



NVTC COMMISSION MEETING

**THURSDAY, OCTOBER 4, 2012
MAIN FLOOR CONFERENCE ROOM
2300 Wilson Blvd.
Arlington, VA 22201
8:00 PM**

NOTE: NVTC's Executive Committee meets at 7:30 P.M.
Dinner is also available at that time.

AGENDA

1. Minutes of the NVTC Meeting of September 6, 2012.

Recommended Action: Approval.

2. VRE Items.

- A. Report from the VRE Operations Board and Chief Executive Officer--Information Item.
- B. Preliminary FY 2014 VRE Budget--Action Item/Resolution #2200.
- C. VRE Service Expansion--Action Item/Resolution #2201.

3. WMATA Items.

- A. Presentation by General Manager Richard Sarles.
- B. Report from NVTC's WMATA Board Members.
- C. Dashboard Performance Report.

Presentation and Discussion Item.

4. DRPT's SJR 297 Report.

The draft final report is due for release and legislative proposals will be available later. DRPT Director Drake has been invited to present the report. Northern Virginia General Assembly delegation members have been invited to join the discussion.

Recommended Action: Provide comments to DRPT and consider a strategy for approaching CTB and General Assembly members in cooperation with the Virginia Transit Association and other groups.

5. Comments on Draft Report of the Agency Efficiency and Coordination Task Force.

The draft report is expected to be available for review and comment. The final report will be presented for action at NVTC's November 1st meeting.

Recommended Action: Authorize NVTC's chairman to communicate NVTC's comments to the Task Force.

6. Award of a Contract for Route 7 Alternatives Analysis.

The evaluation committee is rank-ordering the four proposals received.

Recommended Action: Authorize NVTC staff to execute a contract with the top-ranked firm.

7. Status Report on Implementation of DRPT's New Grant Procedures.

DRPT, NVTC and local jurisdiction staff are working to implement DRPT's new requirements with NVTC to serve as an "agent."

Information Item.

8. Regional Transportation Items.

- A. Motor Fuels Tax Collection Transition.
- B. Capital Bikeshare's Bike Trip Planner.

Discussion Item.

9. NVTC Financial Items for August, 2012.

Information Item.



AGENDA ITEM #1

MINUTES

NVTC COMMISSION MEETING – SEPTEMBER 6, 2012
NVTC CONFERENCE ROOM – ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Fisette at 8:25 P.M.

Members Present

Sharon Bulova
Barbara Comstock
John Cook
James Dyke
William D. Euille
Jay Fisette
Catherine Hudgins
Mary Hynes
Jeffrey McKay
Thomas Rust
David F. Snyder
Christopher Zimmerman

Members Absent

Richard H. Black
John Foust
Jeffrey Greenfield
Mark R. Herring
Joe May
David Ramadan
Ken Reid
Paul Smedberg

Staff Present

Doug Allen (VRE)
Rich Dalton (VRE)
Mariela Garcia-Colberg
Rhonda Gilchrest
Claire Gron
Scott Kalkwarf
Steve MacIsaac (VRE)
Mark Roeber (VRE)
Rick Taube

Chairman Fisette stated that the agenda should be revised to move Agenda Item #2 "VRE Items" to later in the meeting so that VRE staff can be present for the discussion. They are coming from the PRTC meeting.

Minutes of the July 5, 2012 Meeting

Mr. Zimmerman moved, with a second by Mr. Dyke, to approve the minutes. The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Hudgins, Rust, Snyder and Zimmerman. Commissioners Hynes and McKay abstained.

Support for VDOT's I-66 Inside the Beltway Multi-Modal Study

Mr. Taube stated that VDOT staff and consultants provided a presentation on the final report to NVTC at its July 5, 2012 meeting. Discussion revealed that commissioners appreciated VDOT's study and were generally pleased with the resulting recommendations. Jurisdictional staff reviewed Resolution #2198, which applauds VDOT's efforts and recommendations.

Mrs. Bulova moved, with a second by Delegate Rust, to approve Resolution #2198 (copy attached).

Mrs. Hynes noted that she missed the presentation but suggested that it would be good to emphasize the positive aspect of the study's recommended tiered approach. She provided wording for the second resolve clause: after "that NVTC supports many of the final recommendations of the I-66 Multimodal Study (Inside the Beltway) Final Report, June 8, 2012," insert "in particular the tiered approach which builds on and implements past studies/recommendations before moving to newer more difficult to implement recommendations..." Mrs. Bulova agreed to accept this as a friendly amendment. There were no objections.

Mr. Snyder asked if there is a study recommendation to turn I-66 into a HOV facility 24/7. He could not support that. Mr. Taube explained that the resolution does not identify which recommendations NVTC supports. Mr. Snyder stated that he can vote for the resolution as long as it is understood that he would never support 24/7 HOV on I-66.

The commission then voted on the amended resolution and it passed. The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Hudgins, Hynes, McKay, Rust, Snyder and Zimmerman.

Required Actions to Implement DRPT's New Grant Procedures

Chairman Fisette reminded the commission that on May 15, 2012, DRPT Director Drake's letter announced a sudden change in policy. Since then, NVTC and jurisdictional staff have worked hard to indentify a solution. Mr. Taube explained that the Commonwealth Transportation Board has approved a resolution directing that NVTC's jurisdictions must be the grantees for transit assistance in place of NVTC. NVTC can serve as an agent for those jurisdictions and run its approved Subsidy Allocation Model and hold the funds in trust. DRPT will no longer provide direct funding to NVTC to defray a portion of its operating costs, even though NVTC continues as a grantee for VRE. He referred commissioners to a table comparing the old and new methods.

Mr. Taube explained that consistent with Virginia Code Sections 15.4518(5) and 58.1-638.A.5, the commission is asked to authorize staff to set up an account or accounts in which to receive state funds from DRPT as an agent and to apply for, invoice and allocate those funds using NVTC's Subsidy Allocation Model. NVTC is also asked to authorize its staff to arrange transfers between the trust accounts of its WMATA jurisdictions if asked in order to allow any of those jurisdictions to meet the October 1, 2012 billing deadline from WMATA. Resolution #2199 would accomplish these requested actions.

Mr. Zimmerman moved, with a second by Mr. Hudgins, to approve Resolution #2199 (copy attached). The vote in favor was cast by commissioners Comstock, Cook, Dyke, Euille, Fisette, Hudgins, Hynes, McKay, Rust, Snyder and Zimmerman. Mrs. Bulova was out of the room for the vote.

NVTC Preliminary Budget for FY 2014

Mr. Taube reported that each year at this time NVTC staff proposes a preliminary budget for the next fiscal year to be used by its member jurisdictions in planning their own budgets. NVTC will be asked to act on the final budget at its January, 2013 meeting. For FY 2014, NVTC staff is proposing a small increase in overall spending of 1.6 percent, with total expenditures rising to \$1.213 million from \$1.194 million in the FY 2013 approved budget.

Mr. Taube further explained that NVTC's work program for FY 2013 is anticipated to contain all of the activities previously authorized as well as new projects. Total contributions from state aid increase by 1.6 percent and local contributions will be held constant at \$284,247. This preliminary budget has been reviewed by jurisdiction staff.

Mrs. Hynes moved, with a second by Delegate Rust, to forward the preliminary budget to the jurisdictions for their use in planning their FY 2014 budgets.

Chairman Fisette asked if the issue of being held harmless by DRPT has been resolved. Mr. Taube replied that DRPT has said that they will provide grant agreements to the individual jurisdictions that will total the amount that would have been coming to NVTC, although the money that was originally taken from NVTC has already been

distributed throughout the state, so NVTC jurisdictions have received some of those funds already.

The commission then voted on the motion and it passed. The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Hudgins, Hynes, McKay, Rust, Snyder and Zimmerman.

Appointments to the Vanpool Program Policy Advisory Board

Mr. Taube explained that NVTC's Management Advisory Committee has been asked to produce a slate of nominees to fill the four membership slots on the Policy Advisory Board to be appointed by NVTC. The nominees are:

- 1) Walter Daniel (Fairfax County)
- 2) Chris Hamilton (Arlington County)
- 3) Gabriel Ortiz (Alexandria)
- 4) Jim Maslanka (Alexandria)

On a motion by Mr. Zimmerman and a second by Mr McKay, the commission unanimously voted to appoint the four nominees to the Vanpool Program Policy Advisory Board. The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Hudgins, Hynes, McKay, Rust, Snyder and Zimmerman.

Status Report on DRPT's SJR 297 Report

Mr. Taube used a PowerPoint to outline the status. He began by reminding commissioners that SJR 297 required consideration of four separate elements. The first was whether performance measures should be used to distribute state transit operating assistance.

Mr. Taube stated that DRPT is close to completing its draft final report. DRPT held a meeting earlier today of Virginia's transit systems to discuss the proposed operating assistance model. NVTC staff has submitted comments to DRPT and participated actively on a stakeholders group. The stakeholders have consistently had issues and concerns about the materials presented, including the theory behind performance measures at the state level and the methods being proposed. The transit systems are not opposed to measuring performance, but there has been concern that state performance requirements could conflict with those from local sponsors. There needs to be coordination. The new process is very complex and arbitrary and gives too much discretion to DRPT, because DRPT will also be requesting the authority to make future changes to the method. The current method for distributing state transit assistance is set by the General Assembly and is part of the Code.

Mr. Taube stated that the stakeholders have repeatedly expressed concern and emphasized the need to advocate to the General Assembly for more transit funding. Currently, customers pay 44.4 percent of the share of transit operating costs through their fares, while local governments contribute 31.5 percent, the state pays 16.9 percent

and the federal government adds 7.2 percent. These are statewide figures. The question is if DRPT, with only 17 percent of the funding, should take precedence over local and federal performance standards.

Mr. Taube reviewed the proposed hybrid system, which includes 25 percent being distributed using the current system and 75 percent being distributed using new methods, including a complex new system with an arbitrary selection of performance factors, peer groups and weights. Six peer groups would be formed based on size and other factors, including one for rail. VRE, Metrorail and Hampton Roads Light Rail would be in the same peer group competing for limited funds. Bus peer groups would be based largely on size. There was no real effort to form the peer groups based on the type of service being provided and, therefore, there is a lot of diversity within each of the peer groups. There would be competition within each group for funding, including systems operating within the same jurisdiction. This does not account for varying transit structures, target markets and service territories. It will result in measuring transit outputs and not desirable outcomes such as access to jobs, mobility or quality of life. The various performance measures will work at cross purposes with muddled incentives. The result will be more complexity, less transparency and inability to predict future state aid.

In response to a question from Delegate Rust, Mr. Taube stated that DRPT has not yet addressed whether the 14.7 percent of the Transportation Trust Fund is sufficient. It is hoped that the final report will address it.

Mr. Taube stated that DRPT has sent out several iterations of the “final” model runs. Using the new method, NVTC, VRE and PRTC would lose over \$4 million if the new method was used in FY 2013. However, the results using “real” data keep changing, illustrating that the new approach is very sensitive to data inputs.

Mr. Taube explained that DRPT will seek legislation in 2013 and intends to initiate a phased approach. The model would be run for information in FY 2014 and then for FY 2015 the model would be run and the losers would be fully compensated (if new revenue is available). For 2016, half of the losses would be covered and for FY 2017 there would be no further compensation.

Mr. Taube stated that with respect to the capital program, DRPT already has some discretion to set priorities and stakeholders do not object to more DRPT discretion; however, criteria should be communicated well in advance to permit planning and budgeting. DRPT will also ask for discretion to be able to shift capital funds to operating funds. Stakeholders have asked what criteria will be used and if the General Assembly should have a role in setting priorities.

With respect to stability, stakeholders also expressed concern about the recommendation to set aside funds for a rainy day when transit systems are desperate for funding now. More state funding is the solution.

Finally, in considering whether current state transit funding is adequate, DRPT has labeled the General Assembly’s statutory target for the state to pay up to 95 percent of eligible transit costs as an “unreasonable expectation.” DRPT also apparently wants

greater emphasis on state performance priorities while at the same time seeking to lower its funding target rather than advocating for more state transit funds.

Finally, Mr. Taube reviewed the stakeholders' recommendations:

- More state funding needed regardless of allocation method.
- Fully explore possible unintended consequences of any new method.
- Consider a partial new method only with all new funding.
- Require transparency and accurate data for any new method.
- Avoid complexity and unpredictability.
- Limit DRPT's discretion to avoid politicizing aid distribution.
- DRPT should reward improvements in locally set performance targets.
- Fully reflect stakeholder views in final SJR 297 report.

Mrs. Hynes asked how the stakeholders plan to submit their final comments if DRPT does not include them in the final report. Mr. Taube replied that the stakeholders have not yet discussed this, although they have been submitting oral and written comments throughout the process. He believes that VTA will submit comments. Mrs. Hynes asked that the comments be provided before NVTC's next meeting. Delegate Comstock asked if NVTC will receive a presentation from DRPT on this study. Mr. Taube stated that NVTC can ask DRPT to give a presentation at the October NVTC meeting. Mrs. Bulova stated that it is important to share the study and comments with the jurisdictions. In response to a question from Chairman Fisette, Mr. Taube explained that staff of many of the NVTC jurisdictions were at today's meeting.

Mr. Snyder stated that based on the stakeholder's recommendations it seems that the study is going fundamentally in the wrong direction. He asked if there is something that can be done now or is it necessary to wait for the final report to be issued. The commission discussed whether a letter should be sent to DRPT. Delegate Comstock observed that NVTC is inviting DRPT to come and make a presentation and suggested that it is important to not pre-judge. Mrs. Bulova stated that it would be helpful, fair and constructive to let DRPT staff know the concerns prior to them coming to make the presentation so they are not blindsided. Chairman Fisette observed that the consensus of the commission is to frame the invitation letter in a way to identify the concerns so that they can be addressed as part of the presentation.

Mrs. Hynes also suggested that it would be a good idea to invite the rest of the Northern Virginia General Assembly delegation to NVTC's meeting so they can hear the presentation as well as NVTC's concerns. Chairman Fisette stated that this is a great idea. He suggested the invitation be extended with the help of NVTC's General Assembly members. He concluded by saying that this is a big study and since Northern Virginia receives about three-quarters of all statewide transit assistance, any changes to DRPT's methods must be viewed with concern.

VRE Items

Report from the VRE Operations Board and Chief Executive Officer. Ms. Bulova observed that VRE staff had arrived and asked VRE Acting CEO, Rich Dalton, to provide a report on VRE operations. Mr. Dalton reported that overall on-time performance (OTP) for the months of July and August slipped below 90 percent, mainly due to track work and heat restrictions. He was glad to report that OTP went back up to 98 percent for the month of August. There were a total of 14 delays during the month of August and half of those were due to rail congestion. Freight traffic has increased. Average daily ridership for August was at 18,750, which is slightly above last year at the same time.

Agreement with DRPT for VRE Fare Buy-Down. Mr. Cook moved approval of Resolution #2195, which would authorize NVTC's Executive Director to execute an amended project agreement with DRPT to reimburse VRE for reducing its Amtrak step-up fee to \$3.00 from \$5.00. To mitigate congestion during construction of the I-95 Express lanes, the Transportation Management Plan has agreed to cover the additional \$2.00 reduction. Mr. Zimmerman seconded the motion.

The commission then voted unanimously to approve the resolution (copy attached). The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Hudgins, Hynes, McKay, Rust, Snyder and Zimmerman.

Authorization to Sell Two VRE Locomotives. Mr. Taube stated that the VRE Operations Board recommends approval of Resolution #2196, which would authorize VRE's CEO to execute a sales agreement for two GP40PH-2C locomotives with Goodloe Leasing, LLC. The sale price was provided to commissioners in a sealed envelope.

Mr. Cook moved with a second by Mr. Zimmerman, to approve Resolution #2196. The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Hudgins, Hynes, McKay, Rust, Snyder and Zimmerman.

Closed Session: Employment Agreement for VRE's Chief Executive Officer. Mrs. Bulova stated that the VRE Operations Board has recommended that Doug Allen be offered employment as VRE's new CEO. A closed session is needed to discuss his employment agreement.

Mrs. Bulova moved, with a second by Mr. Zimmerman, the following motion:

Pursuant to the Virginia Freedom of Information Act (Sections 2.2-3711A(1) of the Code of Virginia), the Northern Virginia Transportation Commission authorizes discussion in Closed Session concerning a personnel matter regarding the employment agreement with Mr. Allen.

The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Hudgins, Hynes, McKay, Rust, Snyder and Zimmerman.

The commission entered into Closed Session at 9:25 P.M. and returned to Open Session at 9:40 P.M.

Mrs. Bulova moved, with a second by Mr. Zimmerman, the following certification:

The Northern Virginia Transportation Commission certifies to the best of each member's knowledge and with no individual member dissenting, 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 commission then voted on the amended motion and it passed. The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Hudgins, Hynes, McKay, Rust, Snyder and Zimmerman.

Mrs. Bulova moved, with a second by Mr. Cook, to approve Resolution #2197, which would authorize the employment agreement with Mr. Allen as VRE's new CEO. The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Hudgins, Hynes, McKay, Rust, Snyder and Zimmerman. (A copy of the resolution is attached.)

Chairman Fisette introduced Mr. Allen and welcomed him. Mr. Allen thanked the commission and stated that he looks forward to having a good working relationship with each NVTC commissioner. VRE is a well run organization and he is excited about taking over the leadership and to continue to advance VRE.

Mr. Cook recognized Greg Moser, who did an excellent job as VRE's consultant during the hiring process. Mrs. Bulova also thanked Mr. Dalton for his outstanding work serving as VRE's Acting CEO during this transition time.

Proposed Comments on DRPT's Statewide Transit/TDM Plan and SuperNova Study

Mr. Taube stated that instead of wordsmithing the comments provided, he suggested the commission allow Chairman Fisette to draft a letter incorporating the spirit and tone of the comments provided.

Mr. Zimmerman moved, with a second by Mrs. Bulova, to authorize Chairman Fisette to draft and send the comments to DRPT concerning the Statewide Transit/TDM Plan and the SuperNova Study. The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Hudgins, Hynes, McKay, Rust, Snyder and Zimmerman.

WMATA Items

Mrs. Hudgins reported that WMATA's General Manager, Richard Sarles, has been invited to speak and respond to questions at NVTC's October 4th meeting. It will be a great opportunity for NVTC to be updated on the progress being made on WMATA's state of good repair.

Regional Transportation Items

Chairman Fisette reported that the Task Force for the Northern Virginia Transportation and Planning Agency Efficiency and Consolidation Study met twice this summer and will meet again on September 27th. Significant progress has been made by local staff on the Jurisdiction and Agency Coordinating Committee in examining the five scenarios under active study. NVTC will review the draft final report at its October 4th meeting and consider the final report to the Northern Virginia General Assembly Delegation at its November 1st meeting. Each agency (NVTC, PRTC, VTA and NVRC) will have to approve the report.

Chairman Fisette stated that it is still unclear what the recommendation will be, but it has been narrowed down to four alternatives: 1) No change in the structure of the organizations but increased efficiencies; 2) Folding NVTA into NVTC; 3) Folding NVTC into NVTA; or 4) Folding NVTA into NVRC. There are many implications and the legal issues are the most challenging. He stated that the fifth alternative of combining all four agencies into one agency is a non-starter. It was similar to the idea of creating a sub-MPO, which is not a credible option.

Mrs. Hynes observed that since NVTC is already inviting the Northern Virginia General Assembly delegation to the October meeting, she wondered if there should also be a presentation on the SuperNova study. Mr. Taube stated that DRPT staff would be willing to come; however, since the commission just authorized Chairman Fisette to submit comments, it might make more sense to wait until November to have a presentation on the final report. Mrs. Hynes stated that it could be helpful to hear it all together which might prompt a different discussion. Mr. Cook observed that WMATA General Manager Sarles is also scheduled to make a presentation at the October

meeting. Chairman Fisette stated that he will work with staff on coordinating these presentations.

Chairman Fisette stated that commissioners were provided with a copy of a letter to Governor McDonnell and the General Assembly signed by 38 mayors and chairs of Virginia's Urban Crescent, which encompasses localities from Northern Virginia through the Richmond region to Hampton Roads. Mr. Zimmerman applauded the letter and noted that having 38 elected officials sign the letter is a great achievement. The Urban Crescent only covers 24 percent of the land mass of Virginia but comprises 68 percent of Virginia's population, as well as 79 percent of the gross product of Virginia. However, he found it disappointing that the letter only used the word "transit" once and focused more on roads, when, in fact, the largest need in this region is for public transportation.

Mr. McKay stated that he attended the meeting and people were angry about the condition of their roads and infrastructure. This letter is a bi-partisan call to action. This is an opportunity to set a tone for action during the next General Assembly session. It is important to use this as a foundation and build upon it. Mrs. Hynes stated that the discussion at the meeting was equally about roads and transit. The Virginia Municipal League (VML) will be doing a special session on transit at its conference at the end of September. In response to a question from Chairman Fisette, Mrs. Bulova stated that the letter has been provided to the media. Mrs. Bulova noted that this letter is also meant to help members of the General Assembly to be able to demonstrate that they are hearing from the jurisdictions. The jurisdictions want this to be a part of the state agenda for the next session.

NVTC Financial Items for June and July, 2012

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

Adjournment

Without objection, Chairman Fisette adjourned the meeting at 9:58 P.M.

Approved this 4th day of October, 2012.

Jay Fisette
Chairman

Paul C. Smedberg
Secretary-Treasurer



RESOLUTION #2195

SUBJECT: Agreement with DRPT for VRE Fare Buy-Down.

WHEREAS: VRE riders possessing a multi-ride ticket can currently ride select Amtrak trains in conjunction with the purchase of a \$5 Step-Up fare;

WHEREAS: VRE was invited to participate as a member of the I-95 Express Lanes Transit/TDM Working Group in developing transit/TDM strategies to be included in the I-95 Express Lanes Transportation Management Plan (TMP);

WHEREAS: The TMP strategies are designed to mitigate the construction-related impacts of the Express Lanes project and reduce the number of vehicles using the I-95 HOV and general purpose lanes during the construction;

WHEREAS: The I-95 Express Lanes TMP approved by the Northern Virginia Regional TMP (RTMP) Advisory Committee on July 31, 2012 recommends reducing the VRE Step-Up fare from \$5/ticket to \$3/ticket to encourage commuters to shift from using I-95 to VRE and/or Amtrak trains during the Express Lanes construction; and

WHEREAS: Reducing the riders' cost of the Step-Up ticket is also anticipated to motivate additional VRE riders to take advantage of the Step-Up option and shift to Amtrak trains, thereby freeing up capacity on VRE trains for new riders.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission hereby authorizes its Executive Director to execute DRPT's amended VRE project agreement to accomplish this fare buy-down.

Approved this 6th day of September, 2012.


Jay Fiset
Chairman

Paul C. Smedberg
Secretary-Treasurer



NVTC

Northern Virginia Transportation Commission

RESOLUTION #2196

SUBJECT: Sale of Two VRE Locomotives.


WHEREAS: In June, 2007 the VRE Operations Board authorized VRE's CEO to pursue the sale of locomotives as they are replaced with new equipment;

WHEREAS: Goodloe Leasing, LLC has submitted a proposal to purchase VRE's remaining two GP40PH-2C locomotives; and

WHEREAS: VRE has received no other expressions of interest for these locomotives.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission hereby authorizes VRE's Chief Executive Officer to execute a sales agreement for the two GP40PH-2C locomotives with Goodloe Leasing, LLC. for a price provided confidentially to NVTC's Board members.

Approved this 6th day of September, 2012.


Jay F. Sette
Chairman

Paul C. Smedberg
Secretary-Treasurer



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RESOLUTION #2197

SUBJECT: Employment Agreement for VRE's Chief Executive Officer.

WHEREAS: The VRE Master Agreement as amended specifies that NVTC and PRTC have the authority to retain a VRE chief executive officer;

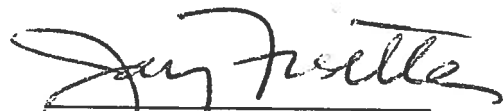
WHEREAS: The previous CEO has retired effective July 1, 2012 and the VRE Operations Board has conducted a nationwide search for his successor, using the services of a professional search firm;

WHEREAS: The VRE Operations Board considered several candidates and has now recommended to the commission that Doug Allen be offered an employment agreement to serve as VRE's CEO; and

WHEREAS: NVTC commissioners have had the opportunity to review that employment agreement.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission hereby authorizes its Chairman to execute the subject employment agreement with Mr. Allen.

Approved this 6th day of September, 2012.


Jay Fiset
Chairman

Paul C. Smedberg
Secretary-Treasurer





RESOLUTION #2198

SUBJECT: NVTC Support for the I-66 Multimodal Study (Inside the Beltway).

WHEREAS: The Virginia Department of Transportation (VDOT) and the Department of Rail and Public Transportation (DRPT) commissioned a study to address long-term multimodal needs within the I-66 corridor inside the Beltway;

WHEREAS: VDOT staff and consultants briefed NVTC on July 5, 2012 on the results of that study;

WHEREAS: The Northern Virginia Transportation Commission (NVTC) acknowledges long-term issues and needs in the corridor, including the need to reduce highway and transit congestion and the need to increase mobility along major arterial roadways and bus routes within the corridor;

WHEREAS: The Final Report is a product of a year-long process which solicited the participation and comment of NVTC and its member jurisdictions, stakeholders, and the public;

WHEREAS: The recommendations detailed in the Final Report include a tiered approach which is premised upon the implementation of core recommendations which include improvements supported or adopted by the region as detailed in the CLRP and the I-66 Transit/TDM Study, followed by package recommendations which can be phased as appropriate based on need and resources; and

WHEREAS: The package recommendations incorporate a combination of multimodal elements including transit, pedestrian, and bicycle improvements, and additions and enhancements to Transportation Demand Management (TDM) programs.

NOW, THEREFORE, BE IT RESOLVED that NVTC thanks VDOT and the project team for their effective work and willing consideration of jurisdictional concerns.

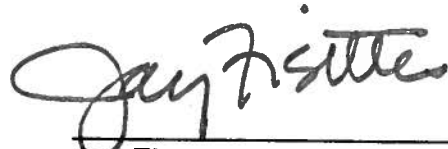
BE IT FURTHER RESOLVED that NVTC supports many of the recommendations of the I-66 Multimodal Study (Inside the Beltway) Final Report, dated June 8, 2012, in particular the tiered approach which builds on and implements past studies/recommendations before moving to newer more difficult to implement recommendations, pending further detailed study when and/if the need for their implementation arises.



RESOLUTION #2198 cont'd

BE IT FURTHER RESOLVED that NVTC believes any additional study and/or implementation should be done in consultation with NVTC and the affected local jurisdictions.

Approved this 6th day of September, 2012.

A handwritten signature in black ink, appearing to read "Jay Fisette", written over a horizontal line.

Jay Fisette
Chairman

Paul C. Smedberg
Secretary-Treasurer



RESOLUTION #2199

SUBJECT: Authorization to Implement Changes to Comply with New DRPT Allocation Requirements.

WHEREAS: The Virginia Department of Rail and Public Transportation (DRPT) is requiring that NVTC no longer serve as a grantee for its jurisdictions to receive state aid for WMATA and local bus service;

WHEREAS: Virginia Code Section 15.2-4518(5) provides the authority for NVTC to serve as an agent for its jurisdictions and Virginia Code Section 58.1-638.A.5 requires the use of NVTC's SAM for state funds provided for WMATA;

WHEREAS: DRPT is requiring that if NVTC's jurisdictions wish NVTC to perform as their agent, notice must be provided to DRPT;

WHEREAS: NVTC's WMATA jurisdictions do wish to use NVTC as an agent to facilitate state aid applications and invoicing and to continue to apply NVTC's Subsidy Allocation Model (SAM); and

WHEREAS: NVTC's WMATA jurisdictions wish to ensure that they all are able to meet their October 1, 2012 obligations to WMATA even if DRPT does not provide any FY 2013 funding by then.

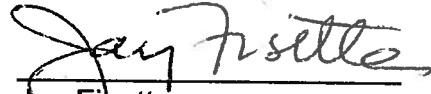
NOW, THEREFORE, BE IT RESOLVED that consistent with Virginia Code Sections 15.2-4518(5) and 58.1-638.A.5, NVTC staff is authorized to create an account or accounts at a financial institution with which to receive state aid funds from DRPT as an agent for its jurisdictions and to apply for, invoice and allocate those funds using SAM.



RESOLUTION #2199 cont'd

BE IT FURTHER RESOLVED that NVTC staff is authorized to arrange transfers between its WMATA jurisdictions' trust accounts at NVTC at the request of its WMATA jurisdictions if necessary to allow any of those jurisdictions to meet their obligations to pay WMATA's October 1, 2012 billings.

Approved this 6th day of September, 2012.


Jay Fisette
Chairman

Paul C. Smedberg
Secretary-Treasurer



AGENDA ITEM #2

TO: Chairman Fiset and NVTC Commissioners

FROM: Rick Taube

DATE: September 27, 2012

SUBJECT: VRE Items

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- A. Report from the VRE Operations Board and VRE Chief Executive Officer--Information Item.
 - B. VRE FY 2014 Preliminary Budget--Action Item/Resolution #2200.
 - C. VRE Service Expansion--Action Item/Resolution #2201.

Report from the VRE Operations Board and VRE Chief Executive

Attached is the CEO report from September. Also attached are the results of VRE's May, 2012 Customer Survey. Minutes from the September 21, 2012 VRE Operations Board meeting will be provided at the commission meeting.

VIRGINIA RAILWAY EXPRESS

Chief Executive Officer's Report

Greetings

While this publication serves as an overview of VRE's monthly performance, ridership and ongoing operational issues, I wanted to first introduce myself. I am Doug Allen and I began work as the new VRE Chief Executive Officer on Thursday, September 13, 2012. I am very excited to have the opportunity to help guide VRE as it embarks on this new chapter.

I have an extensive background in public transportation, having worked the last four years at Capital Metropolitan Transportation Authority in Austin, Texas as the Executive Vice President and Chief Development Officer as well as the interim President and Chief Executive Officer. Prior to that, I spent twenty-four years with Dallas Area Rapid Transit in Dallas, Texas, first as the Vice President of Planning and later as the Executive Vice President for Program Development. I look forward to working hand in hand with the VRE staff to continue making VRE a world-class organization as well as bringing new and innovative customer oriented programs to our riders.

System Ridership Review

For the first time in a few months we have seen monthly ridership above the level of the previous year. This, to me, is a good sign as we embark on the fall, which is normally one of the growth periods for VRE ridership. In August, ridership grew by more than 1% from 2011, which is a very good thing. It was interesting, however, that while ridership only exceeded 20,000 twice during the month, it was strong each day with the exception of Friday. This pattern may be attributable to an increase in long weekends as the summer comes to an end or the regional work force gravitating toward teleworking on Friday. Further assessment will be done in coming months. Overall, ridership gains can certainly be attributed to the reliable and steady on-time performance that VRE continues to achieve, despite the weather and track work we faced this summer.

The table below provides a month to month ridership comparison for August 2011 and August 2012.

