

NVTC COMMISSION MEETING

THURSDAY, MARCH 7, 2013
MAIN FLOOR CONFERENCE ROOM
2300 Wilson Blvd.
Arlington, VA 22201
8:00 PM

NOTE: NVTC's Executive Committee meets at 7:30 P.M.

AGENDA

1. Minutes of the NVTC Meeting of January 3, 2013.

Recommended Action: Approval.

2. VRE Items.

Report from the VRE Operations Board and Chief Executive Officer.

Information Item.

3. NVTC's FY 2014 State Transit Assistance Applications.

NVTC submitted applications to DRPT as an agent for its jurisdictions and for VRE by the February deadline. The amounts requested are considerably greater than the eligible amounts for FY 2013.

Recommended Action: Approve Resolution #2211.

4. Disadvantaged Business Enterprise Policy, Program and Goal.

Federal regulations require NVTC to adopt a policy, program and goal for the next three years and to provide regular reports to the Federal Transit Administration on progress in meeting these goals.

Recommended Action: Approve Resolution #2212.

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5. Legislative Items.

Staff and commissioners will review the status of state and federal items of interest.

Discussion Item.

6. WMATA Items.

- A. NVTC's WMATA Board Members' Report.
- B. Vital Signs/WMATA Dashboard.
- C. WMATA Subsidy Allocation Methods.
- D. Momentum.

Discussion Item.

7. DRPT Report.

NVTC Commissioner Jim Dyke will give the first of a regular series of monthly updates on DRPT activities, issues, concerns, initiatives, etc.

Information Item.

8. Regional Transportation Items.

- A. Transit Systems Receiving Support from Toll Revenues.
- B. Virginia State Contributions for HRT's The Tide and Dulles Rail.
- C. Regional Transportation Data Clearinghouse.
- D. MWCOG Survey: What Do People Think About Congestion Pricing?
- E. Texas Transportation Institute's Congestion Report.

Information Item.

9. NVTC Financial Items for December, 2012 and January, 2013.

Information Item.

10. Closed Session: Section 2.2-3711.A.1 of the Virginia Code for a personnel item.



AGENDA ITEM #1

MINUTES NVTC COMMISSION MEETING – JANUARY 3, 2013 NVTC CONFERENCE ROOM – ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Fisette at 8:08 P.M.

Members Present

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

Members Absent

Richard H. Black Jeffrey Greenfield Mark R. Herring Joe May David Ramadan

Staff Present

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

Minutes of the December 6, 2012 Meeting

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

Election of NVTC Officers for 2013 and Oath of Office

Chairman Fisette announced that he appointed NVTC's executive committee to serve as the nominating committee. The nominating committee has recommended the following slate of officers for 2013:

Chairman: Jeff McKay

Vice-Chairman: Paul Smedberg Secretary-Treasurer: Dave Snyder

Chairman Fisette moved, with a second by Delegate Rust, to approve the slate of officers. The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Foust, Hudgins, Hynes, McKay, Rust, Smedberg, Snyder and Zimmerman.

Chairman Fisette administered the oath of office to the new officers and handed the gavel over to newly elected Chairman McKay. Chairman McKay presented a plaque to Mr. Fisette recognizing his outstanding leadership during 2012.

VRE Items

Report from the VRE Operations Board and Chief Executive Officer. Mr. Allen reported that VRE's overall on-time performance (OTP) for the month of December was 97.5 percent. There was one significant delay caused by an electrical issue, but it does not appear to be a systematic problem. Ridership also remains strong at over 19,000 average daily riders for the month of December. VRE received assurances from DRPT concerning the track access funding. VRE also conducted its 16th annual Santa Trains event on December 8th and VRE's annual Toys for Tots campaign was also very successful. VRE collected 40 bags of toys and over \$15,000 in cash donations. Mr. Allen also reported that the VRE Operations Board has appointed the following officers for 2013:

Chairman: Paul Smedberg Vice-Chairman: Paul Milde Secretary: John Cook Treasurer: Jonathan Way

VRE FY 2014 Operating and Capital Budget and Revisions to the FY 2013 Budget. Mrs. Bulova reported that the VRE Operations Board recommends approval of Resolution #2205, which would approve VRE's FY 2014 operating and capital budgets together with revisions to the FY 2013 budget. It also authorizes staff to forward the

approved FY 2014 budget to participating and contributing jurisdictions under the terms of the Master Agreement. Mrs. Bulova stated that it will also be sent to TPB, FTA and other federal agencies, as well as the Commonwealth.

Mrs. Bulova explained that the FY 2014 budget is basically a status quo budget, with deferment of the additional 10-car Fredericksburg train to FY 2015, recommendation of a four percent fare increase, and no increase in subsidy level, which will remain at \$16.4 million.

Mrs. Bulova moved, with a second by Mr. Smedberg, to approve Resolution #2205 (copy attached). The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Foust, Hudgins, Hynes, McKay, Rust, Smedberg, Snyder and Zimmerman.

<u>Extension of the Norfolk Southern Operating Access Agreement</u>. Mrs. Bulova reported that the VRE Operations Board recommends approval of Resolution #2206, which would extend the current VRE operating access agreement with Norfolk Southern through July 31, 2013. VRE staff expects this to be the last extension before a revised agreement is presented for commission approval.

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

Public Access Across the Rippon VRE Station. Mrs. Bulova reported that Resolution #2207 would approve agreements with Prince William County and CSXT permitting public access across the Rippon VRE station for the purpose of reaching the Featherstone National Wildlife Refuge. The commissions would grant the access in return for Prince William County providing \$2 million in liability insurance coverage for the commissions and CSXT. Incidents exceeding this amount would be covered under VRE's other existing insurance policies. A developer will cover the entire cost of the station modifications needed to provide this access.

Mrs. Bulova moved, with a second by Mr. Smedberg, to approve Resolution #2207 (copy attached). The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Foust, Hudgins, Hynes, McKay, Rust, Smedberg, Snyder and Zimmerman.

