detailed explanation of their audit. He stated that PBGH again issued an unqualified (clean) opinion that NVTC's financial statements, in all material respects, fairly and accurately present the financial position of the organization. A clean report was also issued on the internal controls of NVTC's financial reporting, compliance and other matters. A management letter has been provided for the purpose of notifying NVTC of new GASB pronouncements, which may impact NVTC next year. There were no internal control or other findings included in the letter. Chairman Fisette thanked NVTC staff for their outstanding work in managing NVTC's finances. The audit report is available on NVTC's website.

Mrs. Bulova moved, with a second by Mr. Euille, to accept the audit report and to authorize staff to provide copies of the audited financial statements to interested agencies and firms, and release the information to the public. The vote in favor was cast by commissioners Black, Bulova, Comstock, Cook, Duncan, Dyke, Euille, Fisette, Foust, Herring, Hudgins, Hynes, McKay, Ramadan, Reid, Rust, Smedberg and Zimmerman.

Route 7 Alternatives Analysis Study

Mr. Taube stated that NVTC is managing the grant and the study for this examination of high-capacity transit alternatives in the Route 7 corridor between Alexandria and Tysons. Ms. Garcia-Colberg introduced Michael Flood of Parsons Brinckerhoff, which is the lead consulting firm. Mr. Flood briefed the commission on the work program and schedule for the study. Phase 1 of the study should be completed by October, 2013.

In response to a question from Senator Black, Mr. Flood stated that Phase 1 will determine the primary mode, appropriate termini where the corridor begins and ends, and the merits of running premium service, including for what length of the corridor. He explained that premium service could include any transit mode (street car, bus, BRT, light rail, etc.). Senator Black asked if the study will look at just transit or will it also look at highway alternatives. Mr. Flood responded that the study will be looking at transit options but will also consider traffic conditions. The terminus for the study is Tysons and does not extend west along Route 7 to Loudoun County. Mrs. Hudgins expressed

her opinion that it is important to think broadly about transit options going out Route 7 towards Loudoun County.

Chairman Fisette stated that this is a really exciting corridor study. He asked if the study will incorporate land use projections. Mr. Flood stated that the study will apply regional land use forecasts to 2040 and will also look at areas along the corridor for potential redevelopment.

In response to a question from Mr. Foust, Mr. Flood stated that feedback from commissioners is welcomed and should be submitted to NVTC staff. Mr. Foust asked to be kept updated on the study. Mr. Flood stated that another update will be provided in the spring.

Legislative Item

Mr. Taube reported that NVTC's Legislative Committee met and developed a state and federal legislative agenda for 2013, which includes the VRE legislative agenda.

Mr. Euille moved, with a second by Mrs. Hynes, to approve NVTC's legislative agenda.

Mr. Reid observed that for years NVTC has supported an increase in the motor fuels tax and it has not happened. He asked if NVTC has considered asking for indexing legislation. Delegate Rust stated that there will be multiple indexing bills introduced during the upcoming General Assembly session. Mr. Taube observed that the legislative agenda actually mentions indexing, included in the principles that should be followed. Mr. Reid expressed his opinion that he doesn't think an increase in the motor fuels will happen. Loudoun County would like to see a way to replace its gas tax used currently for local bus services since those revenues will shift to the Silver Line project in Phase 2. He would like to see NVTC's legislative agenda support indexing.

Senator Black provided background information on transportation funding. He explained that there has been a long impasse over increasing taxes and the General Assembly does not seem to be closer to a solution for the 2013 session. He agreed that there will be indexing bills during this session.

Mrs. Hynes stated that the legislative agenda reflects the sentiment that there are many ways to put a package together but it lays out the principles about how to take care of the existing infrastructure (estimates range up to \$1 billion annually) and needed capacity enhancements throughout the state (costs vary by jurisdiction). The 2.1 percent motor fuels tax is what is currently used for WMATA. However, to run WMATA service the right way and to have the ability to increase train lengths to 8-car trains, more money needs to be directed to WMATA. NVTC's legislative agenda points out that the current motor fuels tax works well; it just needs to be increased.

Mr. Reid asked about requesting legislation that would allow the jurisdiction to vote for a tax increase on top of the current tax. Mrs. Hynes responded that all the jurisdictions need to be in this together. If one jurisdiction can't pass a tax, then what happens? Mrs. Bulova stated that she is supportive of including alternate or different methods that generate the amount of funding needed.

Delegate Comstock stated that she will abstain from the vote. She stated that more funding is going into the General Fund. Combining that with indexing the gas tax will cause concerns from legislators throughout the commonwealth. Also, the "fiscal cliff" will have an economic impact on Virginia.