RIDERSHIP MONTH TO MONTH COMPARISON	
DESCRIPTION	MONTHLY RIDERSHIP AVERAGE
August 2011	18,524
August 2012	18,771
Service Days (Prior/Current)	(23/23)
PERCENT CHANGE	+1.3%

VIRGINIA RAILWAY EXPRESS

Chief Executive Officer's Report

System Performance Summary

It is quite clear from the efforts this summer that On Time Performance (OTP) is a primary focus of VRE and Keolis. Staff is to be commended for fighting through a very difficult July and maintaining the 90% performance threshold that we have come to expect. We then followed up July with 98% OTP in August. The chart below shows the consistency of the service in that both the Fredericksburg and Manassas lines ran at 98% for the month.

AUGUST 2012 ON TIME PERFORMANCE	PERCENTAGE
Fredericksburg Line	98%
Manassas Line	98%
OVERALL COMBINED JULY OTP	98%

Year to date for FY 2013, VRE has achieved 94.5% On Time Performance - with the Fredericksburg Line running at 96.35% and the Manassas Line running at 92.65%. As far as I can tell, these results are truly unprecedented in VRE's history. The table below highlights the overall system performance for the past three months. What really jumps out is that VRE operated 690 trains in August and there were no delays over 30 minutes and only 14 delays for the entire month.

SYSTEMWIDE	JUNE 2012	JULY 2012	AUGUST 2012
Total delays	47	58	14
Average length of delay (mins.)	17	15	14
Delays 30 minutes and over	1	6	0
Days with heat restrictions/Total days	1/22	8/21	0/23
On-Time Performance	92.5%	90.8%	98.0%
FREDERICKSBURG LINE			
Total delays	26	15	7
Average length of delay (mins.)	21	11	15
Delays 30 minutes and over	5	1	0
On-Time Performance	91.2%	94.9%	97.8%
MANASSAS LINE			
Total delays	21	43	7
Average length of delay (mins.)	35	16	12
Delays 30 minutes and over	11	5	0
On-Time Performance	93.8%	87.2%	98.1%

VIRGINIA RAILWAY EXPRESS

Chief Executive Officer's Report



Customer Survey Results

The results of the Customer Service survey will be shared with the Operations Board at the September 21st board meeting but I did want to highlight several of the findings in my CEO Report.

First and foremost, in reviewing the totality of the customer survey results it is clear that VRE and Keolis made great strides this year in meeting customer expectations. Nearly every category saw an improvement over the prior year. On-Time Performance (OTP), which remains the most important item to our riders (and has been for several years now), saw 85% of the respondents say OTP was excellent or above average. That is truly an impressive number given where service was just a few short years ago.

Also, four other categories received record results; usefulness of RailTime, checking tickets regularly, communications between VRE staff and riders and timeliness of information on platforms.

Train crew member performance was also rated higher than last year in all categories, with overall performance rated at 90%. That is up 5% from the prior year. No doubt this is very good news, but there still remains room for improvement and that will be one of my focus' during this first year.



Lastly, overall service quality graded at 84%. That score is the highest we've recorded since 2002.

Crossroads Warehouse

The new warehouse at Crossroads yard is officially completed and crews spent most of the early part of this month moving into the facility.



The project began in May of 2011 and took about one year to complete. This new facility not only houses 6,500 square feet of storage space, but also incorporates office and conference space and a yard guard office.

The \$3.1 million project was funded with federal grants with match being provided by state and local funds.

VIRGINIA RAILWAY EXPRESS

Chief Executive Officer's Report



Leeland Station Update

The Leeland Station parking expansion project is essentially complete. There remain just a handful of punch list items as well as landscaping to complete. The County will inspect the parking lot next week and if all goes as planned, the lot will be put into service on September 19.

The project added 196 spaces to the existing parking lot for a total of 845 parking spaces. This number does not include the gravel overflow parking lot currently being leased by the County. This makes the Leeland Road parking lot the largest on the Fredericksburg line and the third largest parking lot in the system, after Broad Run and Burke Centre.



Brooke Station Update

The Brooke parking expansion project is also well underway. All underground work, including drainage and storm water management systems, have been completed. Concrete curb and gutters were installed this month and paving and striping is expected to be complete next month. The new lot is scheduled to be operational in early November.

Spotsylvania County Update



The station design effort is well underway following the presentation of several design options to the County. The County and VRE have since selected a preferred concept that incorporates an architecturally pleasing head house with restrooms. The project also includes a 700 foot platform and a 300 foot canopy. Design is expected to be complete by the end of this year in order to begin construction in the spring of 2013.

The third track portion of the project is also moving forward with 60% design completed and forwarded to CSX for review. Comments are expected back by the end of this month, with design completed by December. Permitting efforts are also underway and expected in time for construction to begin in the spring.

VIRGINIA RAILWAY EXPRESS

Chief Executive Officer's Report



Franconia – Springfield Update

As reported last month, the final phase of the project to replace the deteriorated stair tower has progressed slower than originally anticipated due to permitting issues between the contractor and Fairfax County. I am happy to report that these hurdles have been cleared and work is again underway.

A temporary stair tower has been installed and will be put into operation next month. At that time, the existing stairs will be removed and replaced along with glass paneling and lighting. Finally, the tower will receive a fresh coat of paint. The project is expected to be completed by November of this year.



Overview of Monthly Citations

Citations are broken out into two categories to help distinguish between administrative and court actions. For the month of August, VRE issued a total of 58 citations, which is slightly down from July when 65 citations were issued. Of those 58 citations, VRE waived 18 (31%).

VRE ACTIONS	OCCURRENCES
Waived- Passenger showed proof of a monthly ticket	18
Waived- Per the request of the issuing conductor	0
Waived- Due to defective tickets or TVM	0
TOTAL	18

Of the remaining 40 citations, 6 were found not guilty, 6 were continued, and 1 was appealed. This means that 35% of passengers issued a citation were found guilty of violating VRE's fare evasion policy, 15% were either dismissed or found not guilty, and 15% were carried over to the next month. This further illustrates that our conductors are doing their job on the trains and enforcing VRE's fare evasion policies.

COURT ACTIONS	OCCURRENCES	FINE	COURT COSTS
Prepaid prior to court	19	\$100	\$81
Guilty	2	\$100	\$81
Guilty in absentia	23	\$100	\$116
Not guilty	3	\$0	\$0
Dismissed	12	\$0	\$81
Continued to next court date	5	\$0	\$0
Appealed pending	1	\$0	\$0
TOTAL	65	\$4,400	\$5,341



VIRGINIA RAILWAY EXPRESS

Chief Executive Officer's Report

Ridership Report

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	4,944	4,844	9,788	100%	5,021	5,051	10,072	100%	19,860	100%
2	4,838	4,711	9,548	100%	4,599	4,908	9,507	79%	19,056	90%
3	4,218	3,690	7,908	100%	4,008	4,315	8,323	100%	16,231	100%
4										
5										
6	4,840	4,695	9,535	94%	5,155	5,110	10,265	100%	19,800	97%
7	4,749	4,975	9,724	88%	5,179	5,193	10,372	93%	20,095	90%
8	4,878	4,627	9,505	100%	5,217	5,461	10,678	100%	20,183	100%
9	4,711	4,664	9,375	100%	4,945	4,995	9,940	100%	19,315	100%
10	3,522	3,515	7,037	100%	4,408	3,816	8,224	100%	15,261	100%
11										
12										
13	4,602	4,845	9,448	100%	4,733	4,851	9,584	100%	19,031	100%
14	4,608	4,573	9,181	94%	4,902	5,173	10,074	100%	19,256	97%
15	4,858	4,800	9,658	94%	4,864	5,163	10,027	100%	19,685	97%
16	4,719	4,728	9,447	100%	4,994	5,154	10,148	93%	19,595	97%
17	4,024	3,670	7,694	100%	4,345	4,315	8,659	100%	16,354	100%
18										
19										
20	4,525	4,499	9,024	94%	4,897	4,419	9,316	100%	18,340	97%
21	4,839	4,763	9,602	100%	4,908	4,878	9,786	100%	19,388	100%
22	4,708	4,440	9,148	100%	5,085	4,908	9,993	100%	19,141	100%
23	4,828	4,590	9,418	100%	4,719	4,862	9,581	93%	18,999	97%
24	3,653	3,621	7,274	100%	3,833	4,447	8,280	100%	15,554	100%
25										
26										
27	4,532	4,394	8,926	94%	4,730	4,711	9,441	100%	18,367	97%
28	4,929	4,413	9,342	100%	4,938	4,965	9,903	100%	19,245	100%
29	4,818	4,345	9,163	100%	4,931	4,695	9,626	100%	18,790	100%
30	4,593	4,156	8,749	100%	4,670	4,868	9,538	100%	18,286	100%
31	3,506	3,317	6,823	100%	3,635	3,777	7,412	93%	14,235	97%
■	104,441	100,875	205,316	98%	108,716	110,034	218,750	98%	424,066	98%
■	Amtrak Trains:		548			Amtrak Trains:		7,119	7,667	
■	Adjusted total:		205,864			Adjusted Total:		225,869	Adjusted Total:	431,733
	# of Service Days:		23			Total Trips This Month:		431,733	Adjusted Total:	431,733
	Manassas Daily Avg. Trips:		8,927	Adjusted Avg.: 8951		Prior Total FY-2013:		393,660		
	Fred'burg Daily Avg. Trips:		9,511	Adjusted Avg.: 9820		Total Trips FY-2013:		825,394		
	Total Avg. Daily Trips:		18,438	Adjusted Avg.: 18,771		Total Prior Years:		57,778,565		
						Grand Total:		58,603,958		

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

* designates "S" schedule day





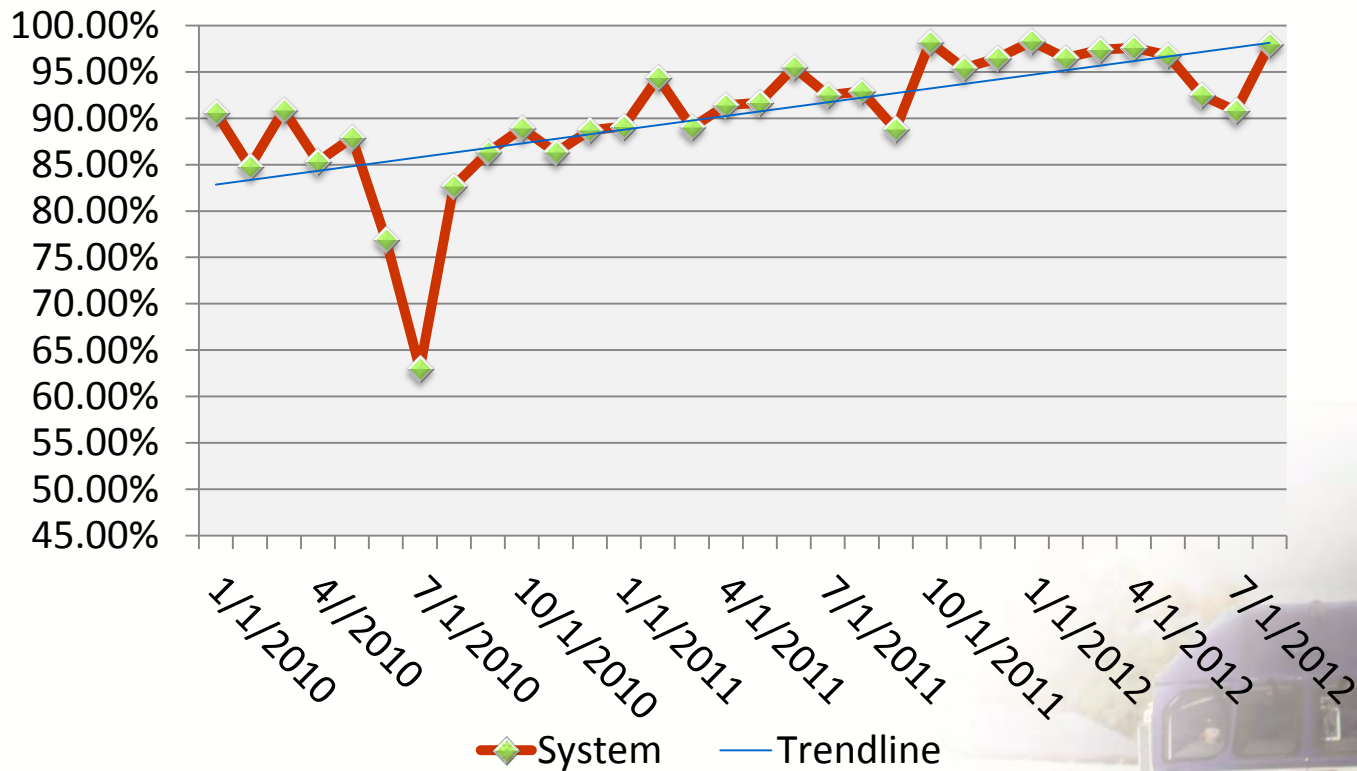
VIRGINIA RAILWAY EXPRESS

Chief Executive Officer's Report

On-Time Performance

System Performance

January 2010 – August 2012





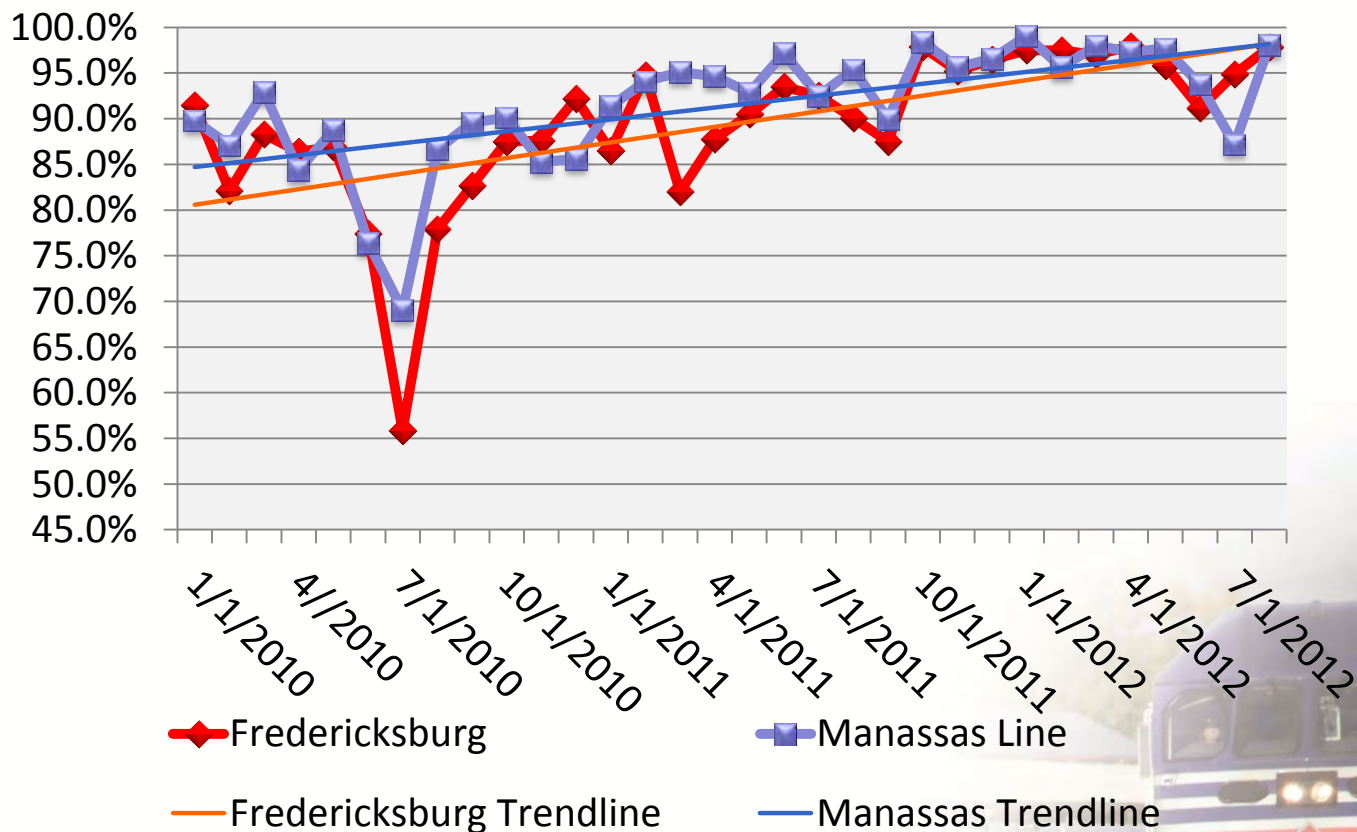
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Chief Executive Officer's Report

On-Time Performance

Performance By Line

January 2010 – August 2012





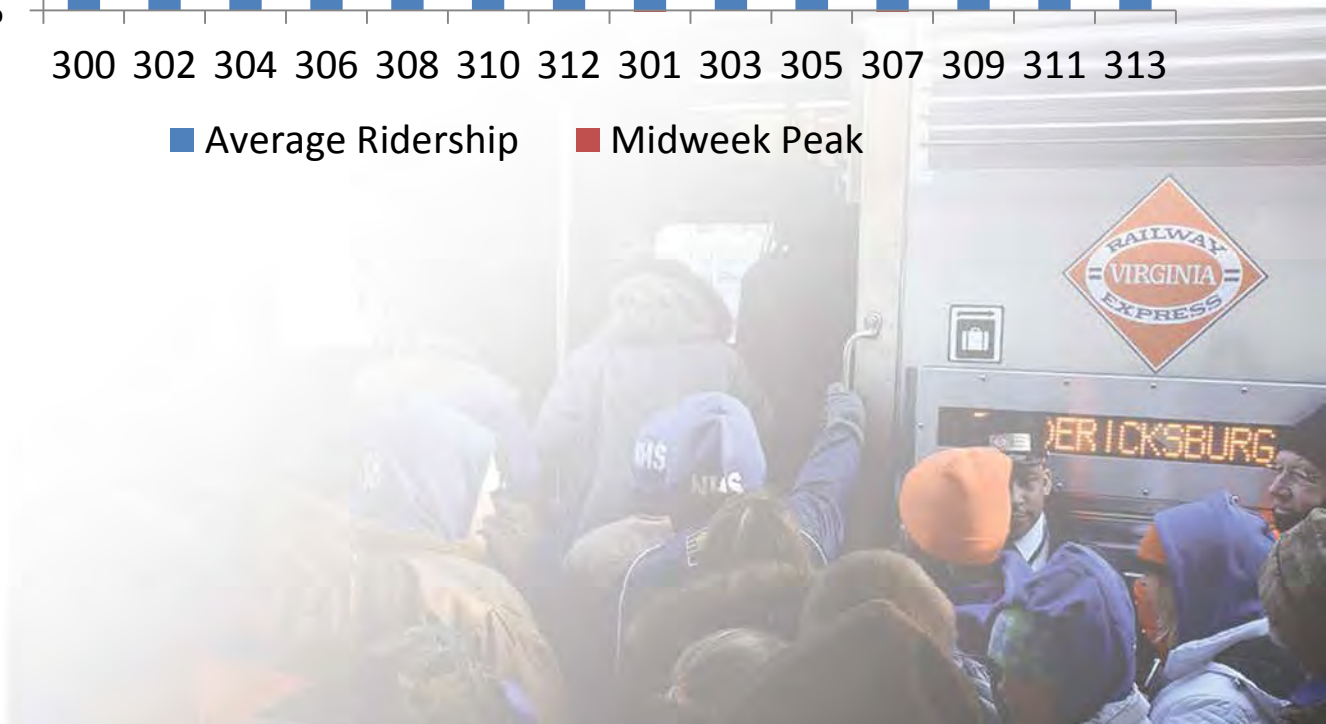
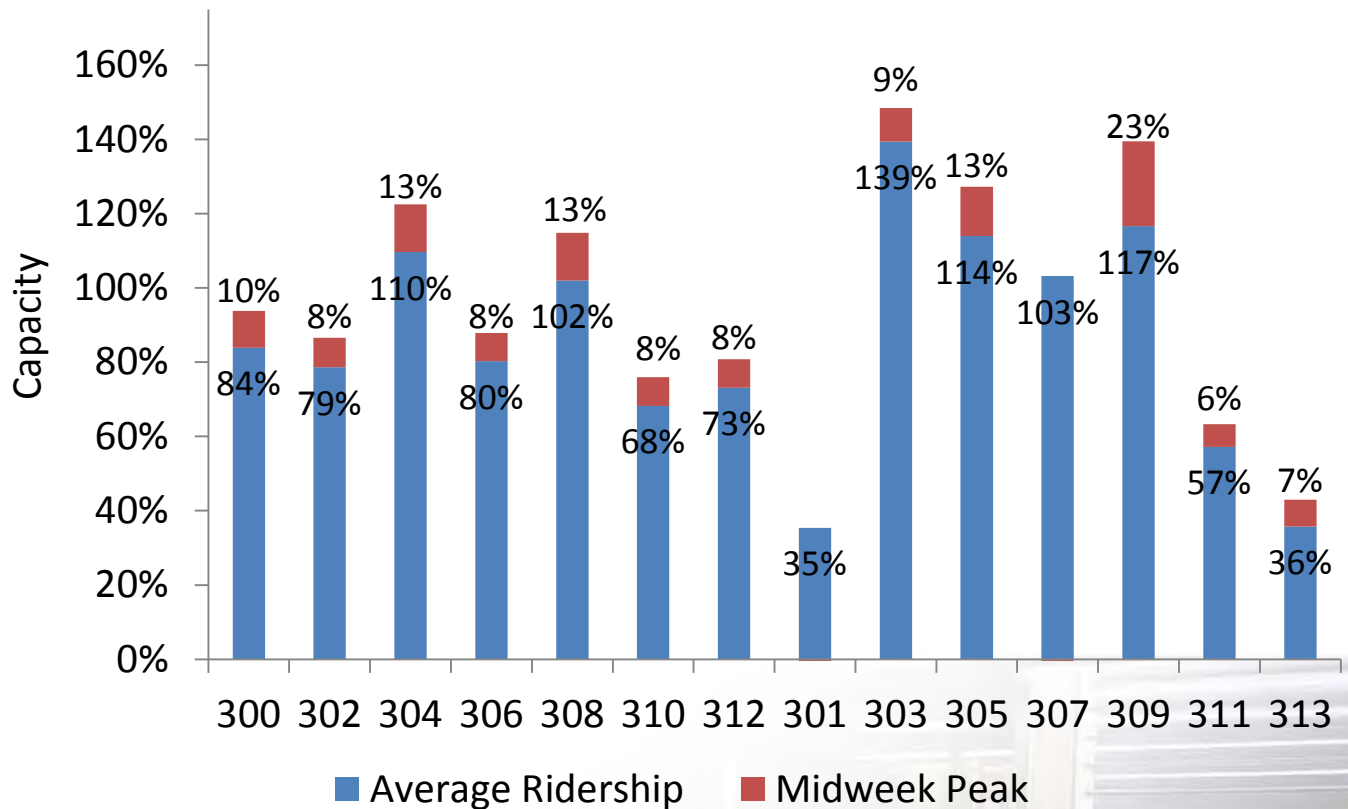
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Chief Executive Officer's Report

Train Utilization

Fredericksburg Line

August 2012





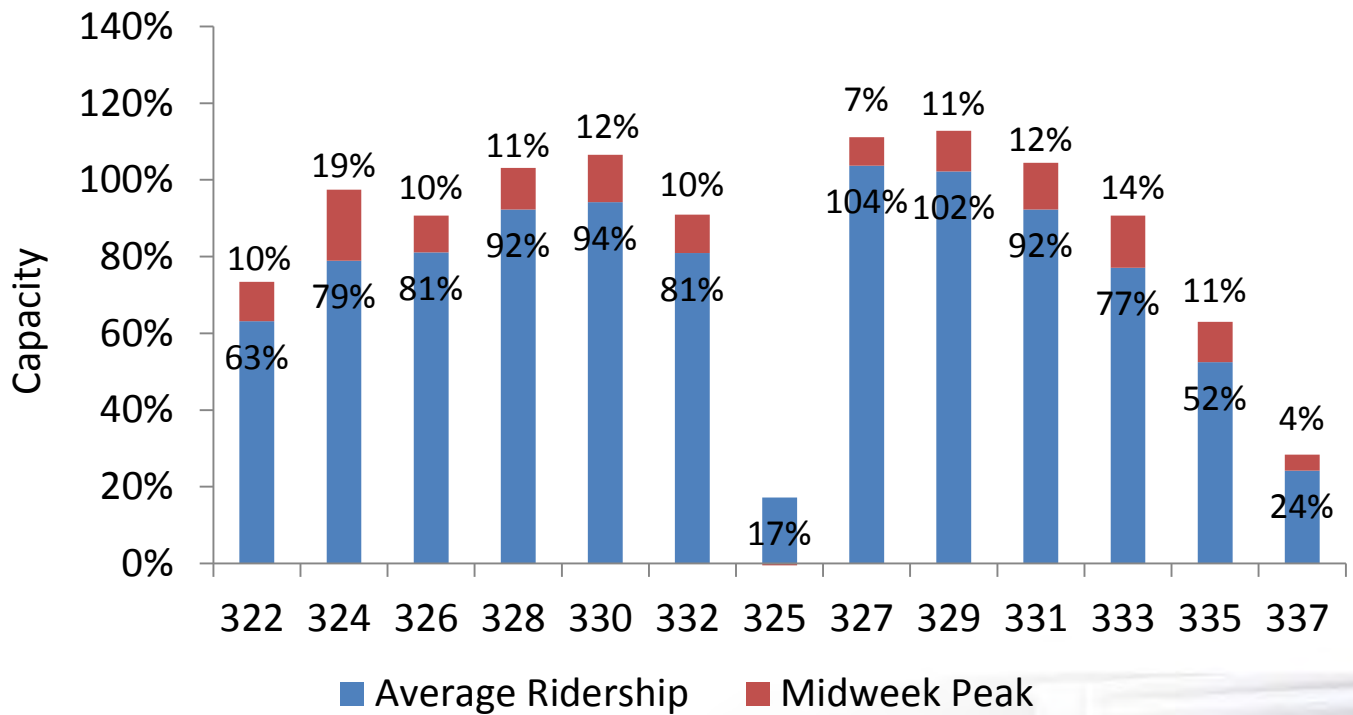
VIRGINIA RAILWAY EXPRESS

Chief Executive Officer's Report

Train Utilization

Manassas Line

August 2012



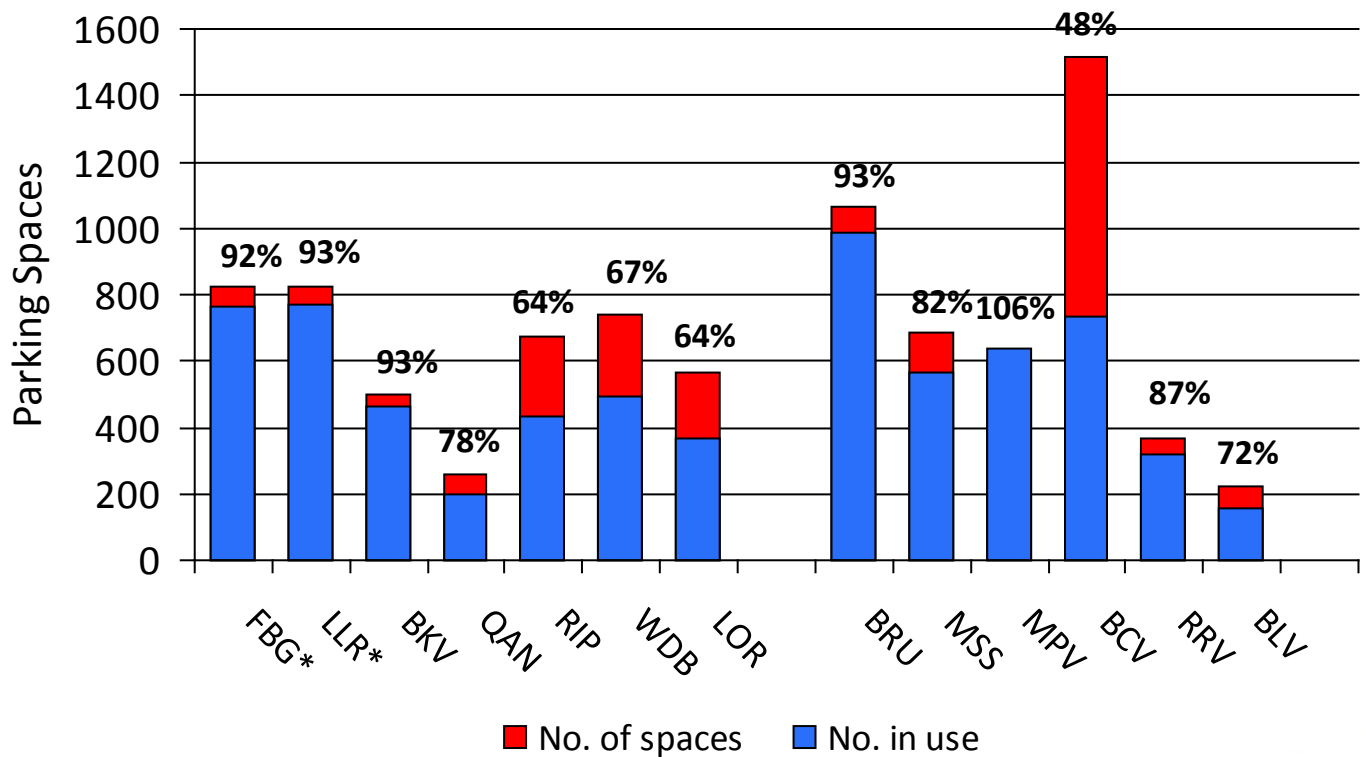


VIRGINIA RAILWAY EXPRESS

Chief Executive Officer's Report

Parking Utilization

August 2012



* Denotes stations with overflow parking available that is now being included in final counts.