<u>Selection of NVTC's Representatives to the WMATA, VRE and VTA Boards of Directors and to NVTC's Executive and Legislative Committees</u>

Chairman McKay announced the nominations for the WMATA, VRE and VTA boards. He reminded commissioners that these actions may be contingent on subsequent action by local boards and councils. The nominations and committee selections are as follows:

WMATA Board:

Principals: Cathy Hudgins Alternates: Mary Hynes

James Dyke William Euille

VRE Operations Board:

Principals: Sharon Bulova Alternates: Jeff McKay

John Cook

Chris Zimmerman Jay Fisette Paul Smedberg Tim Lovain

VTA Board:

Principals: Chris Zimmerman Alternates: Mary Hynes

William Euille Jeff McKay

NVTC Legislative Committee NVTC Executive Committee

William Euille Jeff McKay (chairman)
Tom Rust Paul Smedberg (vice-ch

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Mark Herring Dave Snyder (secretary-treasurer)

Catherine Hudgins Tom Rust (General Assembly)

Mary Hynes Catherine Hudgins (WMATA Board)

Jeff Greenfield James Dyke (WMATA Board)
Dave Snyder Mary Hynes (WMATA Board)
Ken Reid William Euille (WMATA Board)

Sharon Bulova (chairman of the

Fairfax County Board of

Supervisors)

Jay Fisette (immediate past chair)

Mr. Euille moved, with a second by Mrs. Bulova, to adopt Resolution #2208, which approves the selection of the NVTC appointments to the WMATA, VRE and VTA boards. In response to a question from Mr. Smedberg, Mr. Taube explained that legislative committee members are appointed by NVTC's chairman and the executive committee membership is governed by NVTC's By-Laws. Delegate Rust noted that he would serve on NVTC's Legislative and Executive Committees if Delegate May chose not to do so.

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

Approval of NVTC's Official Signatories and Employees' Pension Trustees

Mr. Taube explained that Resolution #2209 establishes David Snyder, as NVTC's newly appointed Secretary-Treasurer, as eligible to sign NVTC documents (including financial transactions) and to serve as a trustee of NVTC's Employees' Pension Trust.

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

<u>Disadvantaged Business Enterprise Policy, Program and Goal</u>

Mr. Taube stated that the commission is being asked to adopt Resolution #2210, which would establish a Disadvantaged Business Enterprise (DBE) policy, program and three-year goal for NVTC's federally funded projects. He explained that NVTC established such a policy, program and goal earlier in 2012 but FTA has asked for revisions. NVTC's revised policy, program and goal must be made available to the public for 45 days for comment before NVTC acts to approve it in final form. FTA has asked that the goal be increased from 6.7 to 10.3 percent. Accordingly, the resolution authorizes staff to advertise the proposed policy, program and goal for public comment with the expectation that final action will occur at NVTC's March 7, 2013 meeting.

Mr. Fisette stated that it is his understanding that it is just a goal and there is no penalty if it is not met. Mr. Taube agreed but stated that NVTC should be able to meet the goal. NVTC has awarded a contract for one federal grant project over the last year and the actual DBE content was 25 percent.

Mrs. Bulova moved, with a second by Delegate Rust, to approve the resolution (copy attached). The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Foust, Hudgins, Hynes, McKay, Rust, Smedberg, Snyder and Zimmerman.

Review of NVTC's 2012 Accomplishments

Mr. Taube asked NVTC staff members to brief the commission on their accomplishments over the past year. Mr. Kalkwarf reported that he spent a lot of his time and effort responding to DRPT's new policies regarding NVTC's role and its Subsidy Allocation Model. A new complex process has been initiated in which NVTC serves as an "agent" to the jurisdictions to prepare state grant applications, invoice grants and receive and allocate state funds in separate accounts. NVTC carefully monitored the receipt of \$48 million in gas tax revenue. \$5.3 million has been correctly reallocated to date.

Ms. Quintana reported that she assisted in completing NVTC's state and federal legislative agenda, cooperated in the response to the consolidation study, and completed public outreach work for NVTA's TransAction 2040 plan update, saving up to \$250,000 in contract costs. NVTC's website continues to see increases in usage (up 30 percent since 2010) and nearly 2.9 million requests were received for e-schedules.

Ms. Garcia-Colberg reported that NVTC helped lead the multi-region effort to initiate a new Vanpool Incentive Program. NVTC managed the grant for the \$500,000 TransAction 2040 regional transportation plan update, which was completed at the end

of 2012. NVTC also is in the lead role in managing the \$350,000 federally funded (\$437,500 with required matching funds) project to analyze multi-modal options in the Route 7 corridor from King Street Alexandria to Tysons). A consultant was selected and work is underway. For Alexandria, Arlington and Falls Church, NVTC continues to manage ongoing federal grants with matching funds totaling over \$17 million, with another \$8.5 million pending FTA approval.

Ms. Gron reported that NVTC compiles transit performance data from each of the transit systems operating in Northern Virginia. NVTC includes this information on its website. For FY 2012, ridership rose for many systems, despite the ongoing economic downturn, sharp reduction of federal tax-free commuting benefits and increased fares. VRE gained over 300,000 annual riders (up 1.2 percent) and several local bus systems showed very solid growth (e.g. Arlington's ART at 12.2 percent).

Ms. Gron also reported that NVTC adopted a carefully negotiated resolution and obtained agreement from WMATA on the terms to be applied to Loudoun County when Silver Line service begins to operate in the county. Staff also actively represented NVTC's transit systems on DRPT's SJR 297 stakeholder group. NVTC staff is also assisting the region in planning for the procurement of the next generation of fare collection (NEPP) to be compatible with WMATA.

Public Hearing on and Adoption of NVTC's Work Program and Schedule for 2013

Mr. Taube reviewed NVTC's proposed Work Program and Schedule for 2013, recognizing that when a new executive director is hired there may be new recommendations made.

Chairman McKay opened the public hearing at 8:36 P.M.

Mr. Ed Tennyson, a resident from Vienna, Virginia, stated that NVTC 2013 Work Program should look to the future to stop the region from backsliding. He expressed concern about planning issues with the new Silver Line Metrorail extension to Dulles. Erroneous planning has caused a 6.5 percent loss of Metrorail riders in the third quarter of 2012. WMATA had a good fare structure until about two years ago when the base Metrorail fare was increased higher than Metrobus fares. He observed that the Rush Plus program has also chased riders off the system. Overloading Blue Line trains is unacceptable. He expressed his opinion that WMATA cannot afford to waste \$4.5 million annually to run the Silver Line to Largo. The third pocket track at D&G Junction should be used for six-car trains. Metrorail's car mileage is excessive averaging only 24 passenger-miles per car-mile. NVTC should pay closer attention to WMTA management.

Mr. Reid arrived at 8:39 P.M.

Mr. Tennyson urged NVTC to expand its comparative data on transit operations to include the transit riding habit, the cost per passenger-mile, and load factors. Passenger-miles per capita is the only honest way to measure ridership. He also stated that with federal and state funds in short supply, more local funding is needed for transit.

The local contribution is only 25.4 percent of the subsidy, but the median of the peer group is 28.5 percent, which is a difference of 12 percent. Metrorail is saving Northern Virginia residents over \$800 million annually on motor fuel. Hopefully the General Assembly will restore the originally agreed 4.2 percent sales tax on motor fuel, but if not, it is up to the region to generate more transit funding. He also stated that it is important to watch trends.

Mr. Zimmerman noted that nine years ago WMATA's General Manager cut Metrorail car lengths on off peak trains, which resulted in many complaints by the press and public.