Mr. Zimmerman stated that he is in support of a progressive income tax. The issue about indexing is that income tax and sales tax, in fact, are already indexed in the sense that they increase with the economy. The gas tax is levied as a unit tax. It falls in value with inflation. A sales tax would solve some of the problems. NVTC should not change its legislative position just because the General Assembly has not voted for it. It should only be changed if it's not a good idea, or is the wrong thing to do, or times have changed. He does not see the gas tax as the only solution. He would also support a regional solution. He recommended that NVTC should be in support of doing anything to raise revenues to meet the region's transit needs. Chairman Fisette stated that it is important to include a target amount of what is needed. Mr. Zimmerman agreed that the focus should be on how much funding is needed. Mr. Taube observed that NVTC's legislative agenda puts it at \$1 billion statewide annually. Mr. Zimmerman suggested listing what Northern Virginia needs each year in additional revenues, which is estimated between \$400-500 million.

Delegate Ramadan stated that he will also abstain. He stated that he has not heard anyone suggest the solution of using General Funds. The commonwealth has \$450 million in surplus funds.

Senator Black agreed that there is a large surplus and it could cover transportation needs; however, the funds are governed by an allocation formula. He stated that many people feel that those that ride Metro should pay for Metro. Chairman Fisette observed that transit users contribute a far greater percentage of the total compared to a driver on average paying for the huge roadway infrastructure. Mrs. Hynes stated that Metrorail riders pay up to 80 percent of operating costs. Chairman Fisette asked staff to research some of these statistics and provide a report at the next commission meeting.

Mr. Reid asked about a pump fee. Delegate Rust responded that pump fee legislation was killed last year.

Mrs. Bulova moved a friendly amendment to change the wording of Item #6. Mrs. Hynes seconded and provided specific language. After additional discussion, Mrs. Hynes read the new language:

NVTC's 2.1% motor fuels tax on distributors should be increased to at least 4.2% or alternatively other revenue strategies should be used to generate at least \$48 million in new revenue dedicated to mass transit in Northern Virginia. The existing \$48 million currently used by five of NVTC's jurisdictions for mass transit should be retained even if a new statewide tax is levied. WMATA faces a continuing financial crisis to maintain a state of good repair and respond to federal safety recommendations.

Mr. McKay stated that in his opinion the last sentence should be bolded and moved to the beginning of the paragraph because it is the most important as to why the region needs more funding. Chairman Fisette stated that it is a stylistic issue. Mrs. Hynes suggested bolding both sentences. Mr. Zimmerman suggested making the last sentence the second sentence. Chairman Fisette stated that Mr. McKay's comment is incorporated into the amendment.

The commission then voted on the amendment. The vote in favor was cast by commissioners Bulova, Cook, Duncan, Euille, Fisette, Foust, Hudgins, Hynes, McKay, Reid, Smedberg and Zimmerman. Commissioners Black, Comstock, Dyke, Herring, Ramadan and Rust abstained.

Mr. Reid moved to divide Item #8 out of the legislative agenda and vote on it separately because Loudoun County supports the new SJR allocation. Delegate Ramadan seconded the motion. The motion failed with 5 votes in favor and 13 votes against.

The commission then voted on the amended motion. The vote in favor was cast by commissioners Bulova, Cook, Duncan, Euille, Fisette, Foust, Hudgins, Hynes, McKay, Smedberg and Zimmerman. Mr. Reid voted in opposition. Commissioners Black, Comstock, Dyke, Herring, Ramadan and Rust abstained.

Mr. Zimmerman left the meeting at 9:21 P.M. and did not return.

Regional Items

NVTA's TransAction 2040 Plan. At its meeting of November 8, 2012, NVTA approved the 2040 plan update. NVTC managed the \$500,000 grant for this study and much of the public outreach.

Status of DRPT's SJR 297 Report. NVTC submitted comments. It remains to be seen whether DRPT will revise its final report to account for NVTC's concerns and those of VTA and DRPT's own stakeholders group.

Status of FY 2013 DRPT Grants. As the January 1, 2013 WMATA billing date approaches, all five of NVTC's WMATA jurisdictions have asked DRPT for concurrence for NVTC to serve as their agent, and FY 2013 grant funds are now flowing to four out of the five jurisdictions as NVTC submits invoices to DRPT.

Status of Northern Virginia Efficiency and Consolidation Task Force Report to the Northern Virginia General Assembly Delegation. The final report has been approved by NVRC, NVTA, NVTC and PRTC and transmitted to the delegation.

Fairfax County Survey on Revenue Options. Fairfax County's "Countywide Dialogue on Transportation" is a survey that was conducted in which residents ranked potential revenue options. Almost 60 percent of respondents favored a cents per gallon gas tax increase and more than 50 percent favored an ad valorem gas tax increase (percent of sales prices). Over 40 percent favored sales tax increases, among several other alternatives.