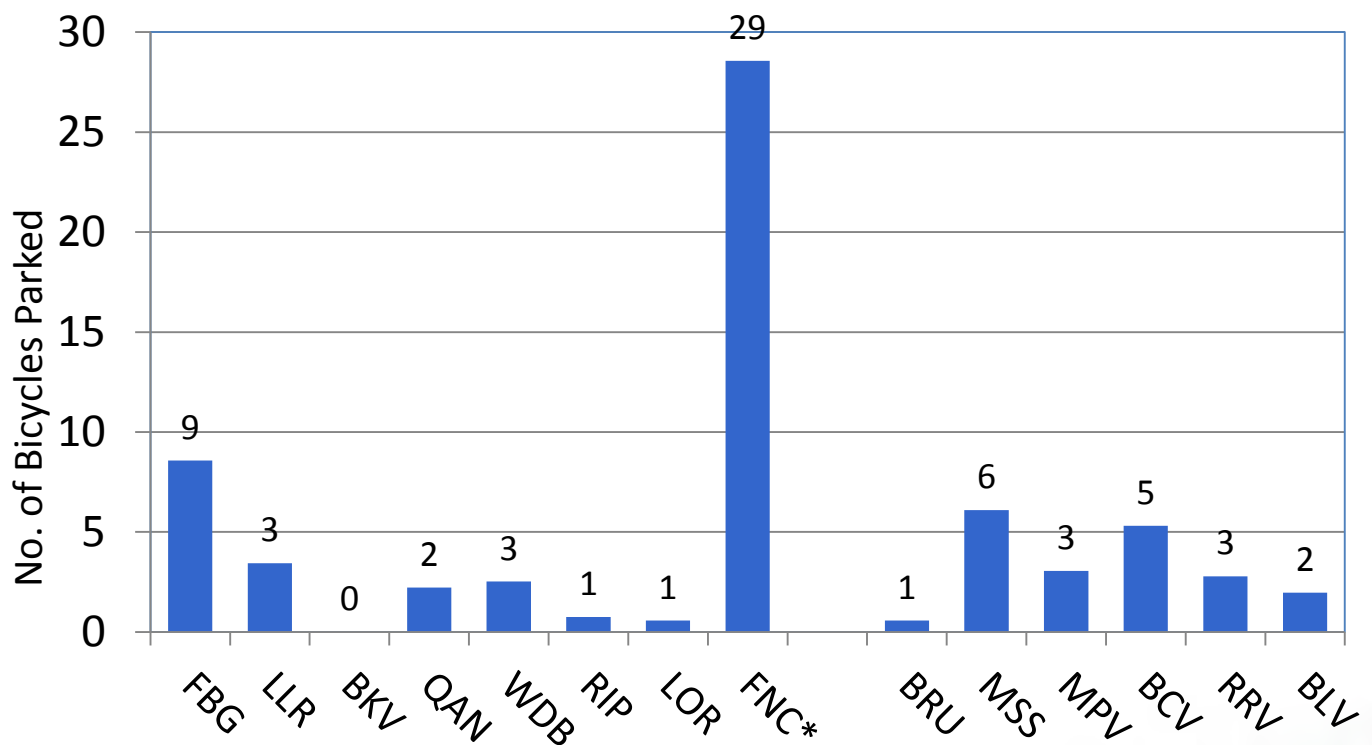


VIRGINIA RAILWAY EXPRESS

Chief Executive Officer's Report

Bicycle Counts

August 2012



* Joint use facility - riders of VRE and Metro cannot be differentiated





VIRGINIA RAILWAY EXPRESS

Chief Executive Officer's Report

Capital Project Summary

September 2012



VIRGINIA RAILWAY EXPRESS CAPITAL PROJECTS - PROGRESS REPORT
Projects Underway in FY13
As of September 2012

PROJECT	LOCATION	TOTAL ADOPTED CIP BUDGET THRU FY12	TOTAL BOARD APPROVED FUNDS	PROJECT DESCRIPTION	PERCENTAGE (%) OF TOTAL PROJECT TASK COMPLETION	PROJECT/TASK COMPLETION DATE	STATUS
Track and Infrastructure							
Gainesville/Haymarket Expansion				Expansion of service to Gainesville and Haymarket		2nd Quarter 2013	
G/H Expansion MIS	NS "B" Line	\$4,088,000	\$1,537,338	Develop expansion alternatives for new service to Gainesville and Haymarket	100%	Completed	Final invoice received 11/8/09; submitted for payment. Final Alternatives Analysis report completed 5/29/09. Final Feasibility Study completed 9/28/09.
G/H Expansion PE and EA			\$2,749,076	Perform modeling, environmental analysis and preliminary engineering.	0%	4th Quarter 2014	Contract award awaiting execution of match Addendum between VRE, DRPT and NS and grant NTP. VRE counsel reviewing the revised agreement.
L'Enfant Storage Track				Construct approximately 1400 ft storage track just north of the existing platform and provide wayside power for two train sets.			
L'Enfant Storage Track Wayside Power Design	L'Enfant	\$1,902,260	N/A	Design of wayside power for stored train sets	90%	4th Quarter 2012	VRE working with HDR to revise previous wayside power design to accommodate new service location near station.
L'Enfant Storage Track Wayside Power Construction			N/A	Construction of wayside power for stored train sets	30%	4th Quarter 2012	VRE working with PEPCO to provide electric service near station.
L'Enfant Storage Track Switch and Signalization Design			\$250,000	Design of storage track switches and signalization	35%	3rd Quarter 2012	CSX has essentially completed track design. Signal design expected by end of September.
Coach Yard Wayside Power Upgrade	DC	\$750,000	\$750,000	Upgrade and replace wayside power station for VRE storage tracks at the Coach yard	55%	3rd Quarter 2012	Meters installed, cabinets ordered and conduit work underway.
Spotsylvania Station Design	Spotsylvania	\$3,400,000	\$405,912	Design of the new platform and headhouse.	10%	4th Quarter 2012	Concept selected and advancing design to PE level.
Crossroads to Hamilton Third Track	Spotsylvania	\$950,000	\$817,703	Environmental Analysis and Final Design to extend the third track from Hamilton to Crossroads	60%	4th Quarter 2012	80% plans completed and submitted to CSX for review. Mobilizing geotechnical investigation and completing CE effort this month.
Planning Studies and Communications Projects							
SmartTrip Fare System Update							
SmartTrip Fare System Update Technical Support	VRE offices/ system wide	\$1,250,000	\$154,285	Technical assistance for the design, procurement, installation and testing of a SmartTrip compatible system for VRE.	100%	2nd Quarter 2012	PCI Compliance questionnaire submitted, preliminary compliance granted.

Note 1: Total adopted CIP budget will be revised upon receipt of FY13 grant.

VIRGINIA RAILWAY EXPRESS CAPITAL PROJECTS - PROGRESS REPORT
Projects Underway in FY13
As of September 2012

SmartTrip/PCI Fare System Update		\$647,750	Upgrade of the fare collection system to comply with PCI requirements	85%	3rd Quarter 2012	Upgrade complete, in final acceptance period.
New Fare Collection System	System-wide	\$2,597,000	Consulting assistance for evaluating current and future Automated Fare Collection system	100%	Completed	Project complete. Will initiate closeout.
Washington Union Terminal Rail Service Improvement Plan	Washington, D.C.	\$1,200,000	Joint study with Amtrak and MARC that will provide a phased approach to meeting current and forecasted growth in intercity and commuter rail service levels for target years 2017 and 2030.	85%	3rd Quarter 2012	Draft WUT Master Plan Executive Summary released 7/25/12; draft master plan document and technical documentation under development by PB. Note: Percentage of total project complete reflects progress on completion of the master plan. VRE financial commitment towards the project is 99% complete.
Commuter Station Projects						
Leeland Rd Station Parking Lot Expansion	Falmouth, VA		Expand lot by adding approximately 200 spaces			
Leeland Rd Station Parking Lot Expansion Environmental		\$172,700	Prepare an environmental assessment (EA) and Preliminary Engineering for an expansion of the VRE Leeland Road Station Park and Ride Lot.	100%	Completed	FTA approved Categorical Exclusion.
Leeland Rd Station Parking Lot Expansion Design		\$298,100	Design parking lot expansion and provide limited construction support.	100%	3rd Quarter 2012	Revised Plans and Deeds submitted to County for Review
Leeland Rd Station Parking Lot Expansion Construction		\$2,352,572	Construct surface parking lot expansion	95%	4th Quarter 2012	Paving Complete and striping scheduled for second week of September. Expected to place lot in service the week of 9/17/2012. Trees Scheduled for planting in October.
Brooke Station Parking Lot Expansion	Stafford, VA	\$4,409,400	Purchase property and expand lot by addition approximately 230 spaces			
Brooke Station Parking Lot Expansion Design		\$255,200	Design parking lot expansion and provide limited construction support	100%	3rd Quarter 2012	Revised Plans, Infrastructure Plan, and Deeds submitted to County for Review
Brooke Station Parking Lot Expansion Demolition		NA	Demolish existing structures at 1717 Brooke Road, Stafford, VA	100%	Completed	
Brooke Station Parking Lot Expansion Environmental		\$275,124	Prepare an environmental assessment (EA) and Preliminary Engineering for an expansion of the VRE Brooke Station Park and Ride Lot.	100%	Completed	FTA approved Categorical Exclusion.
Brooke Station Parking Lot Expansion Construction		\$2,352,572	Construct surface parking lot expansion	75%	4th Quarter 2013	Concrete curb and gutter scheduled for September. Asphalt pavement scheduled for October. Project completion expected in November.
	Stafford, VA	\$306,350	Environmental Analysis and Preliminary Engineering to extend the existing platform and construct a second platform.	30%	4th Quarter 2011	PE plans being finalized. County site plan approval underway.

Note 1: Total adopted CIP budget will be revised upon receipt of FY13 grant.

VIRGINIA RAILWAY EXPRESS CAPITAL PROJECTS - PROGRESS REPORT
Projects Underway in FY13
As of September 2012

Location, Title	Amount, \$	Cost, \$	Progress	Completion Date	Notes
Lorton Station Expansion		\$103,400	60%	4th Quarter 2012	60% plans received and reviewed in July. Site plan under review by the County.
Alexandria - King St Pedestrian Tunnel	Alexandria, VA	\$7,470,000	\$162,711	3rd Quarter 2012	Draft of feasibility report and conceptual cost estimates reviewed and comments provided.
Broad Run Station Parking Expansion	Bristow, VA	\$2,420,000	\$2,031,263	1st Quarter 2013	VRE reviewing modified design concept that accommodates airport runway clearance requirements.
Franconia-Springfield Station Rehabilitation Construction		\$522,000	\$388,000	4th Quarter 2012	Foundations for temporary tower installed. Temporary Tower erected (scaffolding structure). Waiting for steps to be installed. Rehab of existing stair tower to begin in September.
			Completed	1st Quarter 2012	
	Backlick Road		\$132,000		Old conduit removed and replaced with new. All poles, station identification signs and LED fixtures installed. New electrical cabinet yet to be installed.
	Franconia Springfield	\$370,000	NA	3rd Quarter 2012	All light poles and fixtures replaced on the main platform and access road to include installation of the station identification signs on the platform. The Contractor has six poles and fixtures yet to replace on the metro side platform. Work on the station stair tower will be held until rehabilitation of this area is complete.
	Backlick Road & Franconia-Springfield		\$357,091	3rd Quarter 2012	
	Fredericksburg, Woodbridge, Quantico, and Burke Center	\$320,000		2nd Quarter 2012	All materials delivered to VRE by June 30.
Security Cameras			30%	4th Quarter 2012	Installation of cameras at all stations at 90% complete.
Yard Projects					
Broad Run Train Wash and Crossroads Warehouse					
					Design and construction of Broad Run Yard train wash and Crossroads Yard warehouse.
Broad Run Train Wash / Crossroads Warehouse Design	Bristow VA / Fredericksburg, VA	\$4,723,973	\$629,248	4th Quarter 2012	STV completed construction administration services for Crossroads warehouse project. VRE to issue task order shortly for completion of Broad Run train wash design and construction support.
Crossroads Warehouse Construction	Fredericksburg, VA		\$2,600,000	3rd Quarter 2012	Trinity's work is complete. VRE awaiting closeout submittals. Final fire alarm and building inspections occurred in late August. Spotsylvania County issued temporary certificate of occupancy, pending completion of pallet rack installation by VRE.

Note 1: Total adopted CIP budget will be revised upon receipt of FY13 grant.

VIRGINIA RAILWAY EXPRESS CAPITAL PROJECTS - PROGRESS REPORT
Projects Underway in FY13
As of September 2012

Yard Automated Train Gates	Bristol, VA / Fredericksburg, VA	\$380,000	N/A	Install automated vertical pivot train gates at entrances to Broad Run and Crossroads yards	90%	3rd Quarter 2012	Gate replacement at Broad Run and additional sensor installation at both yards scheduled for September.
Rolling Stock							
New Locomotive Procurement No. 90-55-16040	System-wide	\$81,594,896					
New Locomotive Manufacture (2)			\$77,448,976	Base Order is for five MP-36 locomotives at \$3,694,922 each (\$18,474,610) and for a total of 20 orders as of today	99%	4th Quarter 2012	All locomotive V50 - V69 have been tested, accepted and in revenue service
New Locomotive Engineering Oversight			\$4,145,920	On site engineering through warranty administration.	99%	4th Quarter 2012	warranty oversight at VRE and FMI's
New Passenger Railcars Procurement No. 90-66-16060	System-wide	\$24,614,000					
New Railcar Manufacture (8 cars)			\$23,140,000	Base Order of 8 New Passenger railcars	0%	4th Quarter 2012	The manufacturing and delivery of 8 base order passenger railcars
New Railcars Engineering Oversight			\$1,474,000	On site engineering through warranty administration under MEC V task order STV-0017 under MEC V	5%	4th Quarter 2012	Manufacturing and engineering oversight

AGENDA ITEM 10-A
INFORMATION ITEM

TO: CHAIRMAN COVINGTON AND THE VRE OPERATIONS BOARD

FROM: DOUG ALLEN

DATE: SEPTEMBER 21, 2012

RE: CUSTOMER SERVICE SURVEY RESULTS

VRE conducted its annual customer service survey on board all VRE and Amtrak cross-honor trains on the morning of May 9, 2012. The survey gives riders an opportunity to evaluate VRE operations and system performance. The survey was completed by 6,300 riders, which is approximately 700 more riders than last year.

Nearly every category saw an improvement over the prior year. On-time performance (OTP) has been the number one concern of our riders for the past few years. Recent efforts to improve service performance were realized in this year's ratings. Eighty five percent of those responding rated OTP as excellent or above average, the highest rating we have ever received in this category.

There were four other categories which received record ratings - usefulness of Rail Time, checking tickets regularly, communications between VRE staff and riders, and timeliness of platform information. Train crew member performance was also rated higher this year in every category, with the overall performance rated 90%, up from 85% a year ago. While the trend is up, there are still opportunities for improvement in each of these categories.

With OTP not as big of a concern this year, the number one issue for riders was pricing. Level of fare for quality and value of service both dropped from 63% to 61%. The fare increase that took effect on July 1st had just been approved by the Operations Board shortly before the survey was taken, so that issue was

fresh in the mind of the riders. Passengers identified more frequent service and more seats on trains as their biggest priorities.

Overall, the results indicate that service is improving with only 2% of respondents indicating that they felt service did not improve over last year. Overall service quality was rated at 84%, the highest level since 2002.

The survey results are illustrated in the attached summary and full results are available at www.vre.org as downloadable Microsoft Word or PDF files.

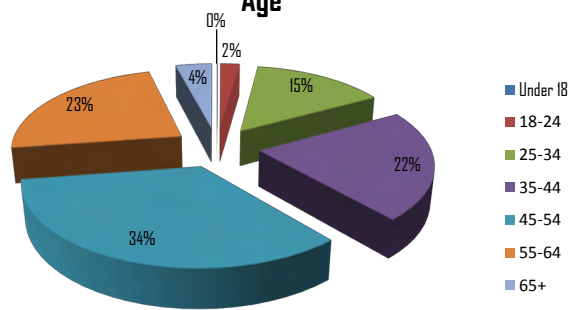


2012

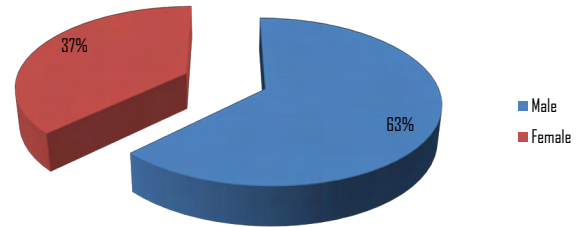
Passenger
Survey Results

Rider Demographics

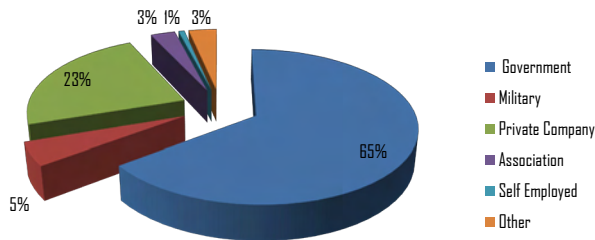
Age



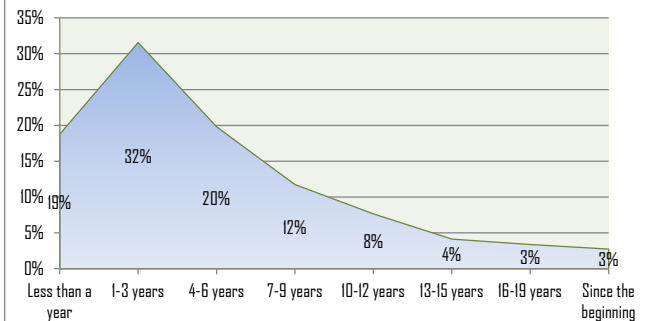
Gender



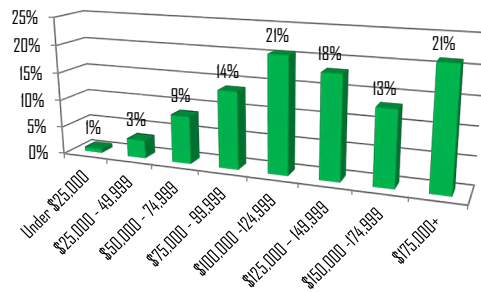
Sector of Employment



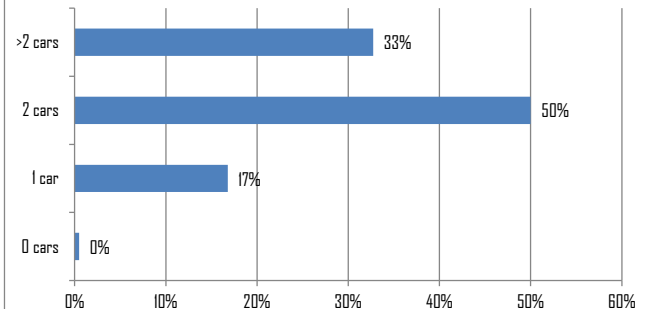
Years Riding



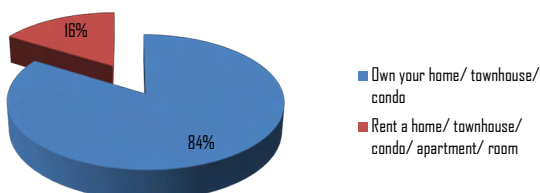
Household Income



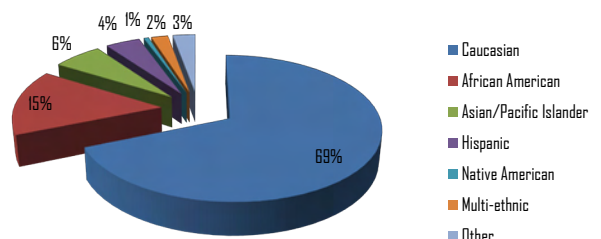
Car Ownership



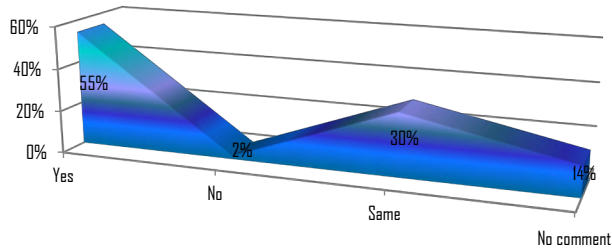
Home Ownership



Ethnicity/Race



Has Service Improved?



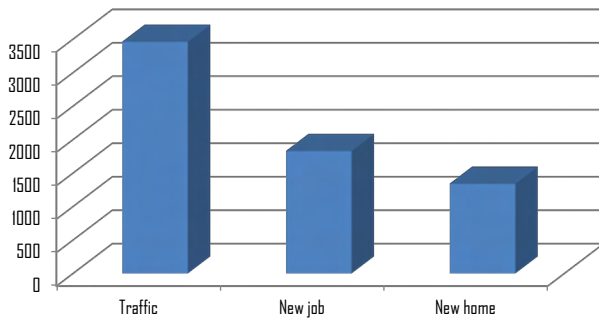
Top Concerns About Service

1. Cost 29%
2. On-Time Performance 26%
3. Lack Of Seats 13%

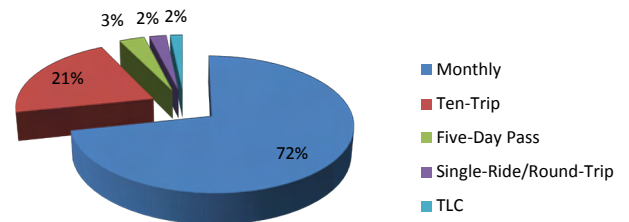
Top Priorities For Next Year

1. More Frequent Service 29%
2. More Seats On the Trains 26%
3. Implementing WiFi 17%

Top Reasons for Switching to VRE



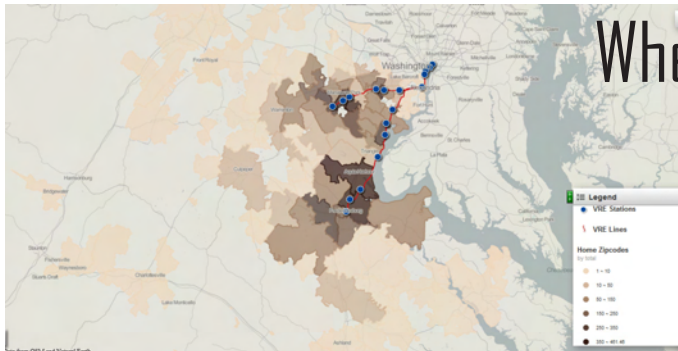
Riders Traveling On



Where Passengers are Originating

By Zipcode

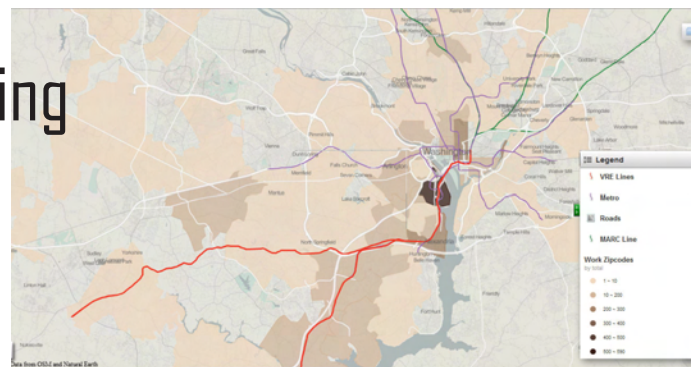
1. 22405 - 461 Riders - Fredericksburg
2. 20111 - 394 Riders - Manassas Park
3. 22015 - 375 Riders - Burke



Where Passengers are Traveling

By Zipcode

1. 22202 - 590 Riders - Arlington
2. 22314 - 283 Riders - Alexandria
3. 20001 - 233 Riders - D.C.



Did You Know?

- 84% of riders prefer to have a smartphone
- Almost half (48%) of riders buy their tickets through CommuterDirect.com
- More than one-third (37%) of riders have flex scheduling
- The number one way of traveling before using VRE or when not using VRE is driving alone
- WTOP is the number one station riders most listen to in the morning

VRE Report Card

Percentage of riders who rated us as
"Excellent" or "Very Good"

Customer Service:	2012	2011	Δ
Responsiveness of VRE Staff	88%	85%	3%
Friendliness of VRE Staff	89%	83%	6%
VRE Follow-Up to Delays or Problems	61%	50%	11%
Lost and Found	70%	68%	2%
Usefulness of Rail time	77%	72%	5%
Timeliness of E-mail Responses	58%	51%	7%
Quality of E-mail Responses	65%	56%	9%
Quality of Website	75%	74%	1%
Timeliness of Website Information	69%	67%	2%
Timeliness of Train Talk	65%	65%	0%
Quality of Train Talk	67%	69%	-2%
Overall Communication with Passengers	72%	67%	5%

Train Crew Members:

Are Knowledgeable About VRE Operations	90%	83%	7%
Are Helpful	90%	84%	6%
Are Courteous	89%	83%	6%
Make Regular Station Announcements	82%	75%	7%
Make Timely Delay Announcements	76%	68%	8%
Check Tickets Regularly	78%	78%	0%
Present A Professional Appearance	93%	91%	2%
Overall Crew Performance	90%	85%	5%

VRE Operations:

Convenience of Schedules	59%	59%	0%
On-time Performance	85%	62%	23%
Cleanliness of Trains	91%	89%	2%
Cleanliness of Stations	84%	83%	1%
Communication between VRE Staff & Riders	77%	71%	6%
Automated Telephone System	67%	59%	8%
Reliability of FC2 Ticket Vending Machines	58%	51%	7%
Ease of Buying a FC2 Ticket	75%	70%	5%
Ease of Using SmartBenefits	63%	61%	2%
Station Parking Availability	57%	56%	1%
Public Address System On Train	58%	52%	6%
Public Address System On Platform	51%	45%	6%
Timeliness of Platform Information	50%	40%	10%
Personal Security at Station & On Train	68%	63%	5%
Safety of Train Equipment	84%	79%	5%
Station Signage	71%	67%	4%
Lighting at Morning Station	82%	79%	3%
Lighting at Evening Station	82%	79%	3%
Traffic Circulation	53%	49%	4%
Level of Fare for Quality and Value of Service	61%	63%	-2%
Overall Service Quality	84%	78%	6%

Highlights

Riders rated every category Higher in 2012 compared to 2011 except for four categories and two of those rated the same as last year.

On average, categorical improvements were 5% better than last year

Record Highest Ratings

- Usefulness of Rail Time
- Check Tickets Regularly
 - On-Time Performance
- Communication Between VRE Staff and Riders
 - Timeliness of Platform Information

VRE FY 2014 Preliminary Budget

The VRE Operations Board recommends approval of Resolution # 2200. The resolution authorizes staff to send the preliminary FY 2014 VRE budget to its contributing and participating jurisdictions for use in preparing their own FY 2014 budgets.

The final VRE FY 2014 budget should be available for action by NVTC and PRTC in January, 2013.



RESOLUTION #2200

SUBJECT: Preliminary VRE FY 2014 Operating and Capital Budget.

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

WHEREAS: The VRE Chief Executive Officer has provided the VRE Operations Board with the preliminary FY 2014 Operating and Capital Budget;

WHEREAS: Staff recommends a budget built on an average daily ridership of 21,200 average daily riders; and

WHEREAS: Subject to the direction provided by the Operations Board, the budget will be updated with additional ridership and cost data and further refined through CAO Budget Task Force review during the fall of 2012.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission has received and hereby refers the preliminary FY 2014 VRE Operating and Capital Budget to NVTC's participating and contributing jurisdictions for their review and comment.

BE IT FURTHER RESOLVED THAT NVTC expects the VRE Operations Board to consider and address comments by the jurisdictions and to forward a final recommended budget for consideration by the commissions in January, 2013.

Approved this 4th day of October, 2012.

Jay Fisette
Chairman

Paul C. Smedberg
Secretary-Treasurer



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Tel (703) 524-3322 • Fax (703) 524-1756 • TDD (800) 828-1120
E-mail nvtc@nvtc.org • Website www.thinkoutsidethecar.org

AGENDA ITEM 8-A
ACTION ITEM

TO: CHAIRMAN COVINGTON AND THE VRE OPERATIONS BOARD

FROM: DOUG ALLEN

DATE: SEPTEMBER 21, 2012

**RE: REFERRAL OF PRELIMINARY FY 2014 VRE OPERATING AND
CAPITAL BUDGET TO THE COMMISSIONS**

RECOMMENDATION:

The VRE Operations Board is being asked to authorize the Chief Executive Officer to refer the preliminary FY 2014 VRE Operating and Capital Budget to the Commissions for their consideration, so that the Commissions, in turn, can refer these recommendations to the jurisdictions for their review and comment.

BACKGROUND:

In accordance with the VRE Master Agreement, which outlines the process for annual budget approval, the preliminary FY 2014 VRE Operating and Capital Budget are attached for review.

VRE staff met with the CAO Taskforce in August to discuss jurisdictional budget issues and concerns and to review current VRE projections. The most significant issue for FY 2014 will be to understand the impact on VRE of the provisions of MAP-21, the new federal transportation funding legislation. Federal funding for access fee reimbursement provided through the Commonwealth of Virginia decreased in FY 2013 and the source of this funding has been replaced under MAP-21 with a different state funding mechanism. VRE staff will be working with the Commonwealth to identify alternatives for FY 2014 and future years and with federal legislative staff to understand the revised federal program. In addition, the

Commonwealth is developing proposals that are anticipated to alter their funding formulas for both operating support and capital projects.

FY 2014 BUDGET GUIDELINES

The budget guidelines have been revised in light of the discussion at the June 2012 Operations Board meeting:

GUIDELINE #1: The priority in the FY 2014 budget will be to sustain the current level of overall service to the riders. In addition, various capacity expansion and/or growth scenarios to expand service will be developed and presented, in conjunction with their cost implications.

GUIDELINE #2: The total jurisdictional subsidy has decreased over the past four years, from \$17,275,499 in FY 2009 to \$16,428,800 in FY 2013, with decreases from FY 2009 to FY 2012 and a 3% increase in FY 2013. Subsidy increases or decreases in FY 2014 and future years will be evaluated based on changes to federal and state funding levels and the jurisdictions' ability to replace grant funding with fuel tax revenue or other sources of funding.

GUIDELINE #3: VRE had three fare increases between July 2008 and July 2009 and another increase in FY 2013. Fare increases will be evaluated as the budget process continues, with consideration given to changes in grant funding levels, a preference for biennial increases, and comparison to relevant indices. A fare indexing policy will be presented to the Board for their consideration as part of the budget process.

GUIDELINE #4: The first priority for capital improvements will be to adequately maintain equipment and facilities to support current service levels. The Capital Improvement Program (CIP) will be developed to ensure the most efficient use of all funding sources (federal, state, and local) and to emphasize high priority capital projects to maintain current assets and prepare for growth as funding allows.

GUIDELINE #5: Fuel hedging strategies will continue in order to provide greater predictably in budgeting for diesel fuel costs.

GUIDELINE #6: Funding will be provided to maintain VRE's level of working capital at an amount no less than two months of operating costs. This level is consistent with the reserve goals of other transit agencies and will allow VRE to efficiently meet its obligations during the course of the year as well as make orderly accommodation for significant shortfalls. In addition, a capital reserve will be maintained to provide local match for earmarks and to fund smaller capital projects and/or those for which grant funds are unavailable. Funding for the

reserves will be provided by surplus funds at year-end and, for the capital reserve, proceeds from the sale of capital assets.

GUIDELINE #7: The review of VRE's debt levels will be continued in order to develop debt parameters and guidance as to the appropriate balance between debt and "pay as you go" financing for major capital acquisitions

DISCUSSION:

The FY 2014 preliminary budget totals \$98.5 million and includes the addition of a 10 car train on the Fredericksburg line in January 2014, following the completion of the Spotsylvania station and parking facility which will increase ridership on that line. Mid-day storage for the new train will be provided at the L'Enfant storage track, scheduled for completion at the end of calendar year 2013. These capital and service improvements are in accordance with VRE's Strategic Plan.

Assuming no change to either fares or subsidy, \$4.7 million is currently unfunded (see item #2 below). As in the past, VRE will submit a balanced budget to the jurisdictions in the beginning of December for evaluation prior to submission to the Operations Board later that month.