Mr. Rob Whitfield, a member of the Dulles Corridor Users Group, stated that he has been attending NVTC meetings for about three years. He hasn't heard many significant updates about WMATA. Back in 2010, the WMATA General Manager gave a presentation at NVTC where he projected that the WMATA fleet would contain 50 percent eight-car trains by 2015 and 100 percent by 2020. At WMATA's General Manager's last presentation to NVTC he made no such projections. It will now cost \$1.5 billion for system improvements before eight-car trains can be put into service.

Mr. Whitfield stated that his lack of trust of WMATA stems from a series of issues. For example, the proposed maintenance yard near Dulles Airport for the Silver Line should not be paid "off of the backs" of the Toll Road users. He stated that transit riders are paying "next to nothing" of the \$6+ billion capital costs of the Silver Line. That is a fundamental failure of all the federal and state politicians to not restructure the funding policies for transit. Therefore, he will be making a proposal to Congress which would require that for federal funding there be a minimum contribution from those that benefit from transit projects. The notion that somebody else should pay for transit rather than people who are using transit is wrong. Mr. Whitfield also suggested that the Metropolitan Washington Airports Authority participate in NVTC meetings. He is also concerned that NVTC approved its Legislative Agenda before getting any public input. The proposal to increase the motor fuels tax is unjustified. NVTC did not ask for any performance improvements from WMATA. There need to be standards and performance measures.

Mr. Zimmerman stated that the suggestion that Metro riders are not paying enough is not correct. To his knowledge, there is no other transit system that has a higher fare box recovery. He does not disagree that those people who are benefitting from transit should help pay for the system, but non-transit people also benefit from Metro (less congestion and higher real estate values). He agreed that a case can be made that only so much should be expected from the Toll Road users in funding the Silver Line.

Mr. Reid stated that the Metrorail fare on the Silver Line is capped at \$5.75 and yet the potential toll for using the Toll Road is \$7-8, so there are some who feel that the Metrorail fare should be increased closer to what Toll Road users are having to pay. Chairman McKay observed that most Metrorail riders also pay a significant parking fee (\$4.50) at the station, which should be considered as part of their total fare.

Mrs. Hudgins stated that in regards to the eight-car trains, WMATA's General Manager will not continue to pursue projects if there is no funding to implement them. She stated that it is also important to understand the purpose of transit and how everyone in the region benefits from it and not just the riders.

Mr. Snyder stated that he frequently travels outside of the U.S. and he has found that other countries invest far more into transportation infrastructure, especially transit. For the United States to remain competitive on the global stage, it will be important to look at funding issues for all modes of transportation.

Mrs. Hynes stated \$1 billion is needed annually to maintain the region's current transit services and to add any additional capacity would increase that by \$1-2 billion annually. Everyone in the commonwealth, whether they use transit or not, should want the transit infrastructure to function at its very best because when it works well, the economic engine generates more dollars. There is no solution that simply comes out of the individual transit user's pocket.

Mr. Reid asked staff to research how many jurisdictions in the United States that have urban mass transit have used toll road revenue for capital projects.

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

Commissioners then discussed whether there should be changes to Goal #8 "Strengthening NVTC as an Organization" in light of a new executive director being hired. Chairman McKay observed that other areas of the Work Program could also be affected. Mr. Reid stated that he would like to see staff spend more time in oversight of WMATA and take a "watch dog role" especially over budget issues

Mr. Fisette moved, with a second by Mrs. Hynes, to approve the Work Program and the Schedule, after removing items #2 and #3 under goal #8. The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Foust, Hudgins, Hynes, McKay, Reid, Rust, Smedberg, Snyder and Zimmerman.

Approval of NVTC's FY 2014 Administrative Budget

Mr. Taube stated that the commission is asked to approve the budget, which is the same budget that was reviewed in September. Local staff again reviewed it in December. For FY 2014, NVTC staff is proposing a 1.6 percent increase in overall spending, with total expenditures of \$1.213 million. He reminded the commission that the new executive director may wish to make changes to the budget. A new executive director should be hired before the fiscal year begins.

Mr. Fisette moved, with a second by Delegate Rust, to approve the FY 2014 budget. The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Foust, Hudgins, Hynes, McKay, Reid, Rust, Smedberg, Snyder and Zimmerman.

Legislative Items

Mr. Taube reported that with the temporary resolution of the fiscal cliff, the federal government reauthorized the federal transit benefit and increased it to \$245, which is the same as the parking benefit. It is retroactive to FY 2012.

Mr. Reid suggested NVTC include in its Legislative Agenda a more "apples to apples" comparison between the percentage the state has funded of the Dulles Silver Line (other than toll revenue) versus the Norfolk Light Rail project. Ms. Hynes observed that NVTC's Legislative Agenda has already been mailed to General Assembly members. Mr. Reid stated that he would still like to see this information.

WMATA Items

Mrs. Hudgins encouraged commissioners to read the various reports from WMATA on its operations. She reported that WMATA has done a great deal of work preparing for Inauguration Day. The Customer Satisfaction Survey results, which are for the first quarter of FY 2013, include responses from 770 customers. Chairman McKay noted that Metrobus received an 84 percent satisfaction rate and Metrorail received an 80 percent satisfaction rate. Mrs. Hynes observed that the Blue/Yellow Line split is coming up. WMATA is working on providing bus bridges from Pentagon City to Rosslyn. There are real challenges on the Virginia side concerning this issue. There is no simple solution.

Regional Items

<u>Vanpool Project Update</u>. Mr. Taube reported that the vanpool project has begun initial start up work. The vanpool program advisory board (PAB) has been established and has been meeting regularly. A full-time vanpool program director has been hired. It is estimated that from now through March of 2013, the program will implement the marketing plan, develop the necessary software for ridematching and data collection, and sign up vanpools for program participation. If all of these actions are completed, the program could go live in April of 2013.

<u>FY 2012 Northern Virginia Transit Performance</u>. Mr. Taube reported that NVTC has a continuing role in assembling and reporting to the public annual performance data from each of the transit systems in Northern Virginia. Data show that total transit ridership remained relatively strong even though the federal transit benefit was reduced.

New Express Bus Service. Mrs. Bulova announced that the kick-off ceremony for the new Fairfax Connector bus service using the Express Lanes to Tysons will be held at 10:00 A.M. on January 12th at the Burke Centre VRE Station. This service opens up new commuting choices where VRE riders can get off at Burke Centre and take a bus to Tysons. Chairman McKay asked commissioners to help publicize this new service.

NVTC Financial Items for November, 2012

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

Status of Executive Director Recruitment

Mr. Taube reported that the job announcement was posted on December 21, 2012 and NVTC's Search Committee has already received several applications, which are due January 25th. The applications are being kept confidential.

Closed Session

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

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

The commission entered into closed session at 9:23 P.M. and returned to open session at 9:51 P.M.