Brookings Report on Access to Jobs Via Transit. The Brookings Institution report "Connecting to Opportunity: Access to Jobs Via Transit in the Washington, D.C. Region" examines transit access and commutes throughout the metropolitan area. The report shows that more jobs are accessible via transit in shorter amounts of time for residents of core jurisdictions compared to outlying areas. Also, transit best connects high-skill residents to high-skilled jobs throughout the region, but also low- and mid-skilled residents living in core jurisdictions with "good match" jobs, which exists when the education attainment (skills) of a worker matches a job's educational requirements. The study found that Arlington and Alexandria are top performers when "good match" is considered.

WMATA Items

Mrs. Hudgins reported that WMATA's General Manager will be presenting a business plan in January 2013. The Safety Committee received a report on a safety survey of WMATA employees. She also reported that a new effort "Voice of Customers" will be incorporated into the Vital Signs Report in the future.

Mr. Reid stated that there were two recent news articles regarding the shortfall in Metrorail revenue and increased costs to the Silver Line. Mrs. Hudgins stated that operating costs for the Silver Line project are expected to increase \$4.6 million over what was estimated for the Silver Line project. There is an issue of where the trains need to be turned around at the end of the track (Largo). Chairman Fisette stated that it would be helpful to capture this issue and its implications and provide a one-page report to NVTC for its next meeting. Mr. Foust expressed his disappointment in hearing this news of increased costs and hopes that there will be no more bad news regarding integrating the Silver Line into the Metro system.

NVTC Nominating Committee for 2013 Officers

Chairman Fisette reported that he has appointed the NVTC Executive Committee to serve as the Nominating Committee for 2013 officers. The election will occur at NVTC's January 3, 2013 meeting.

NVTC Financial Items for October, 2012

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

NVTC's Meeting Schedule for 2013

Chairman Fisette stated that NVTC has been conducting its February meeting jointly in Richmond with NVTa for the past several years during General Assembly sessions. Those meetings occur on VML/VACO's Local Government Day, which is scheduled for January 31, 2013. Accordingly, NVTC's February meeting should be rescheduled for January 31, 2013. Also, the first Thursday of July falls on the fourth and it is proposed that NVTC's July meeting be moved to July 11, 2013. There were no objections.

Closed Session

Chairman Fisette moved, with a second by Mr. Smedberg, to convene a closed session, as authorized by Virginia Code section 2.2-3711.A.1, for the purpose of discussing a personnel matter.

The vote in favor was cast by commissioners Black, Bulova, Comstock, Cook, Duncan, Dyke, Euille, Fisette, Foust, Herring, Hudgins, Hynes, McKay, Ramadan, Reid, Rust and Smedberg.

The commission entered into closed session at 9:35 P.M. Mr. Reid left the meeting during the closed session. The commission came back into open session at 10:20 P.M.

Chairman Fisette moved, with a second by Mr. Smedberg, the following certification:

The Northern Virginia Transportation Commission certifies that at the just concluded Closed Session:

1. Only public business matters lawfully exempted from open meeting requirements under Chapter 37, Title 2.2 of the Code of Virginia were discussed; and
2. Only such public business matters as were identified in the motion by which the closed session was convened were heard, discussed or considered by the commission.

The vote in favor was cast by commissioners Black, Bulova, Comstock, Cook, Duncan, Dyke, Euille, Fisette, Foust, Herring, Hudgins, Hynes, McKay, Ramadan, Rust and Smedberg.

Chairman Fisette announced that he received a letter dated December 6, 2012 from Mr. Taube giving his 60-day notice that he plans to retire.

Chairman Fisette moved, with a second by Delegate Rust, to establish an executive director search committee made up of the current Executive Committee. The vote in favor was cast by commissioners Black, Bulova, Comstock, Cook, Duncan, Dyke, Euille, Fisette, Foust, Herring, Hudgins, Hynes, McKay, Ramadan, Rust and Smedberg.

Adjournment

Without objection, Chairman Fisette adjourned the meeting at 10:21 P.M.

Approved this 3rd day of January, 2013.

Jeffrey McKay
Chairman

David Snyder
Secretary-Treasurer



RESOLUTION #2204

SUBJECT: VRE FY 2012 Audited Financial Statements.

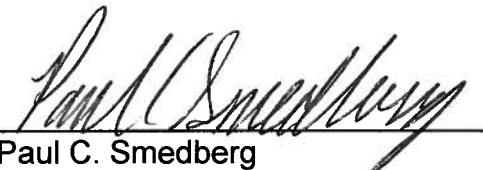
WHEREAS: The VRE Operations Board has contracted for the audit of its financial statements;

WHEREAS: The audit for FY 2012 has been completed by the firm of PBGH, LLP;

WHEREAS: PBGH, LLC has issued an unqualified opinion that VRE's financial statements, in all material respects, fairly and accurately present the financial position of the organization.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission accepts the FY 2012 Comprehensive Annual Financial Report (CAFR) and authorizes the VRE Chief Executive Officer to provide VRE's audited financial statements, and associated information to interested groups, firms and members of the public.

Approved this 6th day of December, 2012.


Paul C. Smedberg
Secretary-Treasurer


Jay Fissette
Chairman