Both revenue and expenses are still under review and these projections are expected to change considerably over the next several months. The assumptions used in preparing the preliminary draft are as follows:

1. As noted above, federal formula funding in FY 2014 and future years is based on the amount of funding actually received in FY 2012; approximately \$17M of program funds are used primarily for debt service and capital improvements. Staff has not yet received final funding amounts for FY 2013.
2. Fare revenue of \$37.4 million with no fare increase. Ridership is estimated at 21,200 with service at the increased level of 34 daily trains, with the addition of the Fredericksburg Line train. Average daily ridership in FY 2012 was 19,088. Since the original budget submission in August, staff has continued to closely monitor fare revenue. As the result of WMATA's discontinuation of paper vouchers and the decrease to the transit subsidy in January, revenue has been particularly difficult to project during this time period. For the first two months of FY 2013, revenue has been trending downward when compared to FY 2012, which materially affects the projection for FY 2014. Possible reductions could be in the range of two to three million dollars.

3. Contractually set increases in access fee expenses of 4% will occur for Norfolk Southern and CSX. Amtrak contract increases are based on changes to the AAR, a nationally published index of railroad costs, and the bulk of the Keolis contract costs increase by the annual change to the CPI. The current budget increase for both Keolis and Amtrak is a 5% increase from the actual budget for FY2013.
4. Commonwealth capital funding is projected at the match rate of 50%. The FY 2012 match rate for the majority of the capital projects was a rate of 55% for the projects which were funded. This projection will continue to be reviewed over the next several months, particularly in light of proposed changes to the state funding formula to incorporate performance measures as part of the funding allocation process.
5. Commonwealth formula funding for operations of \$9.3 million was received in FY 2013 compared to the budget of \$6.1 million. For FY 2014, \$7.2 million is currently budgeted, which staff believes is a conservative estimate at this time. The Commonwealth had several sources of one-time funding in FY 2013 which will not re-occur in FY 2014, which results in the estimated decrease. This projection will continue to be reviewed over the next several months, also in light of proposed changes to the state funding formula.
6. Fuel expenses of \$6.6 million are budgeted based on a per gallon cost of \$3.75. Because the cost of fuel also impacts the fuel tax revenue which many of the jurisdictions use as the source of funding for the VRE subsidy, a revised fuel tax projection for the PRTC jurisdictions will be prepared in the fall.
7. One CMAQ project is budgeted for the Lorton Platform extension in the amount of \$2 million.

The major significant changes in the FY 2014 proposed budget compared to the adopted FY 2013 budget are as follows:

- \$2.9M increase in fare revenue as the result of increased ridership (see item #2 above).
- \$1.1M increase in the state operating subsidy.
- \$2.2M decrease in the federal subsidy for access fees.
- \$900K increase in reserve/contingency based on the overall increase to the size of the budget between the two budget years
- \$320K increase to facilities maintenance for prior year deferred maintenance and repairs and to reflect the cost of additional station facilities

- \$870K increase in fuel due to projected price per gallon and the addition of the 10-car Fredericksburg train
- \$360K contractual increase to Amtrak services (excluding access fees) based on change to AAR index
- \$2.0M increase to Keolis based on change to CPI in accordance with the contract and including the addition of the 10-car Fredericksburg train
- \$840K increase in access fees, including the additional 10-car Fredericksburg train
- \$1.5M net increase in other revenues/expenditures

In the development of the FY 2014 budget, staff reviewed numerous options for additional service through both lengthening of existing trains and the addition of new trains. The current proposal, to lengthen two existing trains and add a 10 car train on the Fredericksburg line mid-year, is based on an evaluation of passenger needs, costs, and the availability of rolling stock and mid-day storage.

Based on the discussion at the Board meeting in June, staff will review the fare indexing policy that was originally developed in FY 2009, revise it as needed and present it as part of the FY 2014 proposed budget.

Finance will work closely with VRE staff and the CAO Taskforce to identify revenues and expenditures to close the \$4.7 million budget gap. Some of those items include (but are not limited to) reviews of federal and state operating revenue, departmental expenditures, fare revenue projections, projected fuel costs, capital projects, and fare and subsidy levels.

FISCAL IMPACT – FY 2014 BUDGET:

Additional draft budgets will be formulated during the fall and reviewed with the CAO Budget Task Force resulting in a balanced budget by December 2012.

Attached are the following:

- FY 2014 Sources and Use
- FY 2014 Summary Budget

TO: CHAIRMAN COVINGTON AND THE VRE OPERATIONS BOARD
FROM: DOUG ALLEN
DATE: SEPTEMBER 21, 2012
RE: REFERRAL OF PRELIMINARY FY 2014 VRE OPERATING AND
CAPITAL BUDGET TO THE COMMISSIONS

RESOLUTION
8A-09-2012
OF THE
VIRGINIA RAILWAY EXPRESS
BOARD OF DIRECTORS

WHEREAS, the VRE Master Agreement requires that the Commissions be presented with a preliminary fiscal year budget for consideration at their respective September meetings prior to the commencement of the subject fiscal year; and,

WHEREAS, the VRE Chief Executive Officer has provided the VRE Operations Board with the preliminary FY 2014 Operating and Capital Budget; and,

WHEREAS, staff recommends a budget built on an average daily ridership of 21,200 average daily riders; and,

WHEREAS, subject to the direction provided by the Operations Board, the budget will be updated with additional ridership and cost data and further refined through the CAO Budget Task Force review during the fall of 2012; and,

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board refers the preliminary FY 2014 VRE Operating and Capital Budget to the Commissions for their consideration; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board recommends that the budget be forwarded to the jurisdictions for further formal review and comment; and,

BE IT FURTHER RESOLVED THAT, VRE staff is directed to consider and address comments by the jurisdictions and to forward a final recommended budget to the VRE Operations Board at the December 2012 meeting for consideration and referral to the Commissions for adoption in January 2013.

FY14 VRE - Source and Use Budget Worksheet

						Leases		14,845,000		Amtrak	5,795,000	
LEVEL OF SERVICE FOR FY 2014	34 trains	21,200	average daily riders			Recapitalization		-		NS	3,090,000	
						Total Access Fees		14,845,000		CSXT	5,960,000	
										Total	14,845,000	
						SOURCES OF FUNDS						
						-----STATE-----			-----FEDERAL-----			
	USES OF FUNDS	FARE INCOME	INTEREST	EQUIP RENT AND MISC	LOCAL SUBSIDY	OTHER SOURCES	STATE OPERATING	STATE CAPITAL	STATE SSTP	5307/5309	EARMARK/ OTHER	TOTAL
Operating Expenses	71,823,749	37,400,000	60,300	166,000	14,062,949	0	7,200,000	2,742,500	9,360,000	832,000	-	71,823,749
Non-Operating Expenses:												
Operating Reserve	1,889,248				1,889,248							1,889,248
Debt Svc (1998 Bond)	6,907,331				3,453,666			3,453,666				6,907,331
	0				0							0
Debt Svc (Gallery IV) (11 Cabcars)	1,931,357				193,136			193,136		1,545,086		1,931,357
Debt Svc 8 Railcars (Fed/State/Local)	0				0			0		0		0
Office Loan	70,236				70,236			0				70,236
					0			0				0
Debt Svc 60 Railcars (Local)	110,442				110,442							110,442
Debt Svc 60 Railcars (Fed/State/Local)	4,645,429				464,543			464,543		3,716,343		4,645,429
Non-Operating Summary	15,554,043	0	0	0	6,181,270	0	0	4,111,344	0	5,261,429	0	15,554,043
Total Expenses (Subtotal)	87,377,792	37,400,000	60,300	166,000	20,244,219	0	7,200,000	6,853,844	9,360,000	6,093,429	0	87,377,792
Capital Projects:												
Facilities Infrastructure	500,000				50,000			50,000		400,000		500,000
					0			0		0		0
					0			0		0		0
Rolling Stock	7,429,000				742,900			742,900		5,943,200		7,429,000
Rolling Stock Mods	50,000				5,000			5,000		40,000		50,000
Heavy Maintenance Repair Facility	1,154,000				115,400			115,400		923,200		1,154,000
					0			0		0		0
					0			0		0		0
					0			0		0		0
					0			0		0		-
Capital Project Summary	9,133,000	0	0	0	913,300	0	0	913,300	0	7,306,400	0	9,133,000
Earmarks/Capital												
Lorton Platform	2,000,000				0			400,000		0	1,600,000	2,000,000
	0				0			0		0	0	-
Earmark Summary	2,000,000	0	0	0	0	0	0	400,000	0	0	1,600,000	2,000,000
TOTAL	98,510,792	37,400,000	60,300	166,000	21,157,519	0	7,200,000	8,167,144	9,360,000	13,399,829	1,600,000	98,510,792
			FY13 subsidy surplus (deficit)		16,428,800 (4,728,719)							
						Soft Capital Projects		Program	Funding	Federal Amt	State Amt	
						Debt Service 11 Cabcars	1,931,357	5307/5309	1,545,086	193,136		
						Access lease funding	14,845,000	Equity Bonus	9,360,000	2,742,500		
						Local only Debt Service 60 Railcars	110,442	5307/5309	-	-		
						Fed/State/Lo Debt Service 60 Railcars	4,645,429	5307/5309	3,716,343	464,543		
								5307/5309	-	-		
								5307/5309	-	-		
								5307/5309	-	-		
								5307/5309	-	-		
Federal Reimbursement rate (Access)	65%					Grant & Project Management	475,000	5307/5309	380,000	-		
Federal Reimbursement rate	80%					Grant & Project Management	365,000	5307/5309	292,000	-		
State Match Reimb rate MTF Cap	50%							5307/5309	-	-		
State Match Reimb rate MT Cap	50%							5307/5309	-	-		
State Earmark Match rate	20%							5307/5309	-	-		
						Construction Management	-	5307/5309	-	-		
						Security Enhancements	100,000	5307/5309	80,000	-		
						Signage Enhancements	100,000	5307/5309	80,000	-		
						Debt Service 1998 Bonds			-	3,453,666		
									-	-		
						Subtotal		22,572,228				6,853,844
						Capital Projects/Earmarks		11,133,000		8,906,400		1,313,300
						Federal Cap Program		33,705,228		24,359,829		8,167,144

FY14 Summary Proposed Budget							
GL Account	FY12 Operating	FY12 Capital	FY13 Operating	FY13 Capital	FY14 Operating	FY14 Capital	Changes
Operating Revenue:							
Fare Revenue	33,000,000		34,500,000		37,400,000		2,900,000
Miscellaneous Revenue	126,000		126,000		166,000		40,000
Jurisdictional Subsidy	14,679,019	1,264,898	15,808,999	619,800	15,808,999	619,800	-
Other Jurisdictional Subsidy	-	-	-	-	-	-	-
Federal/State Subsidy	28,387,824	45,997,100	29,319,262	8,268,200	29,507,273	10,219,700	2,139,512
Other Local Funds	243,136	3,595,848	-	-	-	-	-
Interest Income	61,000		60,300		60,300		-
Total Revenue	76,496,979	50,857,846	79,814,561	8,888,000	82,942,572	10,839,500	5,079,512
Operating/Non-Operating Expenses:							
Insurance/Reserve/Mobilization	5,621,352		6,383,645		7,610,302		1,226,657
Executive Mgmt	615,008		631,689		823,000		191,311
Passenger Support Services	719,080		746,569		795,300		48,731
Public Affairs	162,236		177,773		191,000		13,227
Marketing	587,176		598,661		608,125		9,464
Planning	1,037,798		1,274,417		873,750		(400,667)
Operations and Communications	733,865		773,194		1,661,000		887,806
Budget and Finance	2,552,218		2,960,979		2,752,000		(208,979)
Communication and Information Technology	917,172		1,120,557		1,273,000		152,443
Construction and Capital Projects	705,354		778,252		892,500		114,248
Facilities Maintenance	3,035,397		3,549,447		3,870,000		320,553
Purchasing and Contract Administration	275,753		294,034		324,500		30,466
Equipment Operations	10,923,587		9,793,982		12,083,000		2,289,018
Safety, Security, and Emergency Preparedness	427,132		463,556		472,500		8,944
PRTC	117,000		144,000		102,000		(42,000)
NVTC	70,000		70,000		80,000		10,000
Keolis	17,546,044		18,008,591		19,947,020		1,938,430
Amtrak	3,652,000		4,097,000		4,459,000		362,000
Amtrak Access Fees	5,380,000		5,640,000		5,795,000		155,000
Norfolk Southern	2,940,000		2,950,000		3,090,000		140,000
CSXT	4,740,000		5,410,000		5,960,000		550,000
Total Operating/Non-Operating Expenses	62,758,172	-	65,866,346	-	73,662,997	-	7,796,651
CIP Expenditures		50,857,848		8,888,000		11,133,000	2,245,000
Debt Service	13,738,807		13,948,215		13,714,795		(233,420)
Total CIP and Other Expenditures	13,738,807	50,857,848	13,948,215	8,888,000	13,714,795	11,133,000	2,011,581
Grand Total Expenses	76,496,979	50,857,848	79,814,560	8,888,000	87,377,792	11,133,000	9,808,232
Difference by Fund	-	-	0	-	(4,435,220)	(293,500)	(4,728,720)
Total Difference		-		0		(4,728,720)	(4,728,720)

VRE Service Expansion

The VRE Operations Board recommends the approval of Resolution #2201. This resolution authorizes the expansion of VRE service.



RESOLUTION #2201

SUBJECT: Authorization to Approve the Lengthening of VRE Trains.

WHEREAS: As part of the update to the L'Enfant Storage track project in May 2012, VRE staff provided options to reduce overcrowding on peak trains;

WHEREAS: Part of this proposal included adding one car to a Fredericksburg line train and up to two cars to a Manassas line train;

WHEREAS: By adding one additional railcar to Fredericksburg line train 303/302, seating capacity will increase by 260 seats per day;

WHEREAS: By adding one additional railcar to Manassas line train 330/327, seating capacity will increase by 520 seats per day; and

WHEREAS: VRE staff projects that there is expected to be a slight increase in new ridership that should materialize from this action.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to lengthen one Fredericksburg and one Manassas line train beginning October 9, 2012 through a budget amendment in an amount not to exceed \$239,100 for the first year of service.

Approved this 4th day of October, 2012.

Jay Fisette
Chairman

Paul C. Smedberg
Secretary-Treasurer

AGENDA ITEM 8-B
ACTION ITEM

TO: CHAIRMAN COVINGTON AND THE VRE OPERATIONS BOARD

FROM: DOUG ALLEN

DATE: SEPTEMBER 21, 2012

RE: AUTHORIZATION TO APPROVE THE LENGTHENING OF VRE TRAINS

RECOMMENDATION:

The VRE Operations Board is being asked to recommend that the Commissions authorize the Chief Executive Officer to lengthen one Fredericksburg and one Manassas line train beginning October 9, 2012 through a budget amendment in an amount not to exceed \$239,100 for the first year of service.

BACKGROUND:

As part of the L'Enfant storage track project update in May 2012, VRE staff presented service expansion options designed to mitigate crowding on trains, fully utilize VRE equipment, provide expanded service, and increase ridership.

The proposal included lengthening trains and reducing the price of Step Up tickets for VRE riders. The VRE Operations Board authorized a change to the tariff to reduce the price of Step Up tickets from \$5 to \$3 in August 2012.

The proposal also included additional capacity through VRE Fredericksburg train 303/302 having one car added to the existing six car consist and Manassas train 330/327 having up to two cars added to the existing six car consist. Throughout CY 2012, ridership on these peak period trains has exceeded current seating capacity such that VRE riders, in many cases, spend the majority of their

commute standing. The following table shows the current and proposed seating capacity by train.

Train	Current Seating Capacity by Train	Current Number of Standees During Peak Commute	Proposed Seating Capacity by Train	Proposed Additional Seats Per Day added to VRE service	Net Cost per Seat
Fredericksburg 303/302	810	107	940	260	\$483
Manassas 330/327	810	35	*1070	520	\$218

- VRE proposes to add up to 2 additional cars to increase seating capacity as ridership dictates. To start, VRE may elect to add each additional car incrementally as dictated by actual ridership.

The primary objective of the service expansions is to reduce the number of standees on these peak trains to prevent the potential loss of passengers from VRE service as well as attract new riders. The table above indicates the average number of standees on these peak trains when average daily ridership is between 19,000 and 20,000 passenger trips for CY 2012.

By adding one additional car to Fredericksburg line train 303/302, total seating capacity will increase by 260 seats per day. A total of up to 520 seats will be added to the Manassas line train. With the incremental capacity improvement proposed, VRE staff projects that there will be a slight increase in new ridership that should materialize before the end of CY 2012. For the Fredericksburg train, this ridership increase is further supported by the additional parking spaces coming on-line at the Brooke and Leeland Road stations and the reduction in the price of the Step Up ticket. For the Manassas line train, ridership is projected to increase simply because there will be open seats and passengers will not need to stand during their commute, drawing passengers to VRE service.

FISCAL IMPACT:

The total annual net cost for FY 2013 for adding this capacity is projected to be \$239,100. Costs include \$125,700 for the Fredericksburg line and \$113,400 for the Manassas line (excluding contribution to the operating reserve).

The service will be paid for through an increase in state operating funds for FY 2013. VRE staff has included the same service enhancements in the preliminary FY 2014 budget. VRE staff will return to the Operations Board in December 2012 to update the FY 2013 Budget and Keolis contract, if needed.

TO: CHAIRMAN COVINGTON AND THE VRE OPERATIONS BOARD
FROM: DOUG ALLEN
DATE: SEPTEMBER 21, 2012
RE: AUTHORIZATION TO APPROVE THE LENGTHENING OF VRE TRAINS

RESOLUTION
8B- 09- 2012
OF THE
VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

WHEREAS, as part of the update to the L'Enfant Storage track project in May 2012, VRE staff provided options to reduce overcrowding on peak trains; and,

WHEREAS, part of this proposal included adding one car to a Fredericksburg line train and up to two cars to a Manassas line train; and,

WHEREAS, by adding one additional car to Fredericksburg line train 303/302, seating capacity will increase by 260 seats per day; and,

WHEREAS, by adding one additional railcar to Manassas line train 330/327, seating capacity will increase by 520 seats per day; and,

WHEREAS, VRE staff projects that there is expected to be a slight increase in new ridership that should materialize from this action.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board recommends that the Commissions authorize the Chief Executive Officer to lengthen one Fredericksburg and one Manassas line train beginning October 9, 2012 through a budget amendment in an amount not to exceed \$239,100 for the first year of service.



AGENDA ITEM #3

TO: Chairman Fisette and NVTC Commissioners

FROM: Rick Taube and Claire Gron

DATE: September 27, 2012

SUBJECT: WMATA Items.

A. Presentation by WMATA General Manager Richard Sarles.

Mr. Sarles will provide a presentation followed by a question and answer period.

B. WMATA Board Members' Report.

NVTC's WMATA Board members will have the opportunity to bring relevant matters to the attention of the commission.

C. Vital Signs/WMATA Dashboard.

Each month staff will provide copies of WMATA's Dashboard performance report and every quarter staff will include a summary of WMATA's Vital Signs report.



Operating Budget Report

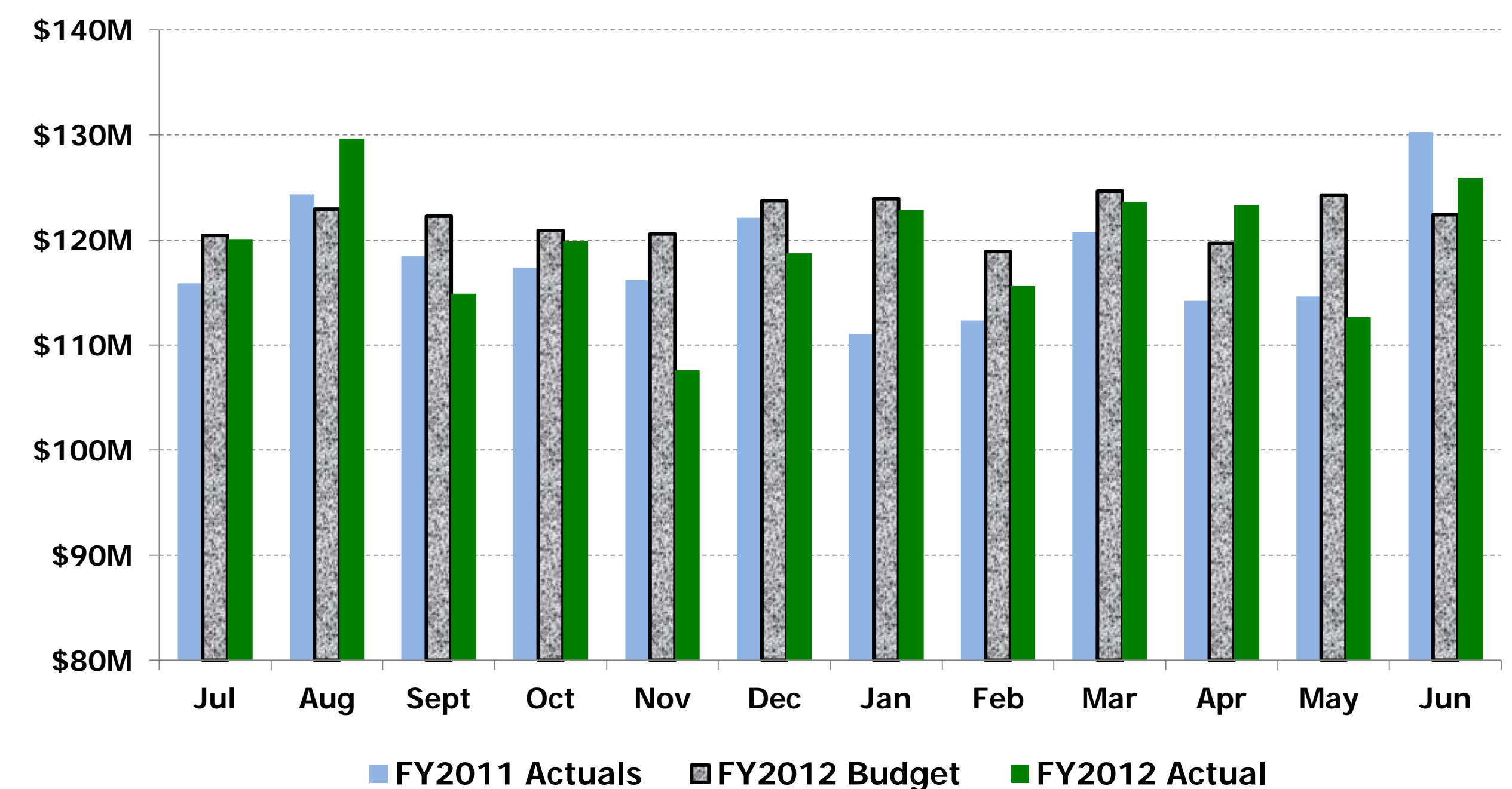
4th Quarter FY2012

Operating Budget (\$ in Millions)

	Q4 2011		Q4 2012		Variance FY12	
	Actual		Actual	Budget	\$	Percent
Revenue	\$ 212,640		\$ 217,643	\$ 214,671	\$ 2,973	1%
Expense	\$ 359,102		\$ 361,882	\$ 366,332	\$ 4,450	1%
Subsidy	\$ 146,462		\$ 144,238	\$ 151,661	\$ 7,423	5%
Cost Recovery	59%		60%	59%		

YTD	FY2011		FY2012		Variance FY12	
	Actual		Actual	Budget	\$	Percent
Revenue	\$ 806,571		\$ 809,894	\$ 811,920	\$ (2,026)	0%
Expense	\$ 1,417,569		\$ 1,434,694	\$ 1,464,601	\$ 29,907	2%
Subsidy	\$ 610,998		\$ 624,800	\$ 652,681	\$ 27,881	4%
Cost Recovery	57%		56%	55%		

Operating Expenditures (\$ in Millions)



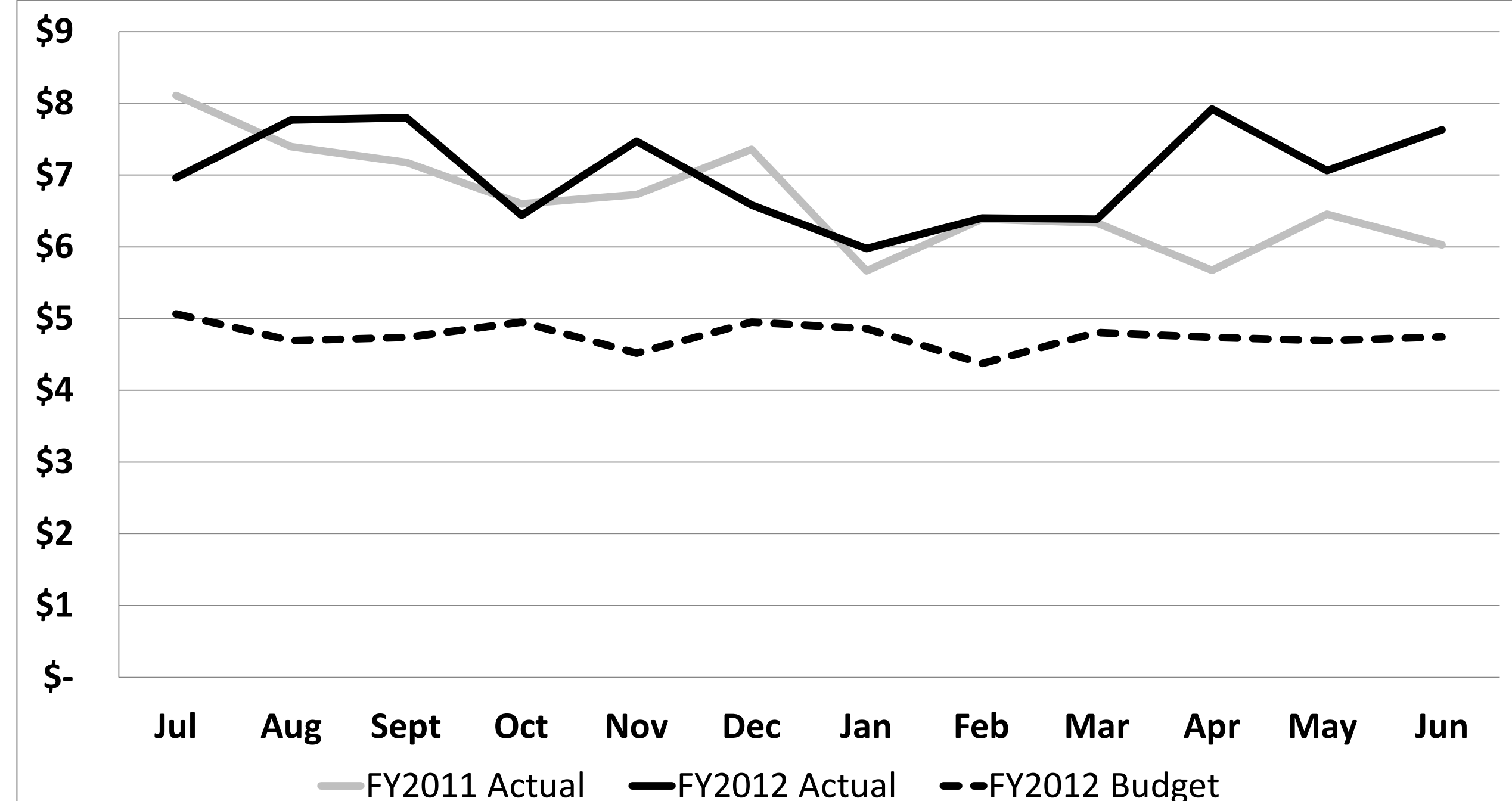
Operating Program Highlights

As of June YTD, Metro is **favorable to budget** by \$27.9M, or 4%.

Year-to-date expenditures - \$29.9 M or 2% favorable to budget.

- Propulsion/Diesel and Utilities/Insurance/Other were below budget by \$17.1 M and \$15.5 M respectively mostly due to actual rate favorability compared to budget
- Service expenses of \$21.1 M were favorable due to \$9.6M savings in paratransit expenses, under utilization of the RCSC/RSMA Treasury contract, various JOC contracts and Labor Relations expenses for arbitration negotiations.
- Materials and Supply expenses (\$22.3 M) are unfavorable mostly due to unanticipated expenses for bus parts, car maintenance and elevator/escalator.
- Fringe benefits is \$10.3 M under budget due to lower than projected pension costs for Metro's retirement plans (\$4.3M) lower than anticipated health and welfare costs (\$4.5M). In addition Metro experienced lower than expected worker's compensation costs (\$1.5M) due to a one-time retroactive credit from the D.C. Worker's Compensation Office
- Salary & wages below budget by \$16.3 M due to vacancies in DGMO and RAIL.
- Overtime is (\$27.3 M) over budget due to vacancies, leave coverage, and extensive rail work in Transit Infrastructure and Engineering Services (TIES) and RAIL

YTD Overtime Budget vs Actual (\$ in Millions)



Operating Budget Reprogramming Status

Year-to-date: \$300,000 was reprogrammed from the Treasury Office to Counsel for the purpose of funding outside legal fees for Treasury and \$1.15M from Access to PLJD for costs related to the installation of parking lot credit card readers. Other reprogramming is intra-departmental.