Chairman McKay moved, with a second by Mrs. Bulova, the following certification:

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

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

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

Mr. Fisette moved, with a second by Mr. Smedberg, to accept the recommendation of the Executive Committee regarding the compensation of the executive director. The vote in favor was cast by commissioners Bulova, Comstock, Cook, Dyke, Euille, Fisette, Foust, Hudgins, Hynes, McKay, Rust, Smedberg, Snyder and Zimmerman. Mr. Reid abstained.

Adjournment

Without objection, Chairman N	McKay adjourned the meeting at 9:52	2 P.M.
Approved this 7 th day of March, 2013	3.	

Joffroy McKay

Jeffrey McKay Chairman

Dovid E. Coudor

David F. Snyder Secretary-Treasurer



SUBJECT: Approval of VRE's FY 2014 Operating and Capital Budget and Revisions

to VRE's FY 2013 Budget.

WHEREAS: The VRE Master Agreement requires that the commissions be presented

with a fiscal year budget for their consideration at their respective January

meetings prior to the commencement of the subject fiscal year;

WHEREAS: The VRE Operations Board has recommended a FY 2014 Operating and

Capital Budget within the guidelines developed in concert with the

jurisdiction chief administrative officers; and

WHEREAS: The recommended budget is built on the assumption of average daily

ridership of 20,100 and 32 trains.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission does hereby adopt the revised FY 2013 and recommended

FY 2014 VRE Operating and Capital Budgets and authorizes staff to forward the FY 2014 budget to the local jurisdictions for inclusion in their budgets and appropriations in accordance with the VRE Master

Agreement.

BE IT FURTHER RESOLVED that NVTC hereby authorizes the Executive Directors of

both PRTC and NVTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and

grant applications for FY 2013 and FY 2014.

BE IT FURTHER RESOLVED that NVTC hereby authorizes the Executive Director of

NVTC to submit to the Commonwealth the approved budget as part of the FY 2014 VRE state aid grant applications.

Approved this 3rd day of January, 2013.

Jeffrey McKay Chairman

David Spyder / Secretary-Treasurer

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SUBJECT: Extension of the Norfolk Southern Operating Access Agreement.

WHEREAS: The commissions currently have an Operating/Access Agreement with Norfolk Southern dated as of May 5, 2000, related to VRE operations in

the Manassas to Washington, D.C. corridor:

WHEREAS: This agreement, following several extensions, will expire January 31,

2013;

WHEREAS: Staff has reached an agreement in principle on the majority of substantive

items relating to a new agreement following detailed negotiation sessions

with Norfolk Southern representatives;

WHEREAS: The VRE Operations Board recommends extending the existing new

agreement to July 31, 2013 to allow time to conclude negotiations and

finalize a new agreement; and

WHEREAS: Necessary funding has been incorporated into the FY 2013 and FY 2014

budgets to allow VRE to continue its operations over Norfolk Southern

tracks via this contract extension.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation

Commission authorizes the VRE Chief Executive Officer to execute an extension of the existing May 5, 2000 Amended Operating/Access

Agreement with Norfolk Southern to July 31, 2013.

Approved this 3rd day of January, 2013.

Jeffrey McKay

Secretary-Treasurer





SUBJECT: Public Access Across the Rippon VRE Station.

WHEREAS: The Featherstone National Wildlife Refuge is adjacent to the Rippon VRE

station;

WHEREAS: The commissions have been asked by Prince William County to permit

public access across the Rippon VRE station to reach the refuge; and

WHEREAS: It is recommended by the VRE Operations Board that the commissions

grant this access in return for Prince William County providing \$2 million in liability insurance annually covering both the commissions and CSXT to

cover claims arising out of the public access.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation

Commission approves the agreement with Prince William County recommended by the VRE Operations Board, permitting access across the Rippon VRE station for the purpose of accessing the Featherstone

National Wildlife Refuge.

BE IT FURTHER RESOLVED that NVTC approves the agreement with CSX

recommended by the VRE Operations Board, permitting access across the Rippon VRE station for the purpose of accessing the Featherstone

National Wildlife Refuge.

Approved this 3rd day of January, 2013.

Jeffrey McKay

Chairman

David Snydet

Secretary-Treasurer





SUBJECT: Selection of NVTC Representatives to Various Boards.

WHEREAS: NVTC is empowered to make appointments to the Board of Directors of the

Washington Metropolitan Area Transit Authority, the Virginia Railway Express and

the Virginia Transit Association; and

WHEREAS: Some of NVTC's jurisdictions may not formally appoint their NVTC members prior to

NVTC's January meeting and some may not be ready with recommendations.

NOW, THEREFORE, BE IT RESOLVED THAT the Northern Virginia Transportation Commission

hereby appoints the following persons to various boards, contingent upon possible subsequent action by NVTC's jurisdictions to alter their NVTC members for 2013

and their recommendations for members of the various boards.

BE IT FURTHER RESOLVED THAT the contingent appointments for 2013 are:

WMATA Board:

<u>Principals</u> <u>Alternates</u>

Hon. Cathy Hudgins
Hon. Mary Hynes
Hon. Bill Euille

VRE Board:

<u>Principals</u> <u>Alternates</u>

Hon. Sharon Bulova Hon. Jeff McKay

Hon, John Cook

Hon. Chris Zimmerman Hon. Jay Fisette Hon. Paul Smedberg Hon. Tim Lovain

VTA Board:

<u>Principals</u> <u>Alternates</u>

Hon. Chris Zimmerman Hon. Mary Hynes Hon. Bill Euille Hon. Jeff McKay

Approved this 3rd day of January, 2013.

Jeffrey McKay

Chairman

David Snyder Secretary-Treasurer



SUBJECT: Designation of NVTC Signatories and Pension Trustees.

WHEREAS: The Honorable David Snyder has been elected Secretary-Treasurer of

NVTC for 2013; and

WHEREAS: NVTC desires that the person holding the office of Secretary-Treasurer be

designated as an official signatory as well as a pension trustee.

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

Hon. David Snyder Secretary-Treasurer Richard K. Taube Secretary-Treasurer Executive Director

Scott C. Kalkwarf Director of Finance and Administration

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

Approved this 3rd day of January, 2013.

Jeffrey McKay Chairman

David Snyder

Secretary-Treasurer





SUBJECT: Disadvantaged Business Enterprise Policy, Program and Goal.

WHEREAS: The Federal Transit Administration (FTA) requires grant recipients to

adopt a policy, program and goal for awarding contracts to certified

Disadvantaged Business Enterprises (DBE); and

WHEREAS: NVTC has relied on PRTC to adopt such policies, program and goals and

file mandatory reports on behalf of NVTC (and VRE), but now FTA is

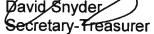
requiring NVTC to adopt its own policy, program and goal.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission hereby authorizes its staff to publish immediately the proposed policy, program and goal of at least 10.3 percent of its federally funded contract value to be awarded to DBE's for the three-year period of FY 2012-2014. Staff is also authorized to seek public comment prior to March 7, 2013 with the final proposed policy, program and goal, reflecting

public comment, to be brought to NVTC for action on that date.