Revenue and Ridership Report

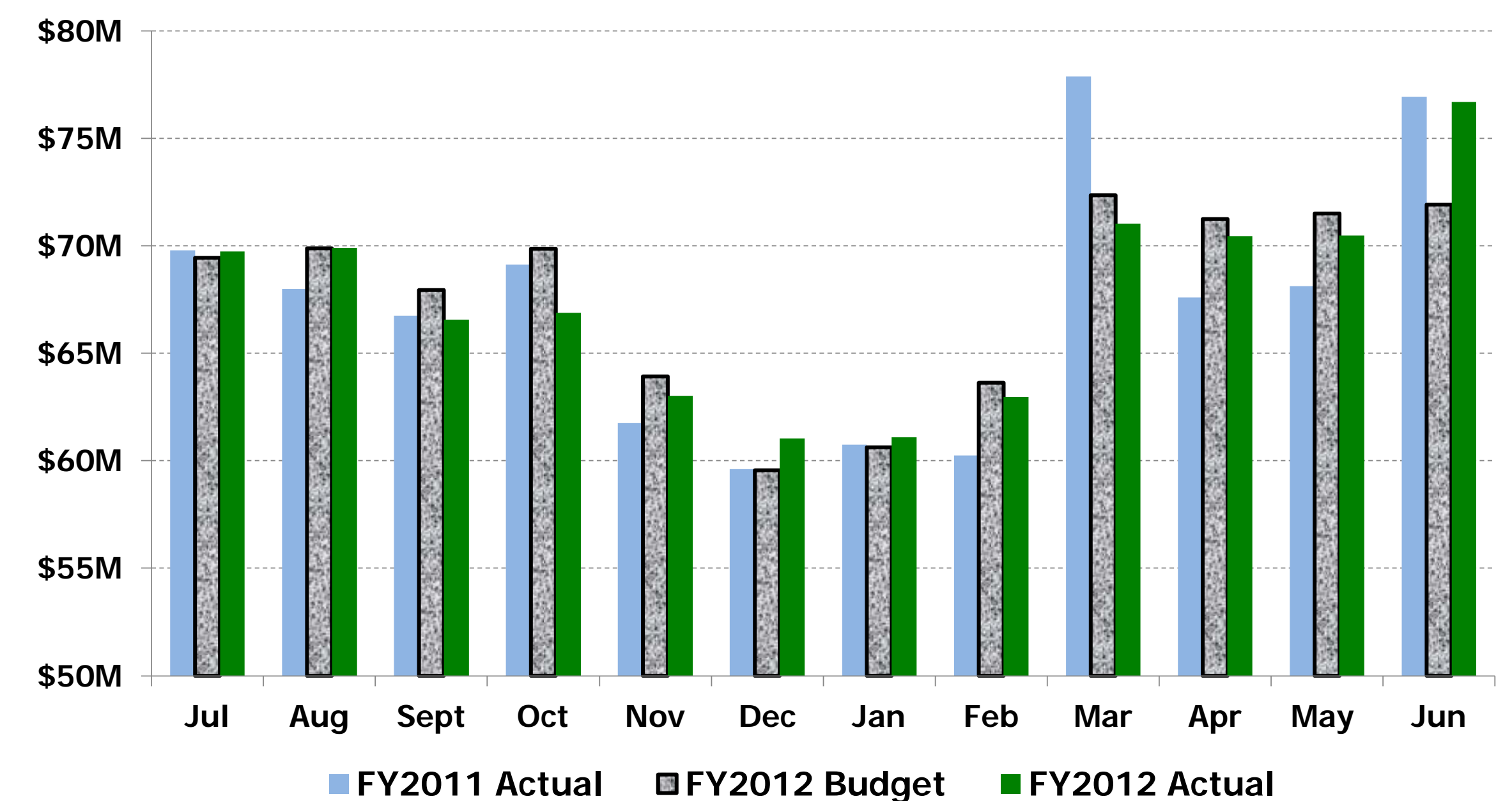
4th Quarter FY2012

Ridership (trips in thousands)

	Q4-FY2011 Actual	Q4 - FY2012 Actual	Budget	Variance Prior Year	Budget
Metrorail	57,711	57,506	58,891	-0.4%	-2.4%
Metrobus	32,953	33,307	32,771	1.1%	1.6%
MetroAccess	549	529	612	-3.6%	-13.6%
System Total	91,212	91,342	92,274	0.1%	-1%

YTD	FY2011 Actual	FY2012 Actual	Budget	Variance Prior Year	Budget
Metrorail	217,053	218,244	220,734	1%	-1%
Metrobus	125,089	132,220	124,131	6%	7%
MetroAccess	2,336	2,083	2,460	-11%	-15%
System Total	344,478	352,547	347,325	2%	2%

Revenue



Revenue and Ridership Highlights

Year-to-date Revenue

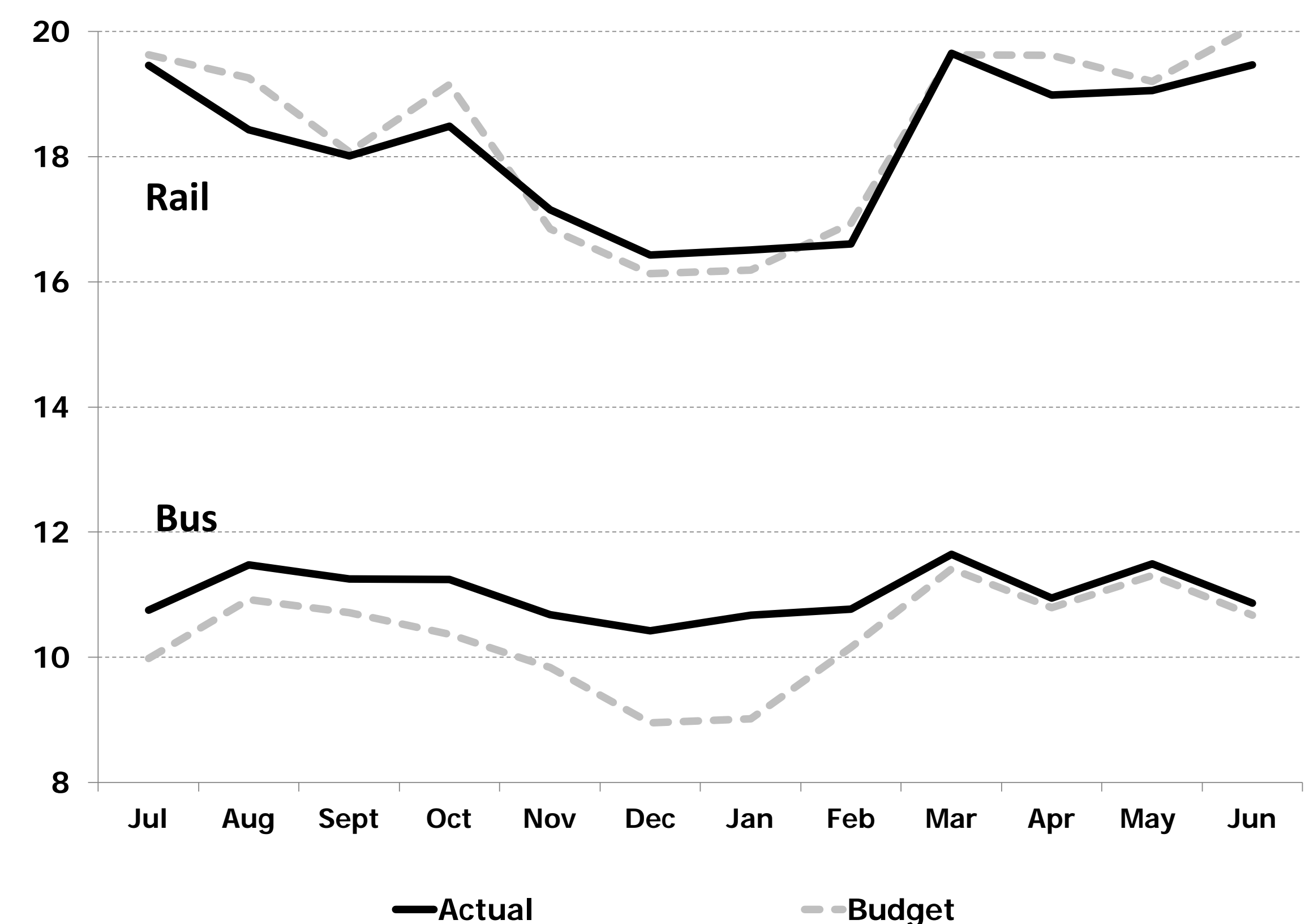
Total revenue is (\$2M) below budget, -0.3%; Passenger fares plus parking is (\$4M) below budget and non-transit revenue is \$2 M favorable to budget.

- **Bus passenger revenue** YTD is \$9 M favorable to budget, and average fare is \$1.01 which is equal to budget.
- **Rail passenger fares** are (\$5 M) below budget YTD, average fare YTD is \$2.61 .
- **MetroAccess** is \$1.6 M favorable to budget, average fare YTD is \$3.76.
- While **Parking revenue** YTD is (\$2 M) below budget, the average fee of \$3.73 exceeds the budget of \$3.71. Lower revenue is due to lower utilization (83% versus 84%).
- **Other revenue** is \$2M favorable to budget, mainly due to advertising revenue that was received in reconciliation of sold inventory.

Year-to-date Ridership

- **Bus ridership** YTD is 6% above prior year and 7% above budget; ridership nearly totals are returning to the levels of FY2008.
- **Rail ridership** YTD is 1% above prior year, though 1% below projection. Q4 ridership was marginally (0.4%) below prior year.
- **Access ridership** YTD is 253,337 or 11% below prior year. Demand management initiatives and fare changes implemented February FY11 resulted in decreased ridership; Q4 ridership was 19,922 passenger trips lower than Q4 prior year.

Monthly Ridership for Rail and Bus (in Millions)





Capital Program Report

4th Quarter FY2012

Sources of Funds (\$ in Millions)

	Expenditure-Based Year to Date Sources of Funds				
	Budget	Forecast	Awarded	Received	To be Rec.
FY2011 CIP	\$855	\$754	\$792	\$625	\$230
FY2012 CIP	\$1,042	\$917	\$882	\$672	\$245

	Obligation-Based to Date Sources of Funds			
	Budget	Awarded	Received	To be Rec.
Safety & Security	\$57	\$57	\$0	\$57
ARRA	56	56	40	16
Reimbursable	100	100	100	0
Total	\$213	\$213	\$140	\$73

Uses of Funds (\$ in Millions)

	Expenditure-Based Year to Date Uses of Funds				
	Budget	Forecast	Obligated	Expended	% Obl. % Exp.
FY2011 CIP	\$855	\$754	\$769	\$611	102% 81%
FY2012 CIP	\$1,042	\$917	\$761	\$770	83% 84%

	Obligation-Based to Date Uses of Funds			
	Budget	Obligated	Expended	% Obl. % Exp.
Safety & Security	\$57	\$34	\$18	60% 32%
ARRA	56	42	42	75% 76%
Reimbursable	100	97	97	97% 97%
Total	\$213	\$173	\$157	81% 74%

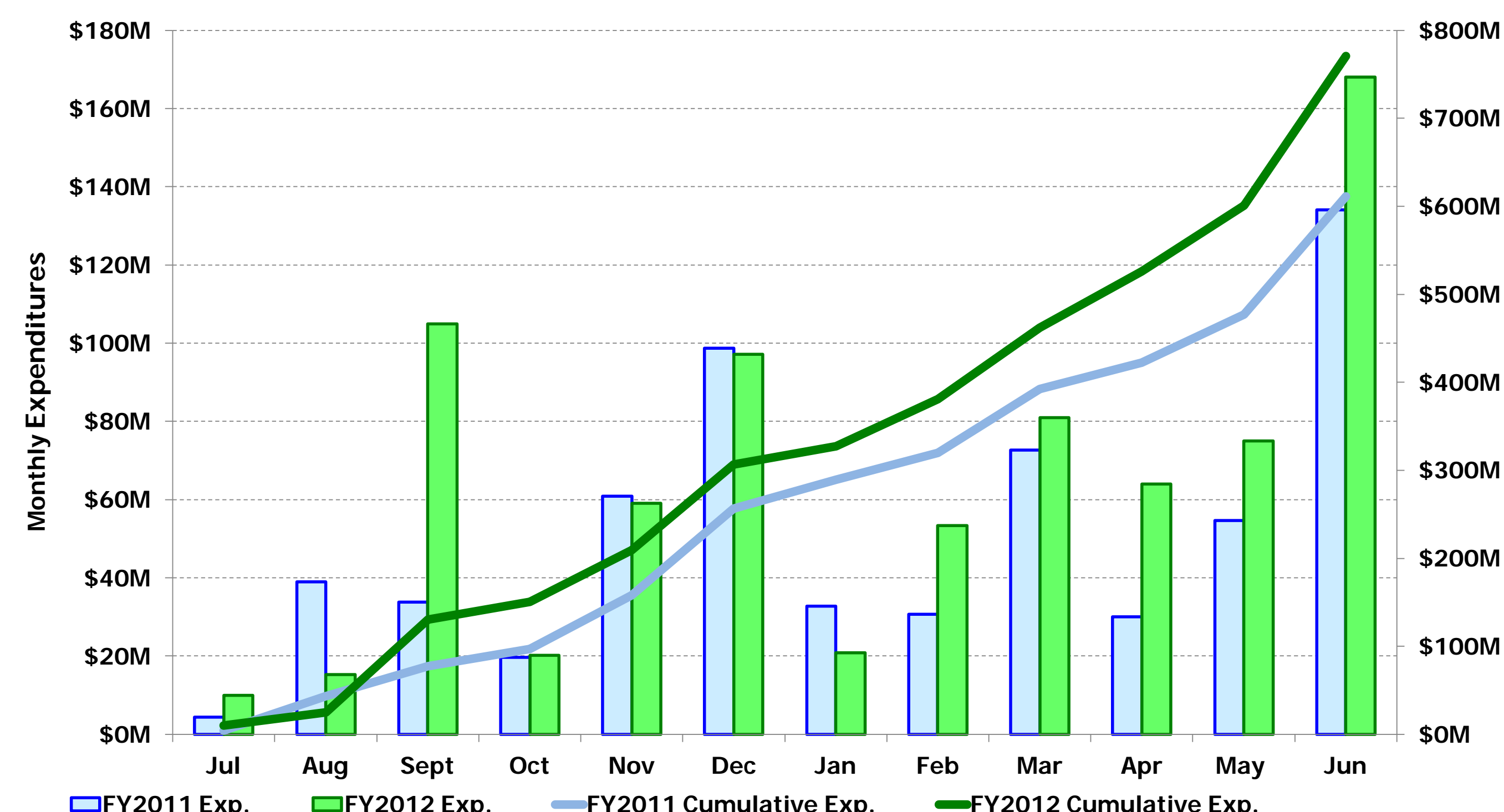
Capital Program Highlights

As of June 30, 2012:

The Capital Improvement Program (CIP) has invested \$770 million in FY2012. This is 26% or \$159 million more than the same period in FY2011

- Track rehabilitation work completed YTD include the following: welded 1,229 open joints; retrofitted 1,445 In ft of floating slabs; replaced 2,679 "High Voltage" roadway safety signs; rehabilitated 9,204 In ft of grout pads; tamped 44.2 miles of track; repaired 2,759 leaks; and replaced 20,936 cross ties, 25,401 fasteners, 11,162 insulators, 11.9 miles of running rail, 10,887 direct fixation fasteners, and 33 turnouts
- 166 of the 166 planned buses for FY2012 have been received and all are in service
- 221 of the 221 planned paratransit vehicles for FY2012 have been received and all are in service
- Performed platform paving and leveling on the Red Line between Dupont Circle and Silver Spring stations
- Continued installation of Redundant Comprehensive Radio Communication System

CIP Expenditures (\$ in Millions)



Capital Budget Reprogramming Status (\$ in millions)

From:

CIP0048 Sensitive Data Technology:	\$ 2.200
CIP0080 Jackson Graham Building Rennovations:	\$ 3.000
CIP0086 Shepherd Parkway Bus Facility:	\$ 14.600
CIP0093 Integrating Regional Nextfare System	\$ 1.500
CIP0132 Elevator Escalator Repairables:	\$ 0.900
Total :	\$ 22.200

To:

CIP0107 Red Line Rehabilitation Tier 1:	\$ 19.921
CIP0146 Mainline No. 8 Switch Replacement:	\$ 1.855
CIP0007 Bus Camera Installation:	\$ 0.280
CIP0077 Eight Car Train Power Upgrade:	\$ 0.139
CIP0076 100% Eight Car Train Power Upgrade:	\$ 0.006
Total:	\$ 22.200



HR Vacancy Report

4th Quarter FY2012

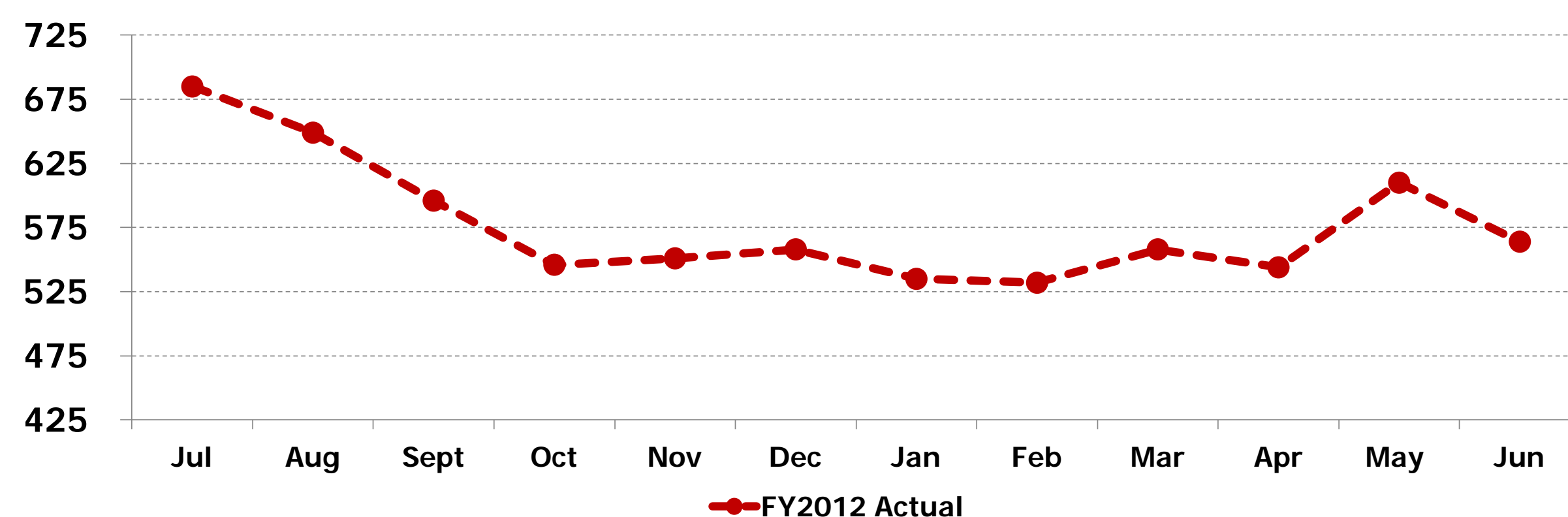
Operating Vacancies

	Budget Approved Positions	Total Number Vacant	Vacancy Rate	Discussion
Total Operating Positions	10,250	564	6%	
Departments with a large number of vacancies:				
TIES	3,120	154	5%	
Bus Services	3,807	123	3%	
Rail Transportation	1,499	96	6%	
Information Technology	251	34	14%	
Metro Police Department	635	20	3%	

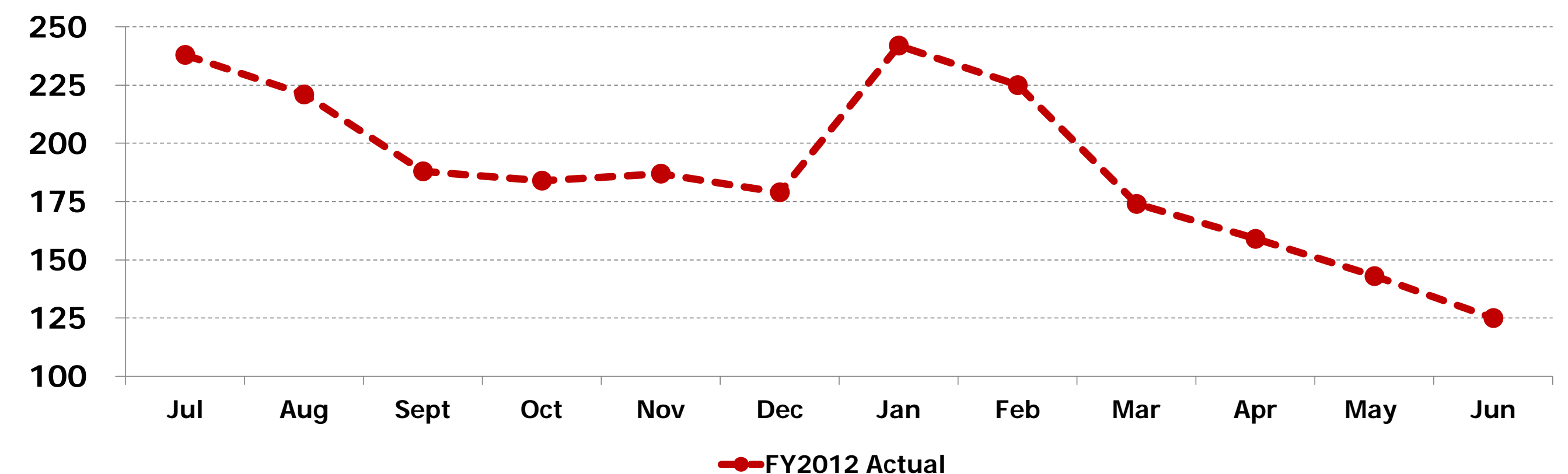
Capital Vacancies

	Budget Approved Positions	Total Number Vacant	Vacancy Rate	Discussion
Total Capital Positions	1,201	125	10%	
Departments with a large number of vacancies:				
TIES	949	81	9%	Vacancy rate continues to drop as a result of targeted recruitment efforts.
Chief Financial Office	50	11	22%	
Information Technology	74	18	24%	IT reorganization, salary ranges too low creating difficulties in recruitment

Operating Vacancy Trend



Capital Vacancy Trend



News Release

For immediate release: September 7, 2012



Metro posts Vital Signs annual report

Metro has posted its Vital Signs annual report, which provides a summary of performance indicators for calendar year 2011. Metro met or exceeded 9 of 11 performance indicators.

"Vital Signs shows our commitment to transparency by providing an at-a-glance summary of key performance metrics," said Metro's General Manager and CEO, Richard Sarles. "It shows the many areas in which we are making progress, and identifies where additional focus is needed."

Among the highlights of the report:

- Nearly an eleven percent decrease in the customer injury rate as compared to 2010. Investments made in customer safety received recognition by the National Transportation Safety Board, Congressional and local leaders, and the Tri-State Oversight Committee.
- Serious crimes on Metro declined by sixteen percent in the last year, aided in part by the use of crime statistics to better optimize Metro Transit Police resources, and direct actions to deter criminal activity. Metro also increased customer outreach also helped to educate our riders on safer travel practices.
- Metrorail met or exceeded its on-time performance target for eight of the twelve months, reflecting a modest improvement over 2010, despite an increase in track work during operating hours.
- Metrobus fleet reliability improved by seven percent, due to the addition of more than one hundred hybrid buses.

Metro uses performance data in Vital Signs to guide decision-making and improve safety and reliability.

[View the Vital Signs 2011 annual report](#)

The public can track progress in 2012 by reviewing the Vital Signs reports that are posted quarterly on Metro's Scorecard page.

News release issued at 2:09 pm, September 7, 2012.

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**NVTC Quarterly Summary of Systemwide
Metrorail and Metrobus Performance
Through June, 2012**

On-Time Performance							
Metrobus				Metrorail			
		CY 2011	CY 2012			CY 2011	CY 2012
	June	74.1%	74.9%		June	90.2%	90.8%
	May	74.5%	74.8%		May	90.9%	90.0%
<i>Target</i>	Apr	76.3%	77.2%	<i>Target</i>	Apr	90.9%	90.8%
<i>= 78%</i>	Mar	77.5%	76.5%	<i>= 90%</i>	Mar	91.0%	90.8%
	Feb	76.9%	77.8%		Feb	88.7%	89.2%
	Jan	78.8%	78.3%		Jan	87.9%	89.3%

**Preventable and Non-Preventable
Passenger Injury Rate
(per million passengers)***

	CY 2011	CY 2012
June	1.99	2.61
May	1.69	2.79
Apr	2.21	1.69

*Includes Metrorail, rail facilities, Metrobus, and MetroAccess

**Customer Complaint Rate
(per million passengers)**

	CY 2011	CY 2012
June	118	143
May	114	123
Apr	113	120

**Crime Rate
(per million passengers)**

	Mar-12	Apr-12	12-May
Bus	0.77	1.10	1.57
Rail	5.14	4.79	4.62
Parking	1.17	1.32	2.36

**Bus Fleet Reliability
by Fuel Type**

(miles without service interruption)

	June-11	June-12
CNG (30%)*	7,835	6,493
Hybrid (27%)	8,058	11,451
Clean Diesel (8%)	9,866	7,027
Other (35%)	5,102	4,604

* Percentage of fleet.

**Rail Fleet Reliability
(miles without service interruption)**

	CY 2011	CY 2012
June	36,963	32,526
May	37,355	42,556
Apr	39,302	42,237

**Escalator
Availability**

Target = 89%

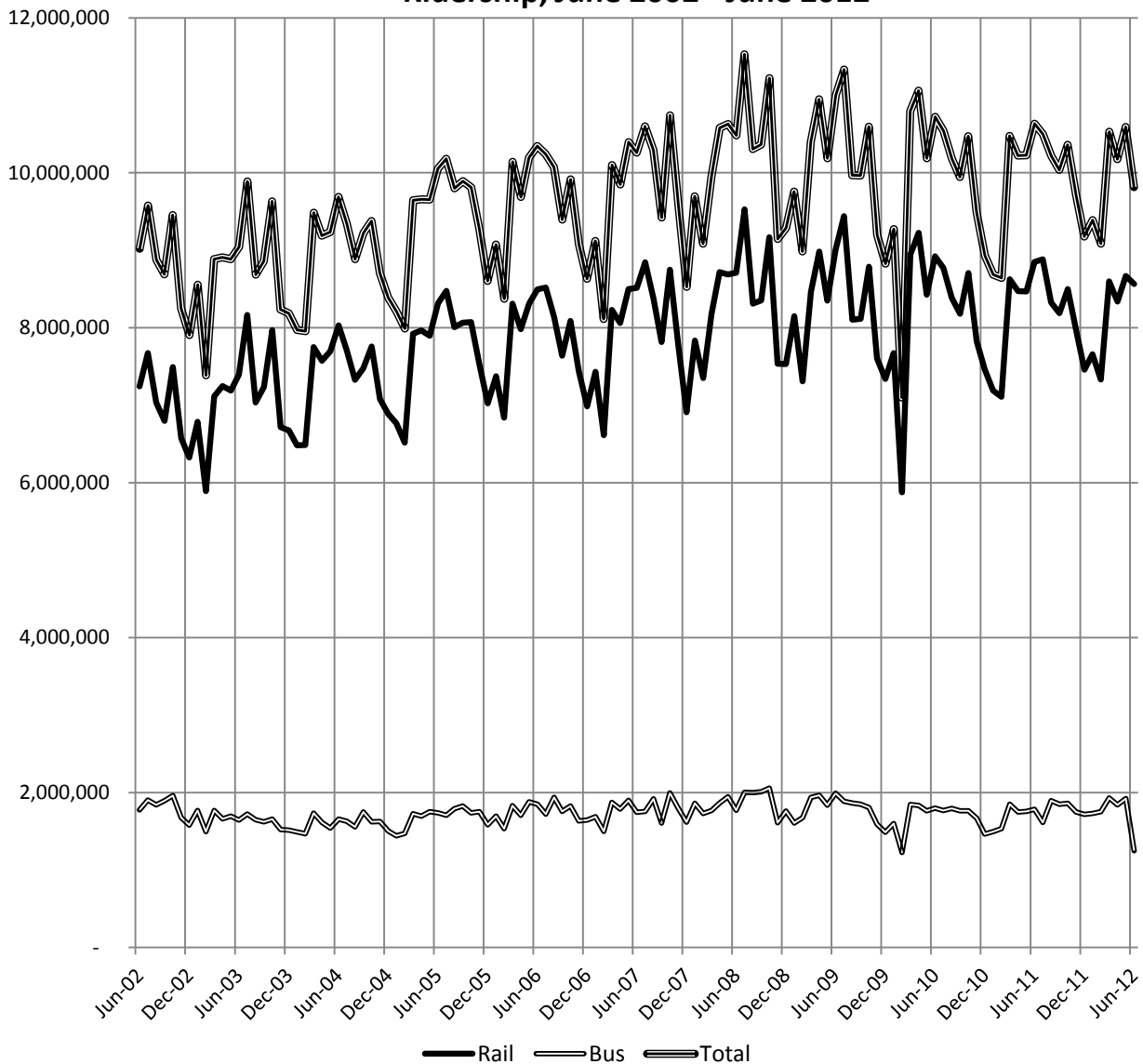
June-11	June-12
82.0%	90.6%

**Elevator
Availability**

Target = 97.5%

June-11	June-12
98.0%	98.0%

Northern Virginia Metrobus, Metrorail, and Combined Monthly Ridership, June 2002 - June 2012



Northern Virginia Ridership Data (thousands of one-way passenger trips)

Metrorail	Jan	Feb	Mar	Apr	May	June
FY 2012	7,657.4	7,331.3	8,600.0	8,337.6	8,669.5	8,565.1
FY 2011	7,189.9	7,108.7	8,627.8	8,473.5	8,467.7	8,847.3
5 yr. Avg.	7,656.4	6,851.2	8,489.1	8,692.6	8,485.2	8,801.8
Metrobus						
FY 2012	1,731.5	1,754.1	1,840.7	1,920.9	1,248.6	1,248.6
FY 2011	1,495.1	1,534.6	1,748.9	1,758.0	1,784.7	1,784.7
5 yr. Avg.	1,650.0	1,533.8	1,839.5	1,840.5	1,818.8	1,818.8



AGENDA ITEM #4

TO: Chairman Fiset and NVTC Commissioners

FROM: Rick Taube

DATE: September 27, 2012

SUBJECT: DRPT's SJR 297 Report

DRPT is expected to complete its draft final report in September and present the final report to the Commonwealth Transportation Board in October.

NVTC staff has briefed the commission throughout the course of the two-year study. Because Northern Virginia receives about three-quarters of all statewide transit assistance, any changes to DRPT's methods must be viewed with concern.

NVTC staff has submitted comments to DRPT and participated actively on a stakeholders group.

DRPT Director Drake has been invited to present the findings and members of the Northern Virginia General Assembly delegation will be invited to join the discussion.

Following DRPT's presentation and subsequent discussion, NVTC will be asked to approve comments and to consider a strategy for approaching the CTB and General Assembly members, in cooperation with VTA and other groups.



AGENDA ITEM #5

TO: Chairman Fisette and NVTC Commissioners

FROM: Rick Taube

DATE: September 27, 2012

SUBJECT: Comments on Draft Report of the Agency Efficiency and Coordination Task Force

Chairman Fisette and several other commissioners have been participating on this task force which is directing the work of the Jurisdiction and Agency Coordinating Committee. The task force was created from among the leaders of NVTC, PRTC, NVTA and NVRC to respond to a request from the entire Northern Virginia General Assembly delegation.

The draft final report is expected to be available for review and comment. At NVTC's November 1, 2012 meeting, the final report will be presented for approval.

Chairman Fisette will lead the discussion about the draft final report. He will convey NVTC's comments to the task force.

**DRAFT Report of the Northern Virginia Efficiency and Consolidation Task Force:
“Northern Virginia Regional Study: Comparisons of Options for Consolidation of
Regional Transportation and Planning Agencies”
September 24, 2012**

Executive Summary

To be completed after the Northern Virginia Efficiency and Consolidation Task Force meeting on September 27, 2012.

Introduction and Background

There are a number of regional transportation and planning agencies operating in Northern Virginia. These agencies have been established over a 65 year period. *(Add language describing what is meant by “transportation” and “planning” agencies).* A summary of the history of these agencies is included as Attachment A. During the last two decades there have been several previous studies that considered whether or not some of these agencies should be combined. These efforts are summarized in Section B of this report.

During the 2011 Session of the Virginia General Assembly, Delegate David B. Albo introduced HB 2016 which would have consolidated the Northern Virginia Transportation Authority (NVTA), the Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC). A copy of HB 2016 is included as Attachment B. The House Transportation Committee did not approve HB 2016 but requested that the Joint Commission on Transportation Accountability (JCTA) study the proposal. JCTA has not taken any action on this referral to date.

During the 2012 Session of the Virginia General Assembly, at the request of the Governor, Delegate C. Todd Gilbert and Senator Ryan McDougle introduced bills (HB 1291 and SB 678, respectively) making recommendations derived from Governor Robert F. McDonnell’s Government Reform and Restructuring Commission. Included in these bills was the proposed consolidating NVTA and NVTC. The relevant sections of the HB 1291 are included as Attachment C. HB 1291 passed the House of Delegates including the NVTA/NVTC consolidation language. However, the Senate did not agree to this consolidation and the conference committee report also did not include this consolidation. During the 2012 Session, a budget amendment was also introduced that would have directed the Secretary of Transportation to conduct a study to examine the feasibility of creating a Northern Virginia Metropolitan Planning Organization (MPO). This budget language is included as Attachment D. Ultimately, this language was not included in the budget adopted by the General Assembly and signed by the Governor (HB 1301).

On March 10, 2012, the members of the Northern Virginia Delegation of the Virginia General Assembly wrote to the chairmen of NVTA, NVTC, PRTC and the Northern Virginia Regional Commission (NVRC) and requested that the chairs engage their organizations in an effort to determine whether consolidation and/or improved coordination would enhance regional planning, including transportation planning and services. The delegation’s goal was to accomplish the stated missions of these organizations in a more efficient and effective manner. The delegation suggested that the study consider issues related to governance, membership, voting procedures, geographical representation legal obstacles, and funding matters. The delegation also indicated that the study should consider the role of the Transportation Planning Board (TPB) in Northern Virginia regional planning processes and also address any potential impacts on the Virginia Railway Express. The delegation requested the chairs recommendations by October 1, 2012. The delegation’s letter is included at Attachment E.

In response to the delegation's letter, the chairs established a Northern Virginia Efficiency and Consolidation Task Force (the Task Force). The Task Force is made up of:

- The Chairs and Vice Chairs of the organizations
- The Chairs of the Virginia Railway Express and the Washington Metropolitan Area Transit Authority
- The Virginia Vice Chair of the Transportation Planning Board
- The Chairman of the Fairfax County Board of Supervisors and a member of the City Councils of Falls Church, Fairfax and Manassas

Each of the nine cities and counties in Planning District 8 were represented either by one of the chairs and vice chairs or as specifically noted.

On May 16, 2012, the chairs wrote to the delegation and summarized their approach to the study, and also noted that the study and recommendations would be completed by November 16, 2012, Attachment F. The Task Force met seven times between May 2 and October 25, 2012. The discussions that occurred at these meetings are the basis for this report. Materials from these meetings are referenced at various places in this report.

The Task Force determined that work undertaken for this study would be conducted by the staff from the local jurisdictions (transportation, legal and legislative), regional transportation agencies and the Northern Virginia Regional Commission, and lead by the Northern Virginia Transportation Authority's Jurisdiction and Agency Coordinating Committee. The staff team was divided into three work groups to review various aspects of the efficiency and consolidation effort. These work groups were:

- a. Organizational
- b. Legal/Financial
- c. Short Term Approaches and Other Efficiencies

These three working groups met throughout the summer to gather and prepare various materials requested, received and considered by the Task Force.

Conclusions and recommendations were developed by the Task Force, and subsequently considered by NVRC, NVTA, NVTC and PRTC.

As part of this effort, the Task Force also reviewed how transportation and planning activities and transit service are addressed in the Hampton Roads area. A summary of the Task Force's findings is included in Attachment G.

Section A: Existing Conditions. The Missions and Functions of Each Agency *(Revise sections to achieve parallel construction. Consider combining the “Mission” and “Function” sections).*

At its meeting on May 24, 2012, the Task Force reviewed the history of Northern Virginia transportation and planning agencies, as well as their missions and functions. Each agency’s mission and function are summarized below.

Mission

NVTC

The Northern Virginia Transportation Commission (NVTC) was created in 1963 through an act of the General Assembly 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. NVTC, acting jointly with PRTC, created the Virginia Railway Express (VRE) commuter rail service in 1989.

NVRC

The Northern Virginia Regional Commission (NVRC) is a regional council of 14 member cities, counties and towns in the Northern Virginia, also known as Planning District 8. NVRC was established in 1947 by charter agreement of its member jurisdictions, and then reconstituted under the Virginia’s Area Development Act (now the Regional Cooperation Act) in 1969. NVRC’s chief roles and functions have focused on providing information, performing professional and technical services for its members, and serving as a mechanism for regional coordination. Current programs and projects address a wide array of local government interests.

NVTA

The Northern Virginia Transportation Authority (NVTA) was created by the Virginia General Assembly in 2002. It consists of the nine cities and counties comprising Planning District 8 (Arlington, Fairfax, Loudoun and Prince William counties and the cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park). Its 17-person Board includes one elected official from each of those jurisdictions, one voting member rotated among several towns in the district, and ex-officio members including the Commonwealth Transportation Commissioner’s designee and the Director of DRPT, two members of the General Assembly and one state senator, and two citizen members appointed by the Governor including one member of the CTB. The Authority is tasked with preparing a regional transportation plan for Planning District Eight, to include, but not necessarily be limited to, transportation improvements of regional significance, and shall from time to time revise and amend the plan. Once the plan is adopted, the Authority may construct or otherwise implement the transportation facilities in the plan. The Authority may acquire land for the purposes of providing transportation facilities or services. The land can be for the Authority’s use in providing transportation facilities or services, or it can be transferred to

another agency for use by that agency in connection with an adopted transportation plan. The Authority may prepare a plan for mass transportation services and may contract with others to provide the necessary facilities, equipment, operations, etc., needed to implement the plan.

PRTC

The Potomac and Rappahannock Transportation Commission (PRTC) was established under the Transportation District Act in 1986, for the purpose of partnering with NVTC to create the VRE commuter rail service. PRTC's mission is to provide safe, reliable, and affordable transportation services that the community views as an important asset and source of pride. Virginia law authorizes the creation of transportation districts to facilitate regional transportation solutions to problems that transcend individual localities' borders. With that aim, PRTC was established in 1986 to help create and oversee the Virginia Railway Express (VRE) commuter rail service and also to assume responsibility for bus service implementation as its member governments saw fit.

PRTC's 17-member governing board now oversees PRTC's 140 bus fleet providing both commuter and local bus services, complemented by a variety of transportation demand management (TDM) programs including rideshare-matching, a vanpool program, and a planned user-side subsidy program to lessen the cost of taxicab transportation for area residents with mobility challenges.

VRE

The VRE is the commuter rail service owned and operated by NVTC and PRTC providing service into D.C. from points of origin in Spotsylvania County and Prince William County. The service is organized under a Master Agreement for Commuter Rail Services in Northern Virginia, first executed in 1989, the parties to which are the two Commissions, the counties of Arlington, Fairfax, Prince William, Spotsylvania, and Stafford, and the cities of Alexandria, Fredericksburg, Manassas, and Manassas, Park. The Master Agreement establishes the funding formula for the VRE which consists primarily of fare revenue and local appropriations, as well as annual grant funding from the federal and state government, and also provides for an Operations Board, which is a subcommittee of the two Commissions, to provide oversight of the VRE's operations. The VRE began providing service in 1992.

Specifically, VRE's mission is to provide safe, cost effective, accessible, reliable, convenient, and comfortable commuter-oriented rail passenger service. In addition, VRE is intended to contribute to the economic development of its member jurisdictions as an integral part of a balanced, intermodal regional transportation system.

Functions

NVTC

NVTC's primary functions include appointing Virginia's membership to the Washington Metropolitan Area Transit Authority (WMATA) Board, managing Northern Virginia gas tax revenues, and coordinating transit services. PRTC focuses on transportation planning and operating initiatives with its bus, rail, and

ridematching services, as well as transportation planning studies, capital project management, policy analysis, and regional coordination. It also owns and operates the VRE commuter rail service with PRTC.

NVRC

The Regional Cooperation Act gives NVRC (and other planning district commissions across the state) broad authority to regionally address issues including economic and infrastructure development; solid waste, water supply and other environmental management; transportation; criminal justice; emergency management; human services; and recreation. NVRC has the authority to acquire property, and issue bonds payable from revenues or receipts. NVRC also supports several specific transportation related activities.

PRTC

PRTC is the co-owner and operator of the VRE with NVTC. Subsequent to establishment of the VRE, PRTC assumed responsibility for Prince William County's commuter and local bus service operating primarily in Prince William County and the Cities of Manassas and Manassas Park.

NVTA

The primary functions of this agency are to complete an unconstrained long range transportation plan and set priorities for regional transportation spending (all surface transportation, not just transit). It allocates CMAQ/RSTP federal funds and prepares unified Virginia positions on issues to be acted on at the regional Metropolitan Planning Organization (National Capital Transportation Planning Board including suburban Maryland and D.C.). TPB provides a financially constrained transportation plan for the entire Metropolitan area in order to meet federal requirements.

NVTA completes and updates the unconstrained transportation plan for Planning District 8 (the most recent is the 2030 TransAction Plan and the 2040 update is underway to be completed in the fall of 2012).

NVTA also advocates state legislation and formulates consensus policies on regional transportation.

In 2007, the General Assembly authorized NVTA to enact multiple sources of funding explicitly for transportation investments in Northern Virginia. However, the Virginia Supreme Court subsequently found the method of enacting the taxes to be unconstitutional. The General Assembly has not acted to replace this funding package.

As a result, NVTA has no staff and only a "virtual" office (a phone answering service, conference room and website). It relies entirely on donated staff from its jurisdictions and other regional and state agencies. For example, NVTC provides accounting and audit management as well as public outreach and web management services at no cost to NVTA. Legal services are provided by local government attorneys from several member jurisdictions. Prince William County transportation staff chairs the staff-level Jurisdiction and Agency Coordinating Committee (JACC) that meets monthly to actively coordinate regional policy and plans. In addition to the JACC, NVTA maintains a Technical Advisory Committee and a Planning Coordination Advisory Committee. The Technical Advisory Committee includes citizen

members and provides a means to tap citizen input as well as professional expertise from the private sector. The Planning Coordination Advisory Committee consists of local elected officials who are not members of the NVTA Board. The Planning Coordination Advisory Committee is charged with advising the NVTA on broad policy issues related to the periodic update of the NVTA's Long Range Transportation Plan (e.g., TransAction 2030) and the development of the NVTA's Six Year Program with special consideration to regional transportation, land use and growth issues and provides advisory recommendations to the NVTA.

DRAFT

Section B: Summary of Past Consolidation Study Efforts and Recommendations

Add introduction explaining that there have been multiple efforts to explore organizational consolidation of transportation agencies over the past two decades.

On June 28, 2012, the Task Force reviewed past studies that considered consolidation of the Northern Virginia transportation agencies. A summary of those efforts is described in this section.

In 1994, the Governor's Blue Ribbon Strike Force, in response to the Governor's Commission on Government Reform, recommended a host of recommendations as part of the study efforts. Two of the consolidation related recommendations are noted below:

- ***The Virginia transportation agencies should withdraw from the Transportation Planning Board of the Washington Council of Governments.***
- ***Abolish the NVTC***

The description and background behind this recommendation was noted as follows:

- ***Since the passing of ISTEA (Intermodal Surface Transportation Efficiency Act, MPOS's have been given enhanced authority over the spending resources, the spending of which has been previously decided at the State level. The NVTC was created solely to funnel State resources to the Washington Metrorail System. The Commonwealth provides a significant amount of resources to this Commission, and the Commission appears to be constantly looking for a mission or a purpose. (Citation?)***

As an implementation strategy, the report suggests that the agencies under the jurisdiction of the Virginia Secretary of Transportation should withdraw from the TPB. A Northern Virginia Transportation Planning Board should be created to include the Virginia jurisdictions currently in the TPB, with the same weighting that exists under the current system. The Commonwealth would still participate in the TPB but only in a coordinating and advisory role.

In January of 1995, Governor George Allen wrote to two Northern Virginia delegates stating "I recognize that this is a controversial issue that will require a great deal of analysis. I concur with your concern about the impact of implementing the recommendation of the regional transportation planning in Northern Virginia and on the Virginia Railway Express, and would like to ensure ***(assure or SIC?)*** you that no action will be taken until a thorough analysis has been completed and the results and impacts are considered."

In 1995, a Study of Transportation Planning and Funding in Northern Virginia was prepared for the Transportation Coordinating Council (TCC). In December of that same year, the TCC approved the study and the 4 recommended actions from that study. One of the actions was "a regional exploration of the

potential costs and benefits of consolidating various regional transportation planning and funding organizations in northern Virginia.” The TCC executive Committee directed the preparation of a white paper that described a single transportation organization combining transportation planning and funding responsibilities that were performed by PRTC, NVTC, TCC and the VRE.

The white paper was published that year and identified the following as part of a consolidation effort:

- ***Goals of a Combined Transportation Organization***
- ***Membership, Structure, and Obligations of a Combined Transportation Organization***
- ***Functions of a Combined Organization***
- ***Implementation Steps for a Combined Organization***

In 1996, the TCC Executive Committee met to further narrow the alternatives under consideration as part of Phase II of the Planning Study. Listed below are the alternatives retained by the committee (as they relate to consolidation), along with some brief explanations or comments.

Goal #1-Simplify Planning Process

1. Leave as-is “no build”
2. Combine NVTC/PRTC with a multi-modal focus: the new organization would take over the functions of the TCC, which would be abolished
3. Create a Northern-Virginia sub-MPO: This would be a NOVA body to represent NOVA as a unit at the TPB. It would also fulfill the roles of the TCC which would be abolished.
4. Abolish TCC (no other changes)

In 1997, the TCC hired KPMG Peat Marwick LLP, to conduct a study to examine improving institutional and organizational effectiveness by assessing the existing arrangement (referred to as the Baseline) for transportation planning and decision-making in Northern Virginia. The study reviewed the NVTC, PRTC, and the TCC in how they carried out these functions. Consideration was given to an alternative institutional arrangement that involves the consolidation of many of the responsibilities and authorities of NVTC, PRTC and the TCC.

The study looked at the pros and the cons of consolidation. It also outlined a “scenario” or a “what needs to occur” in considering a consolidated commission. However, the study did not make any final recommendations. In addition to addressing the pros and cons of any consolidation efforts, the study outlined possible improvements to the baseline, or existing functions of each agency.

Below are the Pros and Cons highlighted in the study:

PROS

- ***Potential New Funding Generating Capability***
- ***Baseline Improvements***
- ***Coalesced Advocacy***
- ***Sub-Regional Project Planning and Implementation***
- ***Public Participation***
- ***Efficiency (Assessment of Administrative Costs)***

CONS

- ***Dilution of Representation in Commission Composition***
- ***Dilution of Funding Commitment to Transit***
- ***Loss of Transit Forum***
- ***Transit-Related Costs and Issues***
- ***Institutional Issues***

Finally, the KPMG report states that the following should be considered under a Consolidated Commission Scenario:

- Roles
- Boundaries
- Composition
- Organization
- Relationship to Existing Institutions
- Public Involvement Process
- Responsibilities

The TCC met to discuss this report and approved a resolution that would keep the structure of the studied agencies, but create greater efficiencies among the bodies. The resolution is included as Attachment ____.

Section C: Review of Scenarios for Consolidation and/or Improved Coordination between Agencies

Add introduction explaining why these characteristics were identified.

The Northern Virginia Efficiency and Consolidation Task Force (ECTF) chose to investigate five consolidation scenarios. The specific scenarios are discussed in Section D. For each of these scenarios, staff reviewed eight different characteristics, including: Governance; Membership; Staff; Voting Procedures; Geographic Representation; Legal Implementation; Funding; and Service Delivery. Each of these is discussed in more detail in this section. Additional information is provided in the Consolidation Matrix which is included as Attachment ____.

Governance (or Governing Bodies)

Each of the four agencies is governed by a board or commission that is made up primarily of local elected officials. The number of local elected officials varies among the agencies. Towns with populations over 3,500 may be voting members of NVRC. The towns share a non-voting seat on NVTA.

In addition, NVTA, NVTC and PRTC each have membership from both houses of the General Assembly, although the number of General Assembly members is not consistent among the three agencies. The Secretary of Transportation or his/her designee is represented on NVTC and PRTC as a voting member. Typically the designee has been a DRPT staff member, although recently the Secretary's representative on NVTC has been a contract employee. NVTA includes non-voting representatives of VDOT and DRPT, as well as two appointees of the Governor. One of these gubernatorial appointees is required to be a member of the Commonwealth Transportation Board.

Many questions would need to be answered in any of the consolidation scenarios, such as:

- Which jurisdictions will be represented?
- How will towns be represented?
- Will General Assembly members be included on the governing body? If so, how many and in what ratio between House and Senate? Are there any prerequisites that should be attached (i.e. representing jurisdictions that are members of the agencies and/or requirements for membership on specific committees)? If so, which ones).
- Should state transportation agencies and/or the Secretary of Transportation be represented? If so, should these representatives be voting or non-voting and who would appoint them.
- What should be the number of members and should votes be weighted in some way?

Membership

Currently, jurisdictional membership varies on each of the agency governing bodies. At NVTA, each of the nine local governments has one member who is the mayor or chairman or his/her designee. NVTA's membership is specifically outlined in the Code of Virginia, and includes 17 appointees. Membership on NVRC, NVTC and PRTC is somewhat proportional to population, although not strictly so. Each uses a different methodology to determine the number of member appointees. Towns with populations over 3,500 may be voting members of NVRC. The towns share one non-voting seat on NVTA which rotates among the towns annually according the NVTA's by-laws. Membership in NVRC, NVTC and PRTC was determined when each of these agencies was established. NVRC's member jurisdictions are established by charter agreement, and the membership of towns has changed from time to time. Local appointees of NVRC, NVTC and PRTC are determined by the governing bodies of the member jurisdictions. NVTC has __ appointees. PRTC has __ appointees. NVRC has 25 appointees.

If any of the consolidation scenarios are to occur, several decisions would need to be made, such as:

- How many members should each jurisdiction appoint?
- Who will appoint the jurisdictional representatives (Chair/Mayor or governing body)?
- If there is to be town membership, would the position(s) be voting or non-voting?

Staff

NVRC, NVTC and PRTC each have paid staff members that work on transportation-related issues, projects, services and studies. Most of the current NVRC work on a large variety of non-transportation issues, projects, and studies, including regional work groups, environmental, public safety, human services and energy projects. PRTC has staff specifically assigned to operating its OmniRide and OmniLink bus services. All VRE staff are PRTC employees for payroll purposes; however, VRE operations are located in Alexandria, separate from PRTC headquarters in Woodbridge. NVTA is staffed by its Jurisdictional and Agency Coordinating Committee (JACC). The JACC is made up of members of the local jurisdictions, as well as regional and state transportation agencies. ***Consider estimating the amount of collective staff time currently being spent on NVTA activities.*** The three agencies with staff have significantly different benefit packages (retirement, health insurance, etc.).

If any of the consolidation scenarios are to occur, several decisions would need to be made, such as:

- What staff positions would be necessary for the new agency?
- Do staff members of existing agencies have priority in terms of positions created at a new agency? Do they have to compete amongst each other for positions in the new agency?
- If there are fewer positions in the combined agency than in the component agencies, how will reductions in force be handled?

- Would staffing levels need to change if NVRTA or a successor agency were the beneficiary of new transportation revenues?

Voting Procedures

Each of the four agencies has established different voting procedures. NVRTA requires three criteria to be met (2/3rds population, 2/3rds membership (jurisdiction), 2/3rds of members present). General Assembly members and Governor's appointees vote. The DRPT and VDOT representatives do not. NVTC and PRTC require a majority of the members present and a majority of the jurisdictions for an affirmative votes.

Typically, a majority vote by NVRC appointees present is normally required, provided a quorum is present, which is one-third of all appointees and that represent at least one-third of member jurisdictions. However, any member with voting rights may call for a weighted vote on any matter. In that case, the second to the motion must come from a member representing a different jurisdiction. When weighted voting is used, each jurisdiction has one vote for each 25,000 population or fraction thereof. This is calculated each July 1 and matches the population figures used to calculate NVRC member dues. A jurisdiction may divide its votes among its representatives who are present and voting. A plurality of weighted votes decides the matter.

If any of the consolidation scenarios are to occur, several decisions would need to be made. These include:

- How many votes will each jurisdiction have?
- Will voting be weighted by population or any other factor?
- Assuming that state representatives (General Assembly members, Governor's appointees, VDOT, DRPT) are included on the governing body of the new agency in some form, will they be voting or non-voting?
- Should members be allowed to discuss or vote on items for which they have no financial responsibility (i.e. Prince William County voting on WMATA-related votes or Fairfax County voting on PRTC bus-related votes)?

Geographic Representation

The geography for NVRC and NVRTA is the same (Planning District 8). However, NVTC's and PRTC's geography is significantly different. PRTC include three jurisdictional members that are not members of Planning District 8 (Fredericksburg, Spotsylvania and Stafford). While all NVTC members are in Planning District 8, not all members of Planning District 8 are members of NVTC (Prince William, Manassas and Manassas Park) or PRTC (Alexandria, Arlington, Fairfax City, Fairfax County, Falls Church and Loudoun).

If any of the consolidation scenarios are to occur, several decisions would need to be made. These include:

- What will the geographic boundaries of any consolidated agency be?
- How are non-Planning District 8 jurisdictions handled?
- How are matters that don't affect all of the jurisdictions in a consolidated agency handled (i.e. Metro, PRTC bus, and VRE decisions and financial responsibilities)?

Legal Implementation

NVTA was specifically established by legislation codified in the Code of Virginia. NVRC was established by local charter agreement pursuant to Virginia Area Development Act of 1968 which was recodified as the Regional Cooperation Act within the Code of Virginia in 1995. NVTC was originally established by an uncodified Act of Assembly and then was later codified in the Transportation District Act of 1964. PRTC was established by local agreement under the Transportation District Act in the Code of Virginia. Since there are local agreements that cover the formation of NVRC, NVTC and PRTC, it is not clear whether or not the General Assembly can lawfully void or nullify these local agreements (i.e. planning district commission charters) without eliminating the underlying statutory authority to enter into them. If a two or more agencies are combined, the surviving agency must have all the same legal authority as the agencies that were folded into it to be capable of continuing to perform the necessary functions.

If any of the consolidation scenarios are to occur, several decisions would need to be made. These include:

- What changes to the Code of Virginia are necessary to implement a new agency and maintain the legal authority component agencies had?
- How much of the organizational details of a new agency should be codified or be left to the members to establish through by-laws or other agreement?
- How will any existing local or regional agreements be unwound?
- Are there new local agreements that need to be established, e.g. for funding administrative and project-related costs?

Funding

Both NVTC and PRTC receive and manage a regional 2.1 percent gas tax for their members, but there are different restrictions on the allocation and use of these funds. Five of NVTC's member jurisdiction must use their gas tax specifically for WMATA purposes. One NVTC member (Loudoun County) and all PRTC member jurisdictions must use the gas tax revenue for transportation purposes. NVTC and PRTC's VRE operations are funded with fare revenue and annual local appropriations that the VRE jurisdictions have

“morally” obligated them to make under the VRE Master Agreement. NVTA and NVRC have no dedicated transportation funding. Each of the four agencies has unique methods to fund the administrative, projects and service costs. The agencies do not define and budget administrative and operating costs in the same way. NVTA’s allocation of expenses is determined by the Code of Virginia. NVTC is required by the Code of Virginia to use a Subsidy Allocation Model (SAM) for distributing state aid and gas tax revenues related to WMATA. NVRC’s funding is derived from a small state allocation, member local government dues, and grants, contracts, fees and donations specific to program activities.

If any of the consolidation scenarios are to occur, several decisions would need to be made. These include:

- How will the administrative and operating costs of a new consolidated agency be funded?
- How will specific budgets for projects and services be funded?
- How will gas tax revenues be handled?

Service Delivery

PRTC provides commuter and local bus service to Prince William County and the Cities of Manassas and Manassas Park. Together NVTC and PRTC own and operate the VRE commuter rail services. NVRC provides a number of non-transportation services for its members related to a wide array of disciplines. Any consolidation effort should not complicate or degrade existing service delivery.

If any of the consolidation scenarios are to occur, several decisions would need to be made. These include:

- How will existing transportation services, such as PRTC’s commuter and local bus service and the VRE, and non-transportation services be addressed?
- How will the new agency ensure that service delivery does not decline as a result of the consolidation?
- How will current local funding arrangements continue?
- How would NVRC’s other functional responsibilities and activities be affected by a consolidation with transportation agencies?

Cost Effectiveness

Any consolidation should be reviewed on the basis of achieving greater cost effectiveness. It is possible to that some consolidations could reduce redundant function. Potential area for saving include personnel costs, office equipment costs, computer hardware and software costs, office leases, etc.

However, consolidation proposals should consider that:

- Operational personnel required for bus and rail services provided by PRTC and VRE are necessary no matter what the institutional setting for these services, such that institutional changes of any sort would not lessen the need for such personnel.
- NVRC staff work on activities primarily unrelated to transportation (such as environmental protection and public safety). These staff positions likely would not be consolidated into those of other organizations whose missions are related to transportation activities.
- There are other functions (e.g., executive director, financial and administrative staffs, etc.) performed in three of the organizations that, if combined, may result in savings. The Task Force determine that any savings would be modest and would not result in significant funding that could be applied to transportation projects and services. For example, while it may seem that three receptionist positions could be combined into one, an analysis would need to determine what additional functions other than answering the phone and greeting visitors are performed by each of the receptionists.
- NVTA has no paid staff of its own. Its activities are carried out by staff from the member localities and other agencies.
- PRTC owns its facility. NVTC and PRTC jointly own the VRE headquarters. NVRC and NVTC have office leases. NVTA maintains a virtual office for a nominal month fee.

If any of the consolidation scenarios are to occur, several decisions would need to be made. These include:

- Following a detailed analysis of all positions within each of the agencies proposed for consolidation, what opportunities are there to reduce overlapping personnel functions?
- Would a consolidated agency result in a reduced need for leased space, office equipment, computer hardware and software?
- What step would need to be taken to unwind office and equipment leases? What would the cost be and how would it be funded?

Section D: Review of Scenarios

The Task Force studied five different scenarios for consolidating various agencies or to make them more efficient. These scenarios were:

- a. Consolidation of all agencies
- b. Consolidation of the NVTa into the NVRC
- c. Consolidation of the NVTa into the NVTC
- d. Consolidation of the NVTC into the NVTa
- e. Baseline/Current Structure

The Task Force asked staff to review each of the scenarios using a number of criteria. These were:

- Membership/Geography
- Voting
- Meeting Location
- Dedicated Funding Sources
- Core Power/Responsibilities
- Powers Unique to Agency
- Real Estate Interests
- Personal Property/Equipment Interests
- Debt/Financial Obligations
- Outstanding Grants
- Existing Contract Obligations
- Employees
- Retirement Plans
- Health Insurance and Other Benefits

Each of these criteria is reviewed in the matrix that is included in Attachment ___. Although the Task Force identified four scenarios, two of the scenarios are very similar. Scenario C involves consolidating NVTa into NVTC, and Scenario D involves consolidating NVTC into NVTa. The Legal/Financial Work Group determined that the implications of either scenario are very similar. Although these scenarios are listed separately below, they are discussed together on the matrix.

Each of these proposal consolidations will be discussed in more detail below.

A. Consolidation of all agencies

After several Task Force members spoke the Secretary of Transportation Sean Connaughton this scenario was included in the analysis, because the Secretary explicitly suggested it be considered. This scenario is the most complex and considers consolidating NVRC, NVTa, NVTC and PRTC into one agency.

This scenario would also affect VRE which is jointly owned and operated by NVTC and PRTC. This would create a very large agency whose territory would include ___ jurisdictions from Spotsylvania County to Arlington County to Loudoun County.

A review of the matrix (Attachment ___) demonstrates the complexity of this scenario, and the wide range of issues that would require consideration to make the consolidation successful.

Doing so would achieve a goal of a truly consolidated Northern Virginia transportation and planning agency. However, it is also the most complicated of the five scenarios. Implementing it would require numerous issues to be addressed including large geographic area and diverse geographic interests, voting responsibilities, core responsibilities, transfer of real estate and equipment interests, termination and/or assignment of contract obligations, termination and/or assignment of grant obligations, and debt and financial obligations. There are also practical issues such as meeting locations and how to handle decisions on transit service that affect some, but not all of the jurisdictions in the combined agency. The Task Force determined that meeting location is an issue, because consolidating the four agencies could mean that policy makers must travel further to meetings. This issue is described in more detail in Attachment ___. Employee policies and benefits would also need to be addressed. Since the statutes establishing NVRC, NVTA and NVTC/PRTC are significantly different, it would take some time to develop a consolidation proposal and the legislation necessary to accomplish it. The Task Force indicated that doing so would involve considerable effort and time. There are also significant legal considerations. As a result, the Task Force questioned whether or not it would be worth investing the time to undertake this scenario. Ultimately, the Task Force removed this scenario from consideration, because it would be particularly complicated and could not be fully addressed in the time provided for the review.

B. Consolidation of the NVTA into the NVRC

This scenario involves consolidating NVTA into NVRC. Since NVTA and NVRC are made up of the same geography, this scenario seems to have some appeal. There are few overlapping functions between the two agencies and in some parts of the Commonwealth, the Planning District Commission (PDC) and the Metropolitan Planning Organization (MPO) are co-located and share staff. Recognizing that neither NVRC nor NVTA is the MPO, NVTA has served as a subregional MPO for purposes of Virginia preparing for MPO meetings. It was suggested that Hampton Roads is an example of coordination and consolidation of the PDC and the MPO. Staff discussed the Hampton Roads arrangement with staff from the two similar agencies. It appears that in Hampton Roads the PDC (a local/state creation) and the MPO (a federal creation) were closely linked, but the Federal Highway Administration and Federal Transit Administration were concerned about the PDC's role in directing MPO activities. As a result, the two agencies now have distinctly separate boards and separate staffs, although they share an office building. They do coordinate meeting dates and times. More information on the Hampton Roads scenario is provided in Attachment ___.

In this scenario, the legislation would need to give NVRC the unique powers and authority that has been granted to NVTA. For example, NVTA has broad authority for funding and implementing transportation

projects and service that are not specifically enumerated in the NVRC's general authority as a planning district commission. The Task Force found that retaining NVTA's Jurisdiction and Agency Coordinating Committee to continue to handle the technical transportation functions of NVTA would be beneficial, if this scenario is adopted.

NVRC's transportation experience typically has focused on the integration of transportation-related issues with land use, housing, special populations, workforce, bicycle and pedestrian safety, service to federal Department of Defense facilities, and other similar concerns. In an early agreement between the Northern Virginia Planning District Commission (now NVRC) and the Metropolitan Washington Council of Governments (MWCOC), both organizations recognized that each have appropriate interests in planning for transportation but not as the region's MPO. The agreement recognizes and accepts the role of the TPB and NVTC, and commits NVRC and MWCOC to perform their respective transportation-related functions in a supportive, non-duplicatory manner.

C. Consolidation of the NVTA into the NVTC

This scenario involves consolidating NVTA into NVTC. This scenario is somewhat awkward, since it involves combining an organization with a larger geography and mission (NVTA) into an agency with a smaller mission and geography (NVTC). While NVTC staff has been providing financial and public outreach support to NVTA for some time, this combination would require numerous voting and membership issues to be addressed. NVTC's mission would need to be expanded significantly. In addition, there would be little cost savings, since NVTA does not have paid staff or lease facilities. After discussion of the complications associated with this scenario, the Task Force removed it from consideration.