Approved this 3rd day of January, 2013.

Jeffrey McKay Chairman







AGENDA ITEM #2

TO: Chairman McKay and NVTC Commissioners

FROM: Rick Taube

DATE: February 28, 2013

SUBJECT: VRE Items

Minutes are attached of the VRE Operations Board's meetings of January 18 and February 15, 2013. The VRE Chief Executive Officer's reports are also attached for your information.



VIRGINIA RAILWAY EXPRESS

Chief Executive Officer's Report

UNION STATION

L'ENFAN

ERYSTAL CITY

MEVANDEL

BACKLICK ROAD SPRINGFIELD

(perce)

ROLLING ROAD WOODBRIDGE

RIPPON

CENTRE

MANASSAS BROOKE

MANASSAS LEELAND ROAD

FREDERICKSBURG

SPOTSYLVANIA

Monthly Performance Metrics - OTP

December saw On Time Performance (OTP) return to the level VRE and its passengers have become accustomed to -97%. While November was still respectable at 95%, the equipment and infrastructure improvements made over the last several years have allowed OTP to stay at this very high level.

MONTHLY ON-TIME PERFORMANCE	ON-TIME PERCENTAGE
December Fredericksburg OTP Average	97%
December Manassas OTP Average	98%
VRE DEC OVERALL OTP AVERAGE	97%

Both lines individually also achieved exceptional results with the Fredericksburg line operating at 97% and the Manassas line operating at 98%. OTP has now hit 90% or above for the thirteen consecutive months – an ongoing record for the system.



Monthly Performance Metrics - Delays

The charts below provide a more detailed look at delays over the past three months, including the reasons attributable to them. The average length of delay for October and November is reflective of the service disruptions incurred, including the fatalities.

SYSTEMWIDE	OCT 2012	NOV 2012	DEC 2012
Total delays	24	28	26
Average length of delay (mins.)	28	31	37
Delays 30 minutes and over	7	4	6
Days with heat restrictions/Total days	0/22	0/20	0/19
On-Time Performance	96%	95%	97%
FREDERICKSBURG LINE			
Total delays	11	13	
Average length of delay (mins.)	20	41	43
Delays 30 minutes and over	3	3	3
On-Time Performance	96%	95%	97%
Manassas Line			
Total delays	13	15	
Average length of delay (mins.)	40	20	28
Delays 30 minutes and over	4	1	3
On-Time Performance	96%	95%	98%

REASON	TOTALS	PERCENT
Signal/Switch Failure	0	0%
Slow Orders	1	4%
M/W	1	4%
Train Interference	15	58%
AMTRAK	2	8%
Freight	0	0%
VRE	13	50%
Mechanical Failure	1	4%
Late Turn	0	0%
PAX Handling	3	11%
Weather	0	0%
Crew Related	0	0%
Other/Schedule	5	19%
TOTAL	26	100%



Ridership Update

Average daily ridership for December 2012 was slightly higher than December 2011. The table below shows more clearly the month to month ridership for December, as compared to the same period last year. Although we only achieved 2 days over 20,000 daily riders, we did have nine additional days over 19,000 and two days above 18,800.

RIDERSHIP MONTH TO MONTH COMPARISON					
DESCRIPTION MONTHLY RIDERSHIP AVERAGE					
December 2012	19,124				
December 2011	18,379				
SERVICE DAYS (CURRENT/PRIDR)	(14/19)				
PERCENT CHANGE	4 %				

The first five service days of January show that the trend is continuing with one day over 20,000 and two days over 19,000.

Overview of Monthly Citations

For the month of December, VRE issued a total of 118 citations. This is consistent with the prior year, but higher than November (98 citations). Of the 118 citations issued, 17 were waived by VRE. Of the remaining 101 citations, 8 were found not guilty, 13 were dismissed and 30 were continued/appealed. This means that 50% of the passengers issued citations were found guilty of violating VRE's fare evasion

COURT ACTIONS	OCCURRENCES	FINE	COURT COSTS
Prepaid prior to court	15	\$100	\$81
Guilty	8	\$100	\$81
Guilty in absentia	26	\$100	\$116
Guilty Class 2 misdemeanor	1	\$500	\$81
Not guilty	8	\$0	\$0
Dismissed	13	\$0	\$486
Continued to next court date	29	\$ 0	\$0
Appealed pending	1	\$0	\$0
TOTAL	101	\$5,400	\$6,031

policy. And, unfortunately, for the second month in a row, a fraudulent ticket was confiscated.



Potomac Shores Update

With the third track funding approval and activity on the Potomac Shores development, the Potomac Shores station continues to be a focal point as I recently had discussions with the property owner, the host railroad (CSX) and the Commonwealth as to how the third track and two platform station can best be integrated into the VRE system.

Over the past month I have met with the key figures in the development of Potomac Shores: Stan Brown, Senior Vice President of Development; Casey Tischer, Vice President of Eastern Region Acquisitions; Mike Lubeley, partner at



Walsh, Colucci, Lubeley, Emrich, and Walsh; and Ed Byrne, Vice President of Project Management for Argent Management. Over the course of several meetings, we have discussed the station and track requirements as well as potential parking demands for the new station.

I have also had several conversations with Jay Westbrook, Senior Vice President with CSX and Quintin Kendall, Regional Vice President of CSX, regarding how the station will be programmed into the network as the third track project is advanced. I also

continue to work closely with Supervisor Caddigan to manage the complexities of this project and the relationship with the high speed rail project being advanced by the Commonwealth. Supervisor Caddigan is working with Secretary Connaughton and I believe we are moving closer to making a VRE station at Potomac Shores a reality.

Gainesville-Haymarket

On January 8, 2013, VRE advised Norfolk Southern that we accepted their latest proposed amendments to the match agreement. If these are still acceptable to them the agreement solidifies the contribution of Norfolk Southern to the project and will allow VRE to proceed with the planning and environmental work.



Equipment Update

In January of 2012, the VRE Operations Board approved a contract for 8 of the next 15 new passenger cars needed for VRE service. In January 2013, production at Nippon-Sharyo's Toyokawa, Japan manufacturing facility started. Piece parts and assemblies for the car shells will be completed by summer. The car shells will then be shipped to Nippon Sharyo's new manufacturing facility in Rochelle, IL for final assembly. With the opening of this new facility, all future VRE car orders with Sumitomo Corporation/Nippon Sharyo will be assembled entirely in the U.S.





Security Camera Installation

We have now added a total of 20 security cameras at four VRE station locations; Burke Centre, Woodbridge, Quantico, and Fredericksburg.