D. Consolidation of the NVTC into the NVTA

This scenario is similar to Scenario C, but involved consolidating NVTC into NVTA. In this case, the agency with a smaller mission and geography and mission would be combined into an agency with a larger mission and geography. NVTC is identified in the Washington Metropolitan Area Transit Authority Compact as the appointing authority for WMATA board members. With this in mind, the surviving agency in this scenario would probably need to be called NVTC to avoid the time consuming process of amending the WMATA Compact. (Legislative bodies in Virginia, Maryland, the District of Columbia and the Federal government must all approve compact changes). If this scenario is pursued, voting on WMATA matters and responsibility for WMATA funding would need to be addressed, because several jurisdictions are concerned about taking on WMATA responsibilities. While NVTC staff has been providing financial and public outreach support to NVTA for some time, this combination would require numerous voting and membership issues to be addressed. In addition, there would be little cost savings, since NVTA does not have paid staff or lease facilities.

E. Baseline/Current Structure

Part of the reason for consolidation is the desire to operate transportation agencies more efficiently and reduce the requirements of elected officials to travel to multiple transportation meetings every month, often at the end of the evening peak period. The Short Term Approaches and Other Efficiencies Work Group investigated ways to improve efficiencies within the existing structure of the four independent agencies. The Work Group identified a number of suggestions that could reduce the amount of time spent traveling to and from meetings. These suggestions include scheduling meetings of multiple agencies at the same day of the month, at the same location back-to-back, expanding statutory authority to use teleconferencing for board meetings, ensuring that policy makers on each of these bodies received detailed orientations when they become members, including information about other regional transportation and planning organizations. More detail on the Work Group's recommendation is included as Attachment ____.

The Task Force considered the saving might be achieved by consolidating two or more of the transportation and planning agencies, and found that there are a number of functions unique to each of the agencies undertakes. As a result, there are unlikely to be significant financial savings as a result of the consolidation. For instance, operational personnel required for bus and rail services provided by PRTC and VRE are necessary no matter what the institutional setting for these services, such that institutional changes of any sort would not lessen the need for such personnel.

Likewise, NVRC has staff who undertake work that is almost exclusively unrelated to transportation (such as environmental protection and public safety). Consideration of where these program activities and related staff would be housed is necessary. There are other organizational functions (e.g., Executive Director, receptionist, etc.) performed in three of the organizations (NVTA has no staff) that, if existing agencies were combined, may result in savings; a more detailed analysis (beyond the scope of this study) would have to be done to determine the amount of savings that would actually occur (e.g., while it may seem that three receptionist positions could be combined into one, an analysis would need to determine what additional functions other than answering the phone and greeting visitors is performed by each of the receptionists). Finally, NVTA has no paid staff of its own—it uses borrowed staff from the localities; any consolidation would have to address this policy to determine how the current NVTA activities would be carried out.

In addition, there would be costs associated with consolidation. A detailed analysis would also need to determine what non-personnel administrative costs (leased space, combined phone/information technology systems, etc.) could be saved through consolidation. One-time costs (e.g., costs incurred for termination of leases, moving, relocating phones/computers, transitioning to a common information technology, financial and accounting systems, and computer software, etc.) would also have to be factored into such an analysis.

The total estimated administrative costs as defined by these organizations are:

- NVTa: Less than \$1,000 per year. (*Consider quantifying staff time donated by member agencies*)
- NVTC: Approximately, \$1.19 million per year (*including VRE?*)
- NVRC: Approximately, \$0.90 million per year;
- PRTC: Approximately, \$1.75 million per year (*including VRE?*)

NVRC's administrative cost estimate is calculated differently than the three transportation agencies, due to the other functions NVRC undertakes. Information prepared by the Organizational Working Group is included as Attachment ____.

Section E: Establishment of a Northern Virginia Metropolitan Planning Organization (MPO)

As part of this study effort the Task Force review Federal regulations related to MPOs.

Northern Virginia is part of the National Capital Transportation Planning Board (TPB) which is the Metropolitan Planning Organization for the Metropolitan Washington Area Region. The TPB was designated as the MPO for the region in 1965.

According to federal law, an MPO must be designated in every urbanized area with a population over 50,000. The TPB is designated as this region's MPO by the governors of Virginia and Maryland and the mayor of Washington based upon an agreement among the local governments.

Title 23, United States Code, Highways (23 U.S.C.) and Title 49, United States Code, Transportation (49 U.S.C.) and 23 U.S.C. and Title 23 of the Code of Federal Regulations (CFR) detail designation and redesignation procedures related to MPOs. The metropolitan planning section of 23 CFR was last revised prior to the Transportation Equity Act for the 21st Century (TEA-21); consequently, in reconciling inconsistencies between the statute and the regulation, the language in 23 U.S.C. is controlling. The specific code language is:

23 CFR 450.306 Metropolitan planning organization: Designations and redesignation.

- An MPO may be designated either (1) by agreement between the Governor and local governments representing at least 75 percent of the affected population, or (2) in accordance with procedures established by State or local laws.
- Once designated, an MPO can be redesignated only by agreement between the Governor and units of general purpose local government that together represent at least 75 percent of the affected population, including the central city or cities. (With the 2000 Census, the term "central city" should be replaced by the term "principal city" to be consistent with Census Bureau terminology.)

The idea behind these more restrictive criteria for redesignation is that State authorities should not be allowed to unilaterally abolish and redesignate an MPO without the willing agreement of the local governments for whom the MPO was originally designated.

- 23 U.S.C. 134 (b)(4) stipulates that a designated MPO shall be recognized as the official policy body for transportation planning decisions in an urbanized area until it is redesignated in accordance with statutory procedures.

The "revocation" provision was explicitly removed from 23 U.S.C. by TEA-21 reauthorization language. Consequently, FHWA and FTA have interpreted the more restrictive provisions in 23 U.S.C. as controlling since it was enacted more recently than the statutory language in 49 U.S.C. 5303 and after 23 CFR Part 450 was issued.

- While neither the relevant statutory nor regulatory provisions contain language as to what specific changes in an MPO policy board would trigger a redesignation, the FHWA and FTA have interpreted that redesignation is needed whenever

1. There is a substantial change in the balance of power on the MPO policy board between the representatives of the central (now principal) city or cities, other local governments, and the State; or
2. There is a substantial change in the decision-making authority and responsibility of the MPO board, or in decision-making procedures established under the MPO by-laws.

In general, the following changes to an MPO policy board are allowed under 23 CFR 450.306(i)-(k), without requiring a redesignation:

- Adding members to the policy board to represent new areas included in an expanded MPO boundary;
- Adding members to satisfy the specific membership requirements for an MPO serving a transportation management area;
- Periodic rotation of members representing local jurisdictions, as established under MPO by-laws.

Following the review of the Federal regulations related to MPOs, the Task Force determined that the requirements for redesignation of an MPO in the Washington metropolitan area would be difficult, if not impossible, to achieve. As a result, the Task Force did not continue to review this possibility.

Section F: Conclusions

Conclusions of Jonathan Way's observations from August 23, 2012:

Councilmember Way stated that:

- The responsibilities and authorities of the agencies are sufficiently different that there is important coordination going underway already.
- Cost savings of a consolidation would predominately administrative and will be nominal at best, and will create significant startup costs for the agencies involved.
- Current organizations are talented to responsibilities. Merger/consolidation will spread responsibilities to those who have no real interest.
- VRE and PRTC are operating agencies with significant stakeholder participation. There is no merit to spreading out responsibilities through broader participation.
- Combining NVTA into NVRC sounds logical, but the reverse does not.

Look at administrative efficiencies (such as meetings and locations), not in depth consolidations.

Other Conclusions include:

- Following the review of the Federal regulations related to MPOs, the Task Force determined that the requirements for redesignation of an MPO in the Washington metropolitan area would be difficult, if not impossible, to achieve.
- The Task Force removed the consolidation of all four agencies into one, because it is would be particularly complicated and could not be fully addressed in the time provided for the review.
- Combining NVTA into NVTC would present significant challenges.

Section G: Recommendations

To be completed after the Northern Virginia Efficiency and Consolidation Task Force meeting on September 27, 2012.

DRAFT

Northern Virginia Transportation and Planning Agency History

May 24, 2012

- In 1947, Northern Virginia recognized the need for regional collaboration, and formed the Northern Virginia Regional Planning and Economic Development Commission (NVRP&EDC).
- NVTC formed by the General Assembly in 1964 to oversee the development of the Washington Metropolitan Area Transit Authority (WMATA). The original members were: Alexandria, Arlington, Fairfax City, Fairfax County and Falls Church.
- In 1965, the TPB was created by the region's local and state governments to respond to federal highway legislation in 1962 that required the establishment of a "continuing, comprehensive and coordinated" transportation planning process in every urbanized area in the United States. Federal Highway and transit legislation required the establishment of planning bodies, which later became known as Metropolitan Planning Organizations (MPOs), when it became clear that the construction of major transportation projects through and around urban areas needed to be coordinated with local and state jurisdictions.
- The TPB became associated with the Metropolitan Washington Council of Governments (COG) in 1966. COG was established in 1957 by local cities and counties to deal with regional concerns including growth, housing, environment, public health and safety - as well as transportation. Although the TPB is an independent body, its staff is provided by COG's Department of Transportation Planning. The TPB is comprised of the following member jurisdictions: District of Columbia, Maryland, Virginia, Alexandria, Arlington, Fairfax City, Fairfax County, Loudoun, Manassas, Manassas Park, Prince William, Frederick County, Montgomery County, Prince George's County, Charles County, Bowie, College Park, Greenbelt, and Rockville. The northern portion of Stafford had been included in the TPB, but the County requested that it be removed and it was.
- The interstate compact creating WMATA was implemented in 1967.
- In 1969, the state adopted the Virginia Area Development Act and 21 new Planning Districts were set up by the State Office of Planning. NVRP&EDC was renamed to be the Northern Virginia Planning District Commission (NVPDC or PDC #8). Its member jurisdictions are: Alexandria, Arlington, Fairfax City, Fairfax County, Falls Church, Loudoun, Manassas, Manassas Park and Prince William, and the towns of Herndon, Vienna, Leesburg, Purcellville and Dumfries. It is responsible for coordinating a variety of regional issues. However, since TPB was previously established NVPDC's role in transportation is limited by formal agreement in the late 1960s.
- WMATA began operating Metrobus service in 1973. Metrorail opened in 1976.
- In 1986, NVTC began collecting and distributing the two percent Northern Virginia gas tax which, by statute, can only be used to support WMATA.
- During the 1980s, NVTC formulated a plan for the development of a Northern Virginia commuter rail system (Virginia Railway Express). The plan was prepared in cooperation with Prince William County initially and later other jurisdictions.
- Since VRE was envisioned as a system that would serve a number of jurisdictions beyond the boundaries of NVTC, and there was no agreement on additional jurisdictions to joining NVTC,

PRTC was formed in 1986 to fulfill that purpose and to operate Prince William County's commuter buses. PRTC's original members were Manassas, Manassas Park, Prince William and Stafford. Fredericksburg joined a few years later. The formation of PRTC and an accompanying amendment to the Code of Virginia allowed PRTC to collect the two percent gas tax and use the funding for mass transportation purposes only, including the significant expansion of bus service that occurred. The legislation was later amended to permit use of the funds for transportation purposes generally. By agreement among the PRTC jurisdictions, the revenue earned in a PRTC jurisdiction is used for purposes approved by that jurisdiction.

- NVTC and PRTC jointly formed VRE. The first VRE Master Agreement was signed in 1989. The original parties were Alexandria, Arlington, Fairfax County, Fredericksburg, Manassas, Manassas Park, Prince William and Stafford. VRE began operating in 1992.
- In 1989, Loudoun County established its own transportation commission which allowed it to collect the two percent gas tax for transportation purposes.
- After discussions with both NVTC and PRTC, the Loudoun County Transportation Commission was merged into NVTC in 1990.
- In 1986, NVTC Chairman John Milliken proposed a new organization to set Northern Virginia transportation priorities with NVTC and PRTC as its nucleus. In 1991, Secretary of Transportation John Milliken established the Transportation Coordinating Committee (TCC) of Northern Virginia to prepare the first Northern Virginia Transportation Plan. The TCC was also charged with preparing recommendations to the Commonwealth Transportation Board regarding the allocation of federal funds available to Northern Virginia. Since TCC was established administratively, it had no formal legal status. The members of TCC were: Alexandria, Arlington, Fairfax City, Fairfax County, Falls Church, Loudoun, Manassas, Manassas Park and Prince William, and the towns within the counties.
- In the early 1990s, KMPG/Peat Marwick conducted a consolidation study. The report included several recommendations. These recommendations were reviewed by the TCC, and some of the recommendations were accepted. However, the consolidation recommendations were not.
- In 1995, the Commonwealth created the Regional Cooperation Act modifying the mission of the 21 PDCs to provide a forum for state and local government to address issues of a regional nature, and to encourage and facilitate local government cooperation in addressing, on a regional level, problems of greater than local significance.
- Beginning in 2000, Senator Warren Barry chaired a commission to study the creation of a Northern Virginia transportation authority. After two years of regional negotiations and consensus building, the General Assembly established the Northern Virginia Transportation Authority in 2002, anticipating the passage of a regional sales tax referendum. Upon the creation of NVTA, TCC stopped meeting. The original member jurisdictions were Alexandria, Arlington, Fairfax City, Fairfax County, Falls Church, Loudoun, Manassas, Manassas Park and Prince William. A non-voting town representative was added in 2008.
- In November 2002, the region held a sales tax referendum in the NVTA jurisdictions which was intended to provide NVTA funding for transportation improvements. The referendum failed. NVTA continued to conduct planning, allocation and advocacy activities. NVTA has also served

as a subregional forum for the Virginia TPB members to discussion pending actions before TPB meetings, a function previously performed by TCC.

- In 2005, the Northern Virginia Planning District Commission became the Northern Virginia Regional Commission responding to various amendments to the state law. NVRC amended its charter and by-laws and reduced its membership from 47 to 25, creating a body of local elected officials only, eliminating citizen membership.
- In 2007, the General Assembly passed HB 3202 which identified seven taxes and fees that NVTa could implement in Northern Virginia to fund transportation projects and service. NVTa voted to implement the taxes and fees in July 2007. They were implemented in January 2008. In February 2008, the Virginia Supreme Court ruled that the implementation of the taxes and fees was unconstitutional and the money collected with refunded.
- In 2009, Spotsylvania County joined PRTC and VRE.

DRAFT



AGENDA ITEM #6

TO: Chairman Fiset and NVTC Commissioners

FROM: Rick Taube and Mariel Garcia-Colberg

DATE: September 27, 2012

SUBJECT: Award of a Contract for Route 7 Alternatives Analysis

NVTC requested proposals from consulting teams to conduct a two-phase alternatives analysis of high-capacity transit in the Route 7 corridor between Alexandria's King Street Metrorail station and Tysons Corner. Four teams responded. Their proposals are being evaluated by a 10-member committee consisting of jurisdiction and agency staff. All four teams have been asked to provide presentations to the evaluation committee.

The committee will rank-order the four proposals using criteria identified in the proposal. NVTC is asked to authorize the commission's Executive Director to execute a contract with the top-ranked firm and issue the notice to proceed. If an agreement cannot be reached, then he should be authorized to negotiate with the next highest ranked firms in order until an acceptable agreement is achieved and a contract is executed.

Funding for the first phase is available. Phase two will not proceed until funding is obtained.



AGENDA ITEM #7

TO: Chairman Fiset and NVTC Commissioners

FROM: Rick Taube

DATE: September 27, 2012

SUBJECT: Status Report on Implementation of DRPT's New Grant Procedures.

Background

Following an arduous period commencing on May 15, 2012 with DRPT Director Drake's letter announcing a sudden change in policy, the Commonwealth Transportation Board has approved a resolution directing that NVTC's jurisdictions must be the grantees for transit assistance in place of NVTC. NVTC can serve as an agent for those jurisdictions and run its approved Subsidy Allocation Model and hold the funds in trust. DRPT will no longer provide direct funding to NVTC to defray a portion of its operating costs, even though NVTC continues as a grantee for VRE.

An attachment lists the differences in DRPT's new approach versus the process used in the previous decades. It is open to interpretation whether the new process, which splits WMATA assistance into five pieces, provides more transparency and efficiency than the previous process.

At its September 6th meeting, NVTC approved Resolution #2199 that authorized NVTC staff to open new bank accounts and facilitate loans among jurisdiction trust funds, if asked, to permit all of NVTC's jurisdictions to meet their October 1st WMATA billing obligations.

Current Status

Staff will provide a review of jurisdiction actions to meet DRPT's new requirements.

COMPARISON OF CURRENT AND NEW PROCESS FOR DRPT TRANSIT ASSISTANCE

-- August 27, 2012--

ACTIVITY	CURRENT PROCEDURE	NEW PROCEDURE
Grant Applications	Locals prepare local applications and NVTC checks, corrects and submits applications. NVTC prepares WMATA application and submits one application.	Locals prepare, NVTC checks and corrects, NVTC submits applications as agent. NVTC prepares five WMATA applications and submits as agent of locals.
Grantee	NVTC for locals. NVTC for WMATA. NVTC for its own budget. NVTC for VRE.	Five locals for local. Five locals for WMATA. Five locals for supplemental NVTC grant. NVTC for VRE.
Notice to DRPT of NVTC Agent Status	Not required.	Five local letters to DRPT.
Invoices	For local capital invoices, locals provide documentation to NVTC. NVTC checks, produces and submits grant invoices. For WMATA capital invoices, NVTC accumulates documentation, produces and submits grant invoices.	NVTC is an agent for the five jurisdictions, but other actions remain the same.
Receipt of Funds	NVTC receives local and WMATA funds as grantee in a single account, allocates using SAM and holds in trust.	Local jurisdictions have choice of own or NVTC account. When NVTC obtains the funds, it acts as an agent, with local permission, to allocate funds using SAM and hold in trust.
Accounting/Audit	NVTC's SAM resolution governs procedures and NVTC's financial statements account for total state aid according to GAAP. Local budgets also show state aid for each locality.	Each local jurisdiction accounts for state aid according to its individual interpretation of GAAP. NVTC's government-wide financials do not show total regional state aid nor does any single local jurisdiction.
Year-End NVTC State Aid Statements	Not required.	DRPT requires NVTC statements for local and NVTC boards and DRPT showing total state aid before and after allocation using SAM.



AGENDA ITEM #8

TO: Chairman Fiset and NVTC Commissioners

FROM: Rick Taube and Claire Gron

DATE: September 27, 2012

SUBJECT: Regional Transportation Items

A. Motor Fuels Tax Collection Transition.

Staff will meet on October 11th with TAX and DMV officials to discuss the July 1, 2013 transition.

B. Capital Bikeshare's Bike Trip Planner.

OpenPlans, in collaboration with Bike Arlington and Mobility Lab (Arlington County Commuter Services) and MapBox, has developed a new online bicycle trip planning tool at www.bikeplanner.org. BikePlanner enables users to specify a start and end point anywhere in Arlington and Fairfax counties, the cities of Alexandria, Fairfax, and Falls Church, the District, and Montgomery and Prince George's counties. Users may specify the degree to which they'd like their trip to be "quick," "flat," or "bike friendly," and the trip planner adjusts the route and travel times accordingly. If users specify that they'd like to complete their trip using a shared bike, BikePlanner interfaces with real-time Capital Bikeshare data, recommending a pick-up location with available bicycles and a drop-off location with empty spaces. For more information, visit www.bikeplanner.org.



AGENDA ITEM #9

TO: Chairman Fiset and NVTC Commissioners
FROM: Scott Kalkwarf and Colethia Quarles
DATE: September 27, 2012
SUBJECT: NVTC Financial Items for August, 2012

The financial report for August, 2012 is attached for your information.



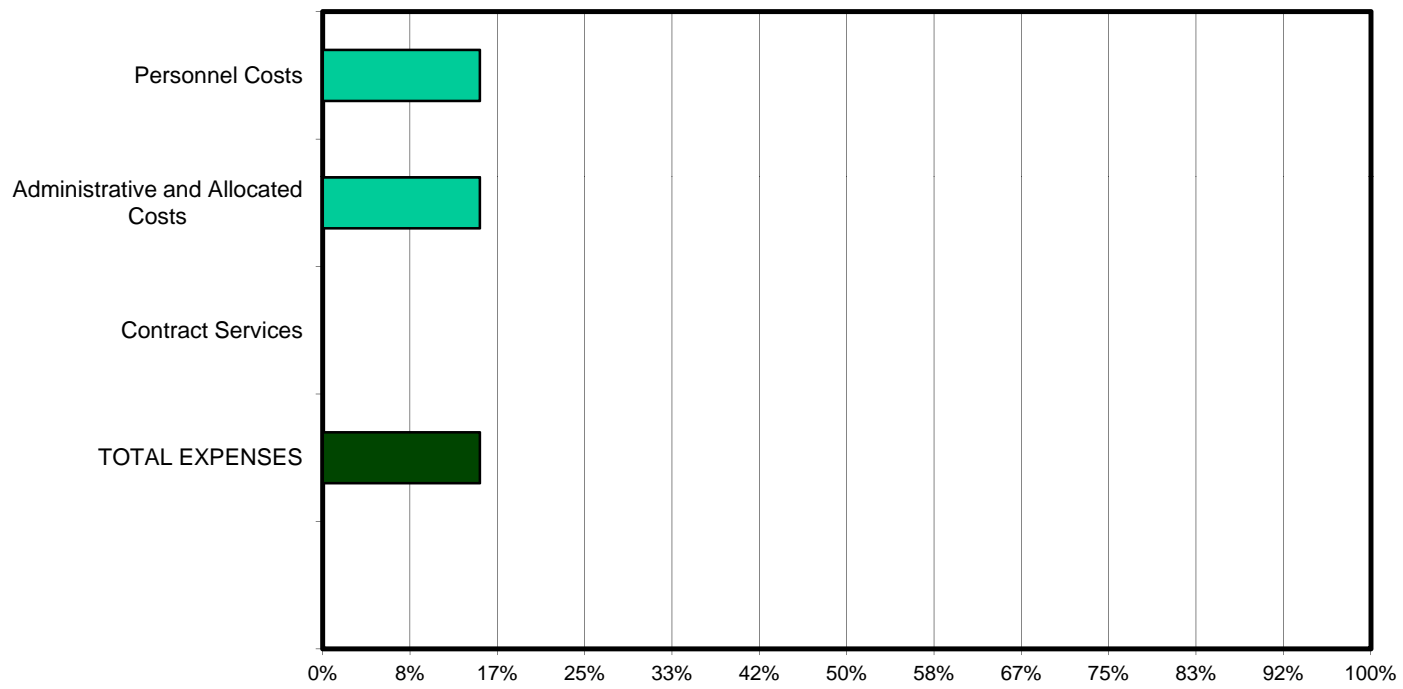
2300 Wilson Boulevard • Suite 620 • Arlington, Virginia 22201
Tel (703) 524-3322 • Fax (703) 524-1756 • TDD (800) 828-1120
E-mail nvtc@nvtc.org • Website www.thinkoutsidethecar.org

Northern Virginia Transportation Commission

Financial Reports

August, 2012

Percentage of FY 2013 NVTC Administrative Budget Used
August, 2012
(Target 16.67% or less)



Note: Refer to pages 2 and 3 for details

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
August 2012

	<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	\$ 56,806.76	\$ 108,555.40	\$ 697,950.00	\$ 589,394.60	84.4%
Temporary Employee Services	-	-	-	-	
Total Personnel Costs	56,806.76	108,555.40	697,950.00	589,394.60	84.4%
<u>Benefits</u>					
Employer's Contributions:					
FICA	3,691.63	7,295.32	48,100.00	40,804.68	84.8%
Group Health Insurance	5,693.13	10,999.73	103,500.00	92,500.27	89.4%
Retirement	4,475.00	8,950.00	64,900.00	55,950.00	86.2%
Workmans & Unemployment Compensation	67.42	134.84	3,300.00	3,165.16	95.9%
Life Insurance	272.11	532.14	4,000.00	3,467.86	86.7%
Long Term Disability Insurance	243.98	487.96	3,700.00	3,212.04	86.8%
Total Benefit Costs	14,443.27	28,399.99	227,500.00	199,100.01	87.5%
<u>Administrative Costs</u>					
Commissioners Per Diem	300.00	1,400.00	10,000.00	8,600.00	86.0%
<i>Rents:</i>	<i>15,617.06</i>	<i>31,169.87</i>	<i>189,500.00</i>	<i>158,330.13</i>	<i>83.6%</i>
Office Rent	14,892.06	29,719.87	177,700.00	147,980.13	83.3%
Parking	725.00	1,450.00	11,800.00	10,350.00	87.7%
<i>Insurance:</i>	<i>300.58</i>	<i>719.43</i>	<i>6,400.00</i>	<i>5,680.57</i>	<i>88.8%</i>
Public Official Bonds	-	170.00	2,300.00	2,130.00	92.6%
Liability and Property	300.58	549.43	4,100.00	3,550.57	86.6%
<i>Travel:</i>	<i>143.67</i>	<i>414.51</i>	<i>5,800.00</i>	<i>5,385.49</i>	<i>92.9%</i>
Conference Registration	-	-	-	-	0.0%
Conference Travel	117.46	117.46	1,500.00	1,382.54	92.2%
Local Meetings & Related Expenses	26.21	297.05	4,000.00	3,702.95	92.6%
Training & Professional Development	-	-	300.00	300.00	100.0%
<i>Communication:</i>	<i>423.56</i>	<i>839.39</i>	<i>8,740.00</i>	<i>7,900.61</i>	<i>90.4%</i>
Postage	(5.55)	(12.20)	3,400.00	3,412.20	100.4%
Telecommunication	429.11	851.59	5,340.00	4,488.41	84.1%
<i>Publications & Supplies</i>	<i>469.22</i>	<i>1,329.40</i>	<i>10,600.00</i>	<i>9,270.60</i>	<i>87.5%</i>
Office Supplies	10.14	69.41	3,200.00	3,130.59	97.8%
Duplication	459.08	1,236.09	6,900.00	5,663.91	82.1%
Public Information	-	23.90	500.00	476.10	95.2%

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
August 2012

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<i>Operations:</i>	-	461.99	11,500.00	11,038.01	96.0%
Furniture and Equipment	-	-	4,000.00	4,000.00	0.0%
Repairs and Maintenance	-	-	1,000.00	1,000.00	100.0%
Computers	-	461.99	6,500.00	6,038.01	92.9%
<i>Other General and Administrative</i>	325.61	780.54	5,100.00	4,533.18	88.9%
Subscriptions	-	213.72	-	-	0.0%
Memberships	-	-	1,200.00	1,200.00	100.0%
Fees and Miscellaneous	325.61	566.82	3,000.00	2,433.18	81.1%
Advertising (Personnel/Procurement)	-	-	900.00	900.00	100.0%
Total Administrative Costs	<u>17,579.70</u>	<u>37,115.13</u>	<u>247,640.00</u>	<u>210,738.59</u>	<u>85.1%</u>
<u>Contracting Services</u>					
Auditing	-	-	21,250.00	21,250.00	100.0%
Consultants - Technical	-	-	-	-	0.0%
Legal	-	-	-	-	0.0%
Total Contract Services	<u>-</u>	<u>-</u>	<u>21,250.00</u>	<u>21,250.00</u>	<u>100.0%</u>
 Total Gross G&A Expenses	<u><u>\$ 88,829.73</u></u>	<u><u>\$ 174,070.52</u></u>	<u><u>\$ 1,194,340.00</u></u>	<u><u>\$ 1,020,483.20</u></u>	<u><u>85.4%</u></u>

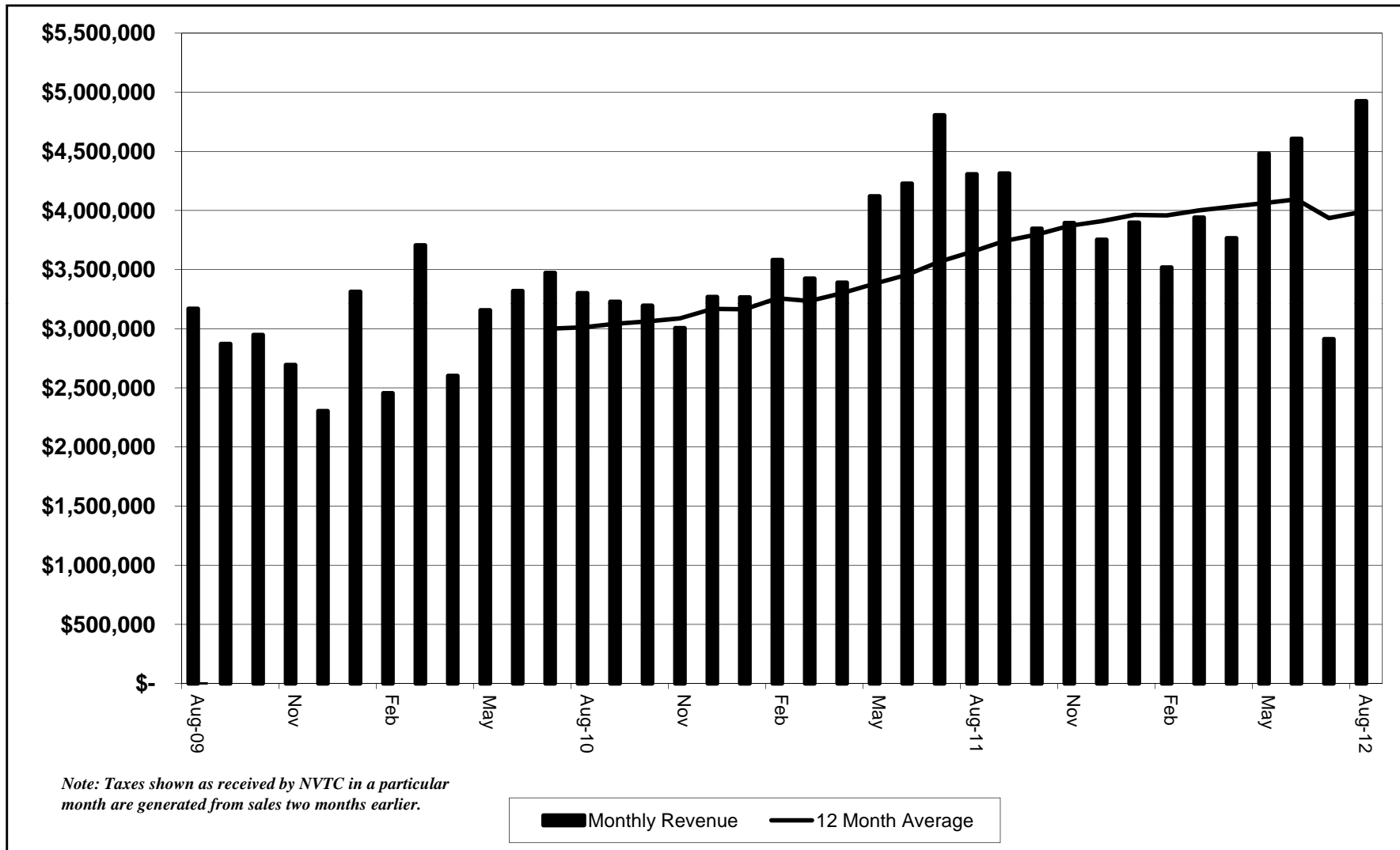
NVTC
RECEIPTS and DISBURSEMENTS
August, 2012

Payer/			Wells Fargo	Wells Fargo	VA LGIP	
Date	Payee	Purpose	(Checking)	(Savings)	G&A / Project	Trusts
RECEIPTS						
1	FTA	Falls Church Intermodal project grant receipt			6,290.00	
1	DRPT	Capital grants receipts				1,224,219.00
2	DRPT	Capital grant receipt				4,505.00
7	DRPT	Capital grant receipt - VRE			318,777.00	
7	DRPT	Capital grants receipts				124,126.00
9	DRPT	Capital grant receipt - VRE			19,985.00	
14	DRPT	Capital grant receipt - VRE			3,329.00	
15	Dept. of Taxation	Motor Vehicle Fuels Sales tax				4,924,131.68
15	DRPT	Capital grant receipt - VRE			9,962.00	
20	Fairfax County	G&A contribution		169,504.00		
22	City of Fairfax	G&A contribution		3,842.00		
22	Staff	Expense reimbursement		5.55		
27	DRPT	NVTA update grant receipt			6,077.00	
28	DRPT	Capital grant receipt				3,155.00
31	Banks	Interest income		2.28	14.74	14,462.33
			-	173,353.83	364,434.74	6,294,599.01
DISBURSEMENTS						
1-31	Various	G&A expenses	(102,205.88)			
1	City of Falls Church	Falls Church Intermodal project			(7,861.92)	
7	VRE	Grant revenue			(318,777.00)	
9	VRE	Grant revenue			(19,985.00)	
14	VRE	Grant revenue			(3,329.00)	
15	VRE	Grant revenue			(9,962.00)	
23	Stantec	NTD consulting	(7,383.70)			
27	Cambridge	NVTA update consulting	(6,077.10)			
24	City of Fairfax	Other operating				(10,700.00)
29	Arlington County	Other capital				(6,516,394.00)
31	Banks	Service fee	(47.13)	(27.85)		
			(115,713.81)	(27.85)	(359,914.92)	(6,527,094.00)
TRANSFERS						
24	Transfer	From LGIP to LGIP (NTD project)			7,383.70	(7,383.70)
24	Transfer	From savings to checking	100,000.00	(100,000.00)		
24	Transfer	From LGIP to checking	50,000.00		(50,000.00)	
			150,000.00	(100,000.00)	(42,616.30)	(7,383.70)
NET INCREASE (DECREASE) FOR MONTH			\$ 34,286.19	\$ 73,325.98	\$ (38,096.48)	\$ (239,878.69)

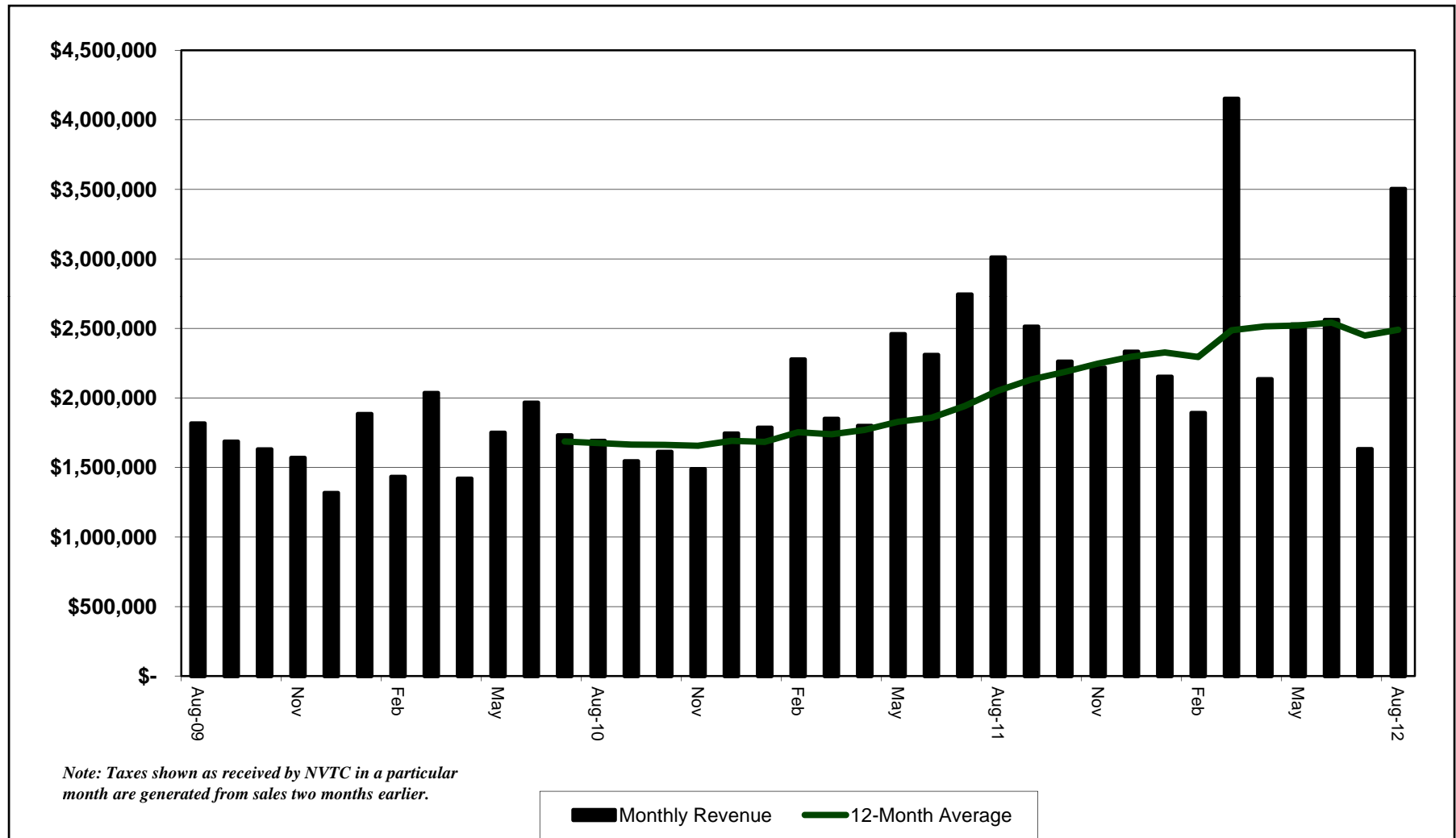
**NVTC
INVESTMENT REPORT
August 2012**

Type	Rate	Balance 7/31/2012	Increase (Decrease)	Balance 8/31/2012	NVTC G&A/Project	Jurisdictions Trust Fund	Loudoun Trust Fund
<u>Cash Deposits</u>							
Wells Fargo: NVTC Checking	N/A	\$ 78,099.61	\$ 34,286.19	\$ 112,385.80	\$ 112,385.80	\$ -	\$ -
Wells Fargo: NVTC Savings	0.020%	110,201.84	73,325.98	183,527.82	183,527.82	-	-
<u>Investments - State Pool</u>							
Bank of America - LGIP	0.186%	88,219,563.43	(277,975.17)	87,941,588.26	66,252.68	72,229,645.16	15,645,690.42
		<u>\$ 88,407,864.88</u>	<u>\$ (79,938.77)</u>	<u>\$ 88,237,501.88</u>	<u>\$ 362,166.30</u>	<u>\$ 72,229,645.16</u>	<u>\$ 15,645,690.42</u>

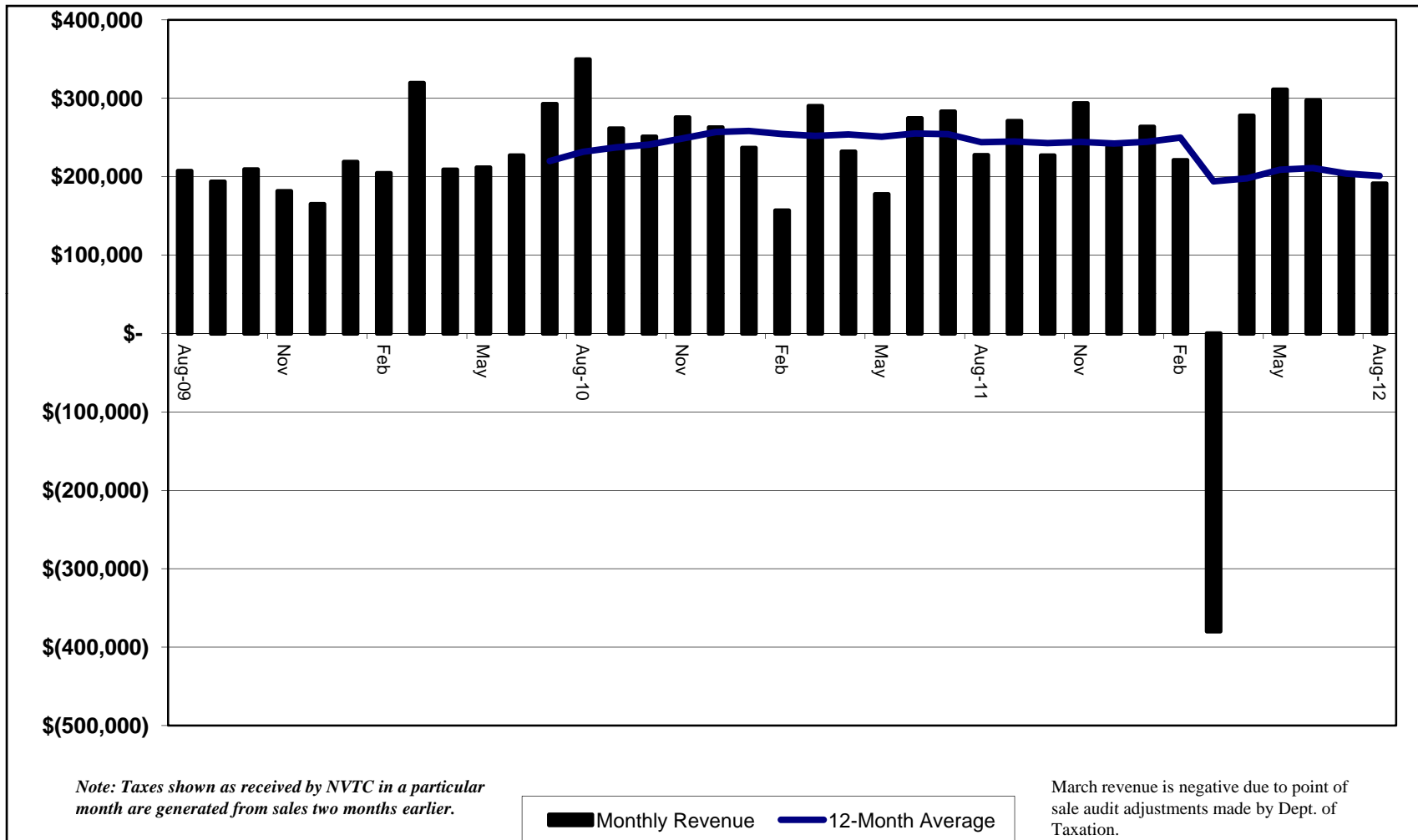
NVTC MONTHLY GAS TAX REVENUE
ALL JURISDICTIONS
FISCAL YEARS 2010-2013



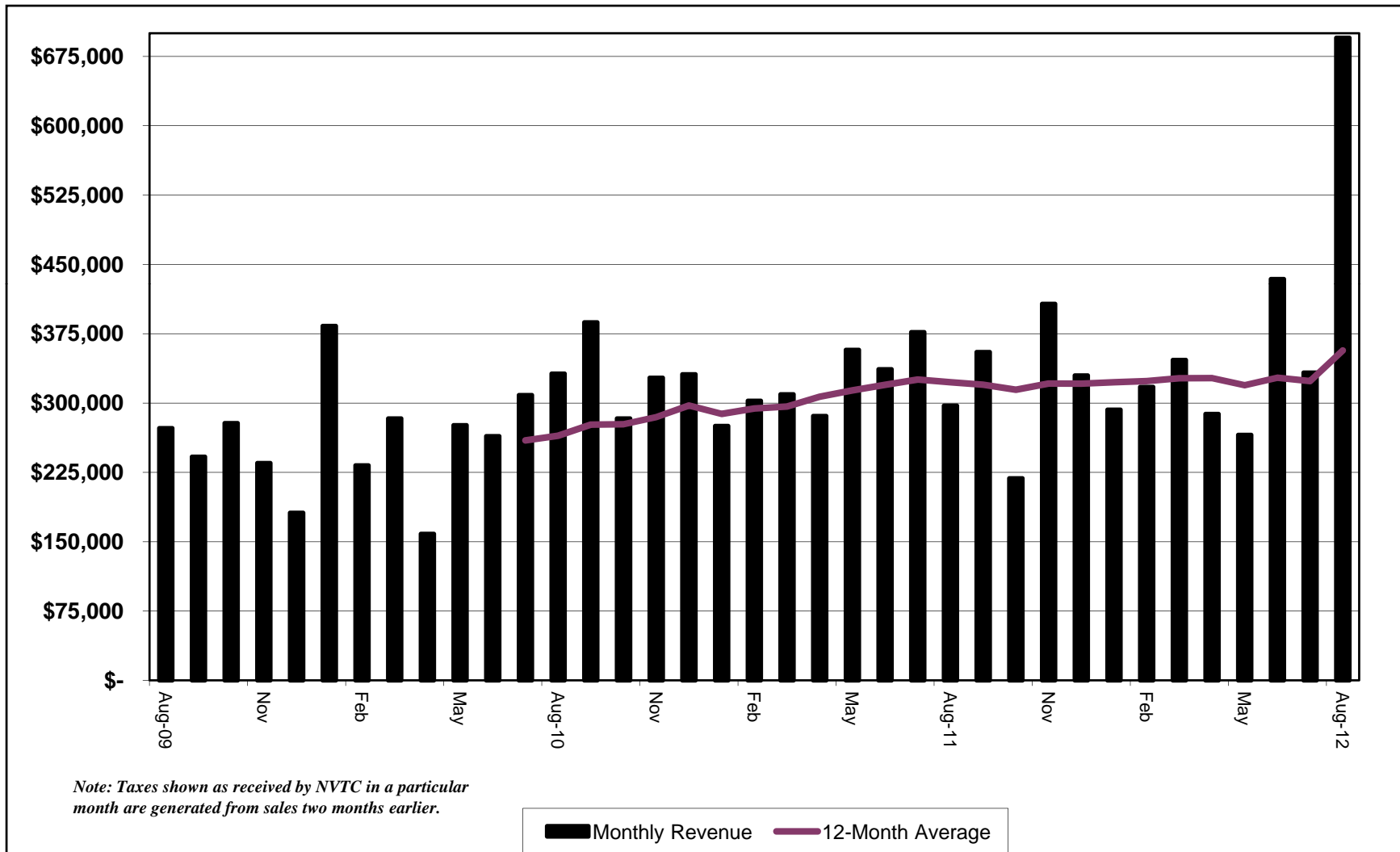
NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2010-2013



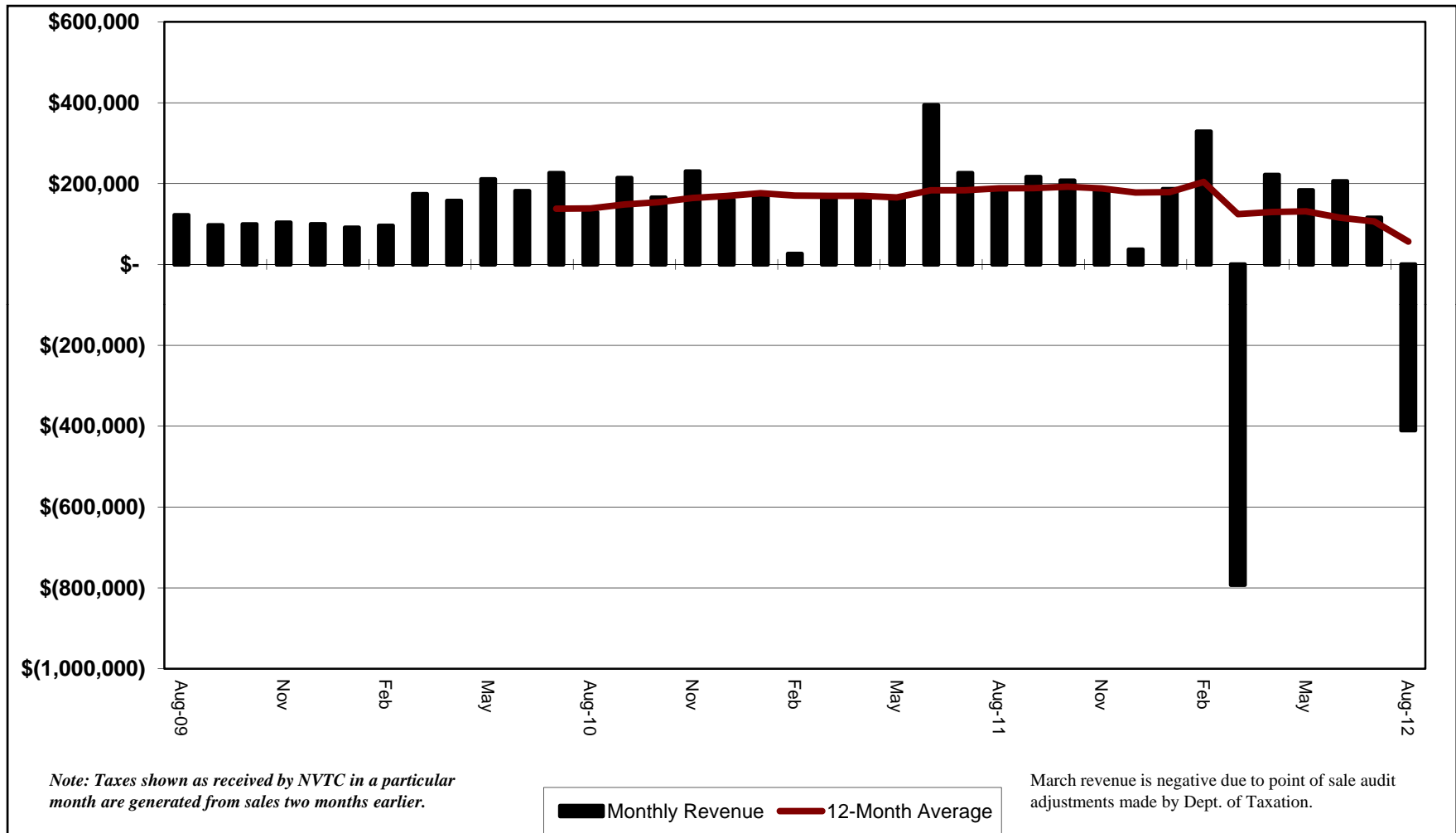
NVTC MONTHLY GAS TAX REVENUE CITY OF ALEXANDRIA FISCAL YEARS 2010-2013



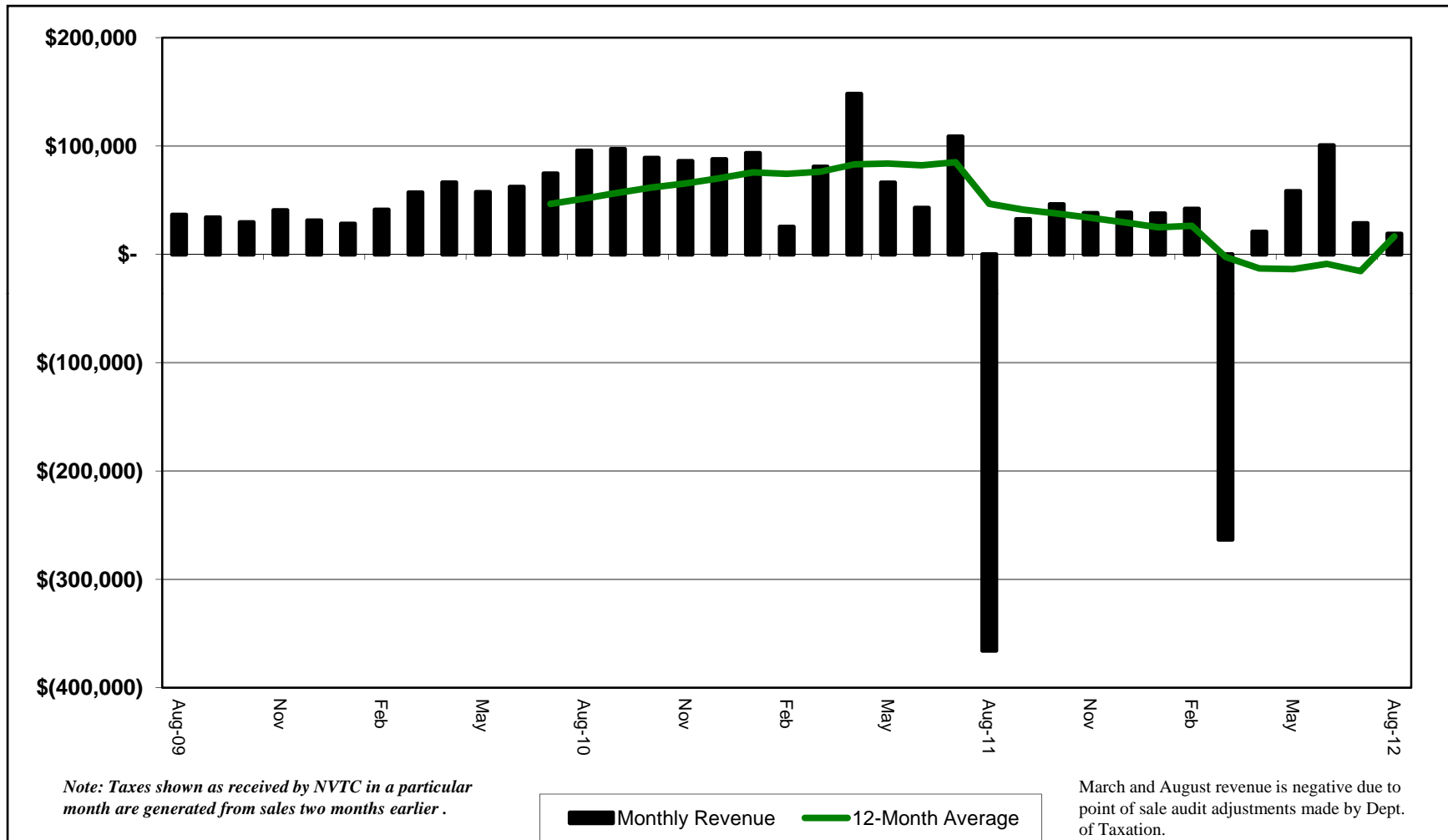
NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2010-2013



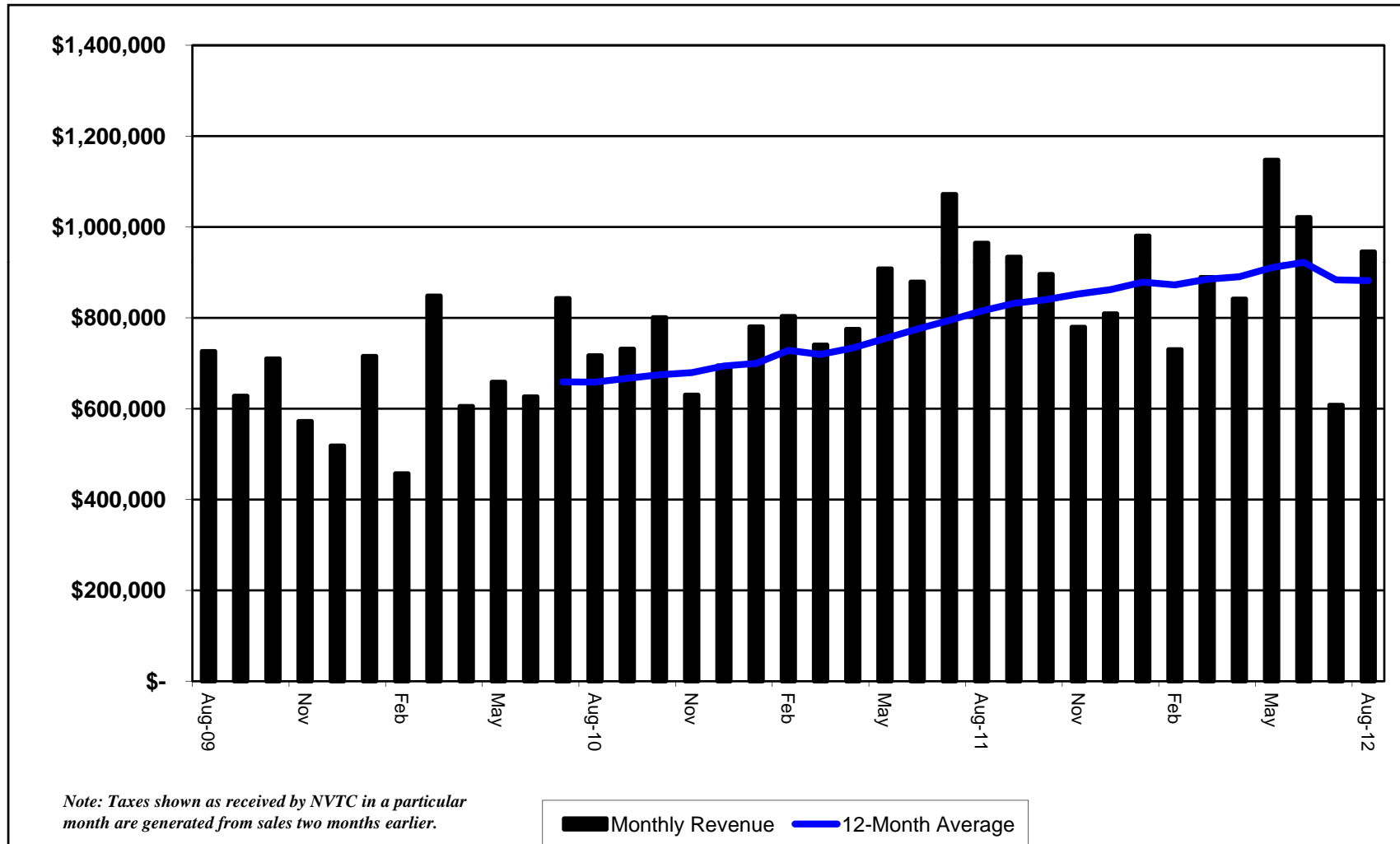
NVTC MONTHLY GAS TAX REVENUE CITY OF FAIRFAX FISCAL YEARS 2010-2013



NVTC MONTHLY GAS TAX REVENUE CITY OF FALLS CHURCH FISCAL YEARS 2010-2013



NVTC MONTHLY GAS TAX REVENUE
LOUDOUN COUNTY
FISCAL YEARS 2010-2013



NVTC
Motor Vehicle Fuels Sales Tax Adjustments

	Period Posted	Adjustment From							
		Alexandria	Arlington	Fairfax City	Fairfax County	Falls Church	Loudoun	PRTC	Total
ADJ #2	11-10, received 1-11	-	-	(110,276.05)	-	(1,093.49)	-	-	(111,369.54)
ADJ #1	12-10, received 2-11	(104,038.35)	-	(170,435.39)	(22,069.72)	(42,087.14)	-	-	(338,630.60)
ADJ #3	2-11, received 4-11	(3,601.08)	(1,851.63)	(70,768.68)	(123,449.59)	(6,856.63)	(1,018.24)	-	(207,545.85)
ADJ #4	3-11, received 5-11	(108,726.85)	-	(25,427.74)	-	-	-	-	(134,154.59)
ADJ #5	4-11, received 6-11	-	(12,240.65)	-	-	-	(1,345.23)	-	(13,585.88)
ADJ #6	6-11, received 8-11	(88,014.78)	(68,006.86)	(2,756.38)	(46,756.33)	(448,661.57)	(1,541.68)	-	(655,737.60)
ADJ #7	10-11, received 12-1	-	(154.91)	(173,102.39)	(7,542.20)	(873.29)	-	-	(181,672.79)
ADJ #8	1-12, received 3-12	(609,893.53)	(59.45)	(1,107,487.84)	(21,072.45)	(301,982.53)	(4,438.04)	-	(2,044,933.84)
ADJ #9	3-12, received 5-12	-	-	-	(5,809.80)	-	(4.65)	(290,691.77)	(296,506.22)
ADJ #10	6-12, received 8-12	(21,110.31)	(57,679.83)	(174,833.31)	(177,189.19)	(14,683.08)	-	-	(445,495.72)
ADJ #11	6-12, received 8-12	(170,420.87)	(6,560.15)	(561,327.78)	-	(17,216.42)	-	-	(755,525.22)
		(1,105,805.77)	(146,553.48)	(2,396,415.56)	(403,889.28)	(833,454.15)	(8,347.84)	(290,691.77)	(5,185,157.85)

		Adjustment To							
		Alexandria	Arlington	Fairfax City	Fairfax County	Falls Church	Loudoun	PRTC	Total
ADJ #2	11-10, received 1-11	11,948.00	-	-	-	-	29,077.00	70,344.54	111,369.54
ADJ #1	12-10, received 2-11	-	-	-	316,560.87	-	22,069.73	-	338,630.60
ADJ #3	2-11, received 4-11	6,843.00	-	-	83,224.94	67,729.89	49,748.02	-	207,545.85
ADJ #4	3-11, received 5-11	-	-	-	134,154.59	-	-	-	134,154.59
ADJ #5	4-11, received 6-11	-	-	-	12,024.17	-	-	1,561.71	13,585.88
ADJ #6	6-11, received 8-11	56,176.76	5,904.21	-	551,750.18	41,888.26	18.19	-	655,737.60
ADJ #7	10-11, received 12-1	7,542.20	-	-	174,130.59	-	-	-	181,672.79
ADJ #8	1-12, received 3-12	2,587.52	59.18	31.81	2,023,861.38	624.78	17,769.17	-	2,044,933.84
ADJ #9	3-12, received 5-12	362.78	40.54	-	125,176.77	969.74	164,141.94	5,814.45	296,506.22
ADJ #10	6-12, received 8-12	80,150.95	131,191.46	118,681.48	115,471.83	-	-	-	445,495.72
ADJ #11	6-12, received 8-12	6,560.15	170,420.87	-	578,544.20	-	-	-	755,525.22
		172,171.36	307,616.26	118,713.29	4,114,899.52	111,212.67	282,824.05	77,720.70	5,185,157.85

Net Transfers to Date - (From) To								
Alexandria	Arlington	Fairfax City	Fairfax County	Falls Church	Loudoun	PRTC	Total	
(933,634.41)	161,062.78	(2,277,702.27)	3,711,010.24	(722,241.48)	274,476.21	(212,971.07)	-	