Station	Fixed Camera	Pan Tilt Zoom (PTZ) Camera
Fredericksburg	1	3
Quantico	1	2
Woodbridge	2	7
Burke Centre	1	3

A Network Video Recorder (NVR) was also installed which can retain 90 days of recorded video footage. VRE personnel can remotely access this information. The project is approximately 90% complete and will be done by the end of the month.

Long Bridge Update

The District Department of Transportation (DDOT), in cooperation with the Federal Railroad Administration (FRA), has undertaken a study of the Long Bridge across the Potomac River. This is the only railroad bridge connecting the District of Columbia and Virginia. The two track bridge, owned by CSX, carries CSX, VRE, Amtrak and state trains and is a severe bottle neck for the corridor. DDOT will complete a comprehensive study to include the identification of short-term needs, long-term capacity improvements, analysis of alternatives, and evaluation of recommended improvements.





The study is a collaborative effort between the users of the bridge and also includes extensive stakeholder coordination with agencies such as the US Department of the Interior and National Park Service, Virginia Department of Transportation, Virginia Department of Rail and Public Transportation, US Coast Guard, and the US Army Corps of Engineers. VRE staff is actively participating in the study. A final report is scheduled to be completed this summer. Project information can be viewed at www.longbridgeproject.com.



Ridership

December

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 T
1										
2										
3	4,624	4,715	9,339	94%	4,690	4,806	9,496	100%	18,835	97
4	5,150	4,704	9,853	100%	5,218	5,344	10,562	100%	20,416	100
5	4,811	4,544	9,355	100%	4,745	5,190	9,936	100%	19,290	100
6	4,934	4,694	9,628	100%	4,944	5,204	10,148	100%	19,776	100
7	3,888	3,938	7,826	100%	4,337	4,473	8,809	100%	16,635	100
8										
9										
10	4,631	4,738	9,369	100%	4,469	5,147	9,616	100%	18,986	100
11	5,102	5,076	10,178	100%	5,204	5,391	10,595	100%	20,773	100
12	4,994	4,217	9,212	100%	5,002	5,168	10,170	100%	19,382	100
13	4,960	4,553	9,514	100%	5,045	5,052	10,098	100%	19,611	100
14	4,014	4,032	8,046	94%	4,400	4,071	8,472	100%	16,518	97
15										
16										
17	5,115	4,957	10,072	75%	4,565	5,065	9,631	71%	19,703	73
18	5,048	4,430	9,478	100%	4,961	5,144	10,105	100%	19,583	100
19	4,844	4,422	9,266	100%	5,073	5,062	10,135	100%	19,401	100
20	4,735	4,384	9,119	100%	4,856	4,854	9,710	86%	18,829	93
21	3,634	3,425	7,059	100%	3,837	4,002	7,838	100%	14,897	100
22										
23										
24										
25										
26	1,710	1,544	3,253	100%	2,538	2,499	5,037	100%	8,291	100
27	1,886	1,762	3,648	100%	3,126	3,146	6,272	86%	9,920	93
28	1,508	1,773	3,281	100%	2,489	2,792	5,281	100%	8,562	100
29										
30										
31*	1,338	1,455	2,793	100%	1,871	1,990	3,861	100%	6,655	100
	76,928	73,362	150,290	98%	81,370	84,402	165,772	97%	316,062	97
		Amtrak Trains:	477			Amtrak Trains:	5,683		WXX	XX
		Adjusted total:	130,731			Adjusted Total:	143,166	Adjusted Total:	273,897	
							1000	The same of the sa	BALL I	
	# (of Service Days:	14		Total	Trips This Month:	322,222	Adjusted Total:	273,897	
	Manassas I	Daily Avg. Trips:	7,910	Adjusted Avg.:	9338	Prior Total FY-2013:	1,938,186		No. of Concession, Name of Street, or other Persons, Name of Street, or ot	
	Fred'burg I	Daily Avg. Trips:	8,725	Adjusted Avg.:	10226	Total Trips FY-2013	2,260,408	10 P		
	Total	Avg. Daily Trips:	16,635	Adjusted Avg.:	19,564	Total Prior Years:	57,778,565			NEW TO
						Grand Total:	60,038,973	1	11119	
					to the	, but do not includ	The Park of the Park	-		N - 150 / 150



On-Time Performance

System Performance

January 2010 - December 2012

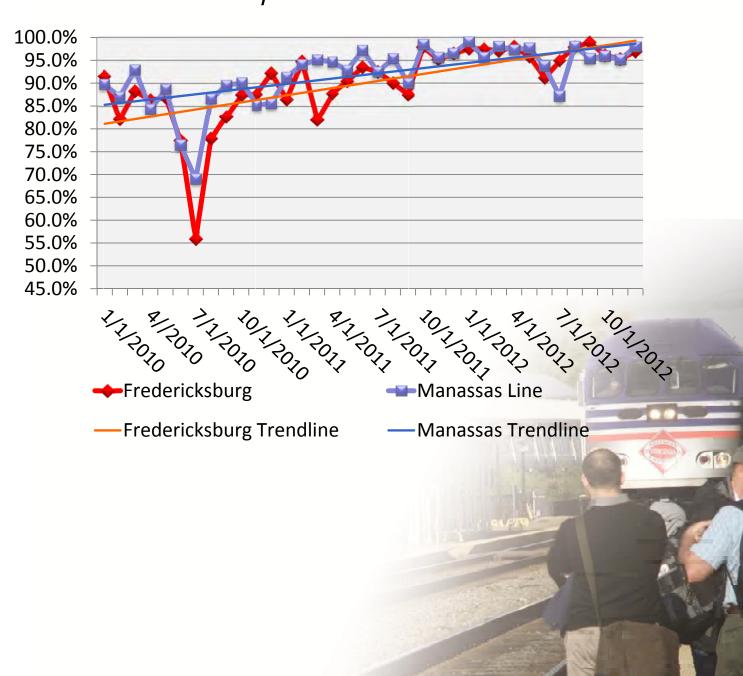




On-Time Performance

Performance by Line

January 2010 - December 2012

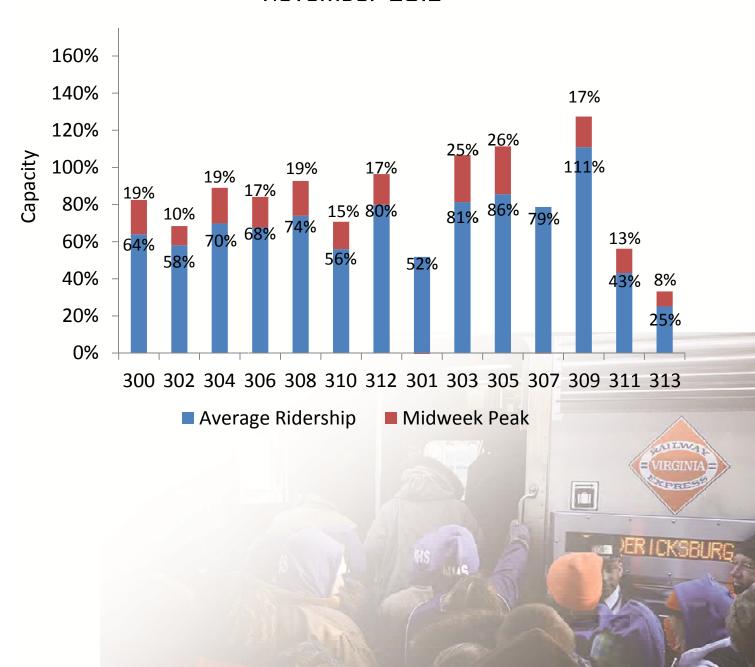




Train Utilization

Fredericksburg Line

November 2012

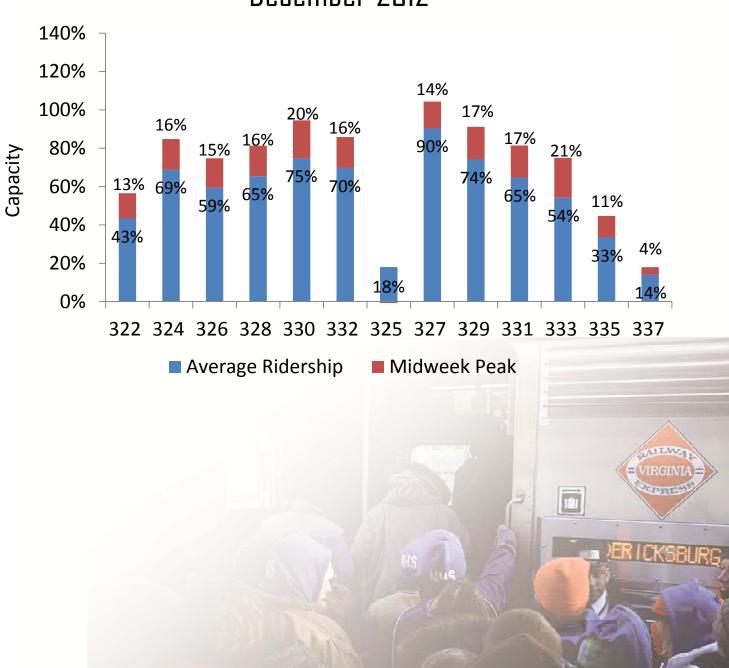




Train Utilization

Manassas Line

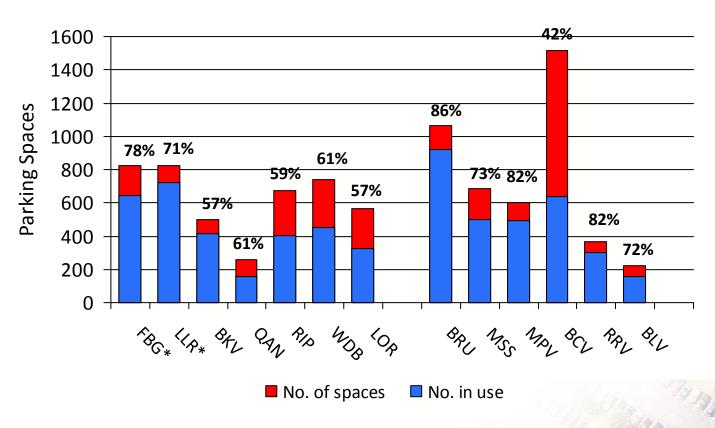
December 2012





Parking Utilization

December 2012

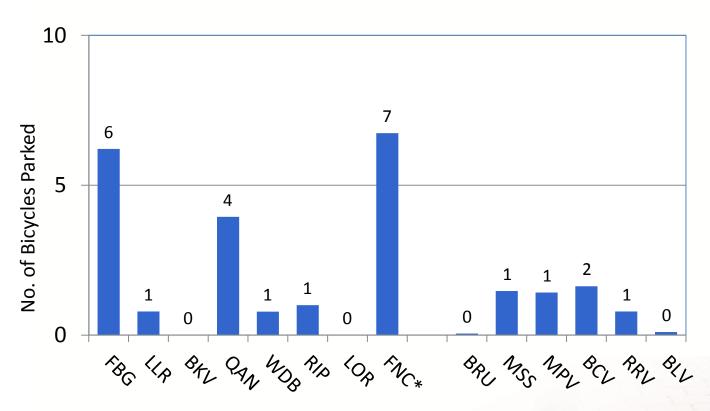


* Denotes stations with overflow parking available that is now being included in final counts.



Bicycle Counts

December 2012



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



Financial Report December 2012

A copy of the December 2012 Operating Budget Report is attached.

Fare income for the month of December 2012 was \$5,035 above the budget – a favorable variance of 0.19%. The cumulative variance for the year is -0.93% or \$157,636 below the adopted budget. Revenue in the first six months of FY 2013 is down 9.4% compared to FY 2012. The negative variance will be monitored closely over the next several months. As the result of WMATA's discontinuation of paper vouchers and the decrease to the transit subsidy in January 2012, revenue has been particularly difficult to project during this time period.

A summary of the financial results (unaudited) as of December 2012 follows. Detail on the major revenue and expense categories is provided in the attached Operating Budget Report. Amounts shown reflect the amended FY13 budget.

MEASURES	DOLLARS	GOAL	ACTUAL
Operating Ratio		55%	53%
Budgeted Revenue	79,814,561		
Budgeted Revenue YTD	42,897,356		
Actual Revenue YTD	42,814,714		
Cumulative Variance	(82,642)		(82,642)
Percent Collected YTD		53.75%	53.64%
Budgeted Expenses	79,814,561		
Budgeted Expenses YTD	40,856,211		
Operating Expenses YTD	38,316,514		
Cumulative Variance	2,539,697		2,539,697
Percent Expended YTD		51.19%	48.01%
Net Income (Loss) from Operati			2,457,055

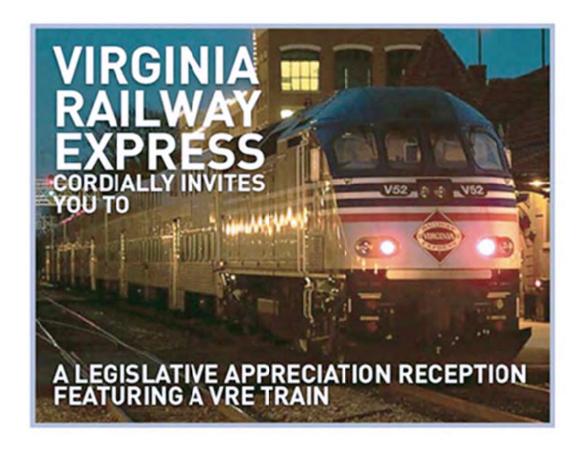
These figures are preliminary and unaudited.



Performance	3
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VRE's Legislative Appreciation Reception:



As of the writing of this report, VRE is preparing to host its third Legislative Appreciation Reception in Richmond. The event gives us the chance to bring a VRE train to Richmond so that legislators, their staff and others can see our equipment up close. Members of the General Assembly then have a better idea of what they are investing in and what VRE means to the Commonwealth of Virginia.

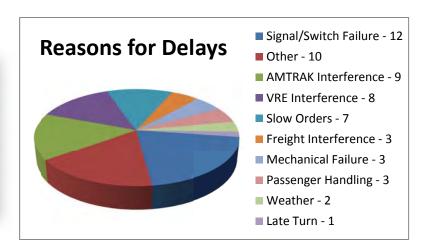
This year the VRE Operations Board will also recognize two members of the General Assembly for their long time support for VRE. State Senator Charles Colgan and Delegate Joseph May are the first recipients of the VRE Appreciation and Leadership Award. At the reception each member will be presented with a mounted model VRE train set.

We wish to thank Senator Colgan and Delegate May, as well as the many, many members of the General Assembly who support and assist VRE in achieving the success that we have today.



PERFORMANCE:





On Time Performance

January continued the trend of performance above 96% with the overall monthly performance now topping 95% or better for sixteen consecutive months. That is without question the highest and most consistent performance that VRE has produced in our 20 year history. As for individual line performance, the Fredericksburg line came in at 96.4% and the Manassas line reported a final tally of 96.3% for the month of January.

Looking at the chart above you'll see that I have reformatted the monthly delay report to provide a clearer picture of the causes of the delays that VRE encountered during the month of January. For the month of January, switch/signal failure were the leading cause of delays followed by other (that is comprised this month of a brush fire, and scheduling/running time). What I need to emphasize here is you'll see 58 delays during the month but only a total of 23 late trains in January. The reason for that is that a train may encounter several delays during its operation which may or may not cause it to be late. For instance, a train could be late leaving Union Station waiting for another train to depart the station. During the course of its run it could also encounter a signal issue, yet still arrive at its final destination "on time". That train experienced two delays but was not "LATE" (arriving at its final destination later than five minutes).

On Time Performance (Continued)

SYSTEM-WIDE	NOVEMBER	DECEMBER	JANUARY
Total delays	28	14	23
Average length of delay (mins.)	31	37	34
Number over 30 minutes	4	6	8
Days with heat restrictions/Total days	0/20	0/19	0/21
On-Time Performance	95%	98%	96%
FREDERICKSBURG LINE			
Total delays	13	8	11
Average length of delay (mins.)	41	43	52
Number over 30 minutes	3	3	6
On-Time Performance	95%	97%	96%
MANASSAS LINE			
Total delays	15	6	12
Average length of delay (mins.)	20	28	18
Number over 30 minutes	1	3	2
On-Time Performance	95%	98%	96%

Ridership Update

Average daily ridership for January 2013 was higher than January 2012. That is a very positive sign. The table below shows that we did nearly 400,000 passenger trips in January, a number that we have not achieved prior to this month. Equally impressive was that we recorded our second highest ridership day ever on January 29^{th} (21,285) and that we posted nine days over 20,000 during the month. That means that 43% of our operational days we posted ridership above 20,000. Beyond those statistics, January 2013 was also the second highest fare revenue month in the history of VRE, another very positive indicator of our service.

RIDERSHIP MONTH TO MONTH COMPARISON					
DESCRIPTION	MONTHLY RIDERSHIP				
January 2013	397.936*				
January 2012	391.184				
SERVICE DAYS (CURRENT/PRIOR)	(20/21)				
PERCENT CHANGE -4% Normalized					
*Amtrak Cross Honor numbers are	estimations				



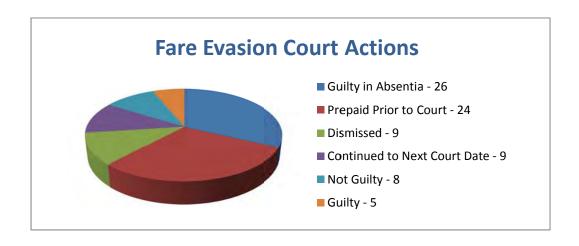
Monthly Citations Update

VRE ACTIONS	OCCURANCES
Waived- Passenger showed proof of a monthly ticket	21
Waived- Per the request of the issuing conductor	1
Waived- Due to defective tickets or TVM	0
Total	22

For the month of January, VRE issued a total of 103 citations. That is about 10% more than January 2012. Of those 103 citations issued, VRE waived 22 of them for our riders. That means that 21% of all citations issued during the month were waived by VRE.

Of the remaining 81 citations, 8 were found not guilty, 9 were dismissed and 9 were continued. This means that 68% of people issued citations were found guilty of violating VRE's fare evasion policy.

I think it is important for VRE to remain vigilant in its ticket enforcement. We have successfully prosecuted a fraudulent ticket case and now we have another one on the docket for April. Only through persistent ticket checks will we be able to find those individuals who are attempting to ride VRE with counterfeit or fraudulent tickets.

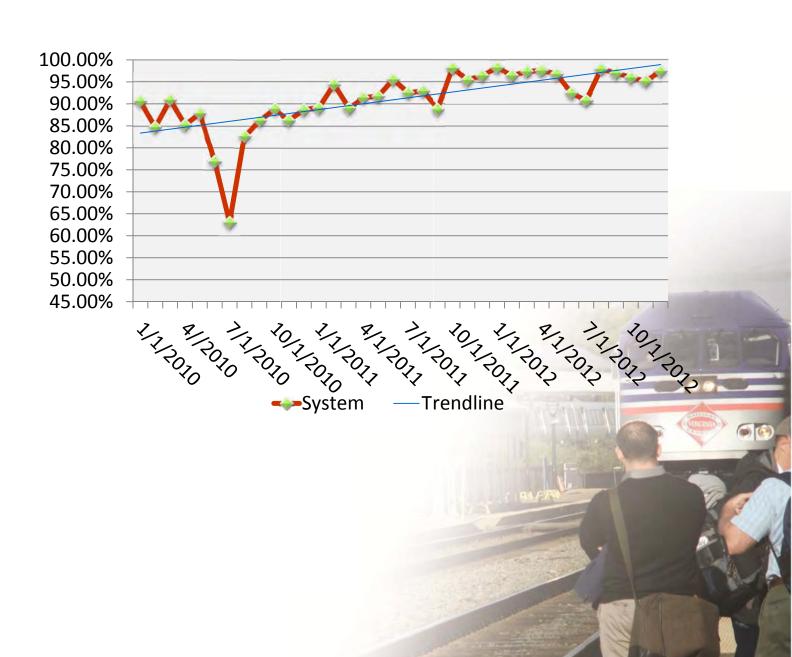




On-Time Performance

System Performance

January 2010 - January 2013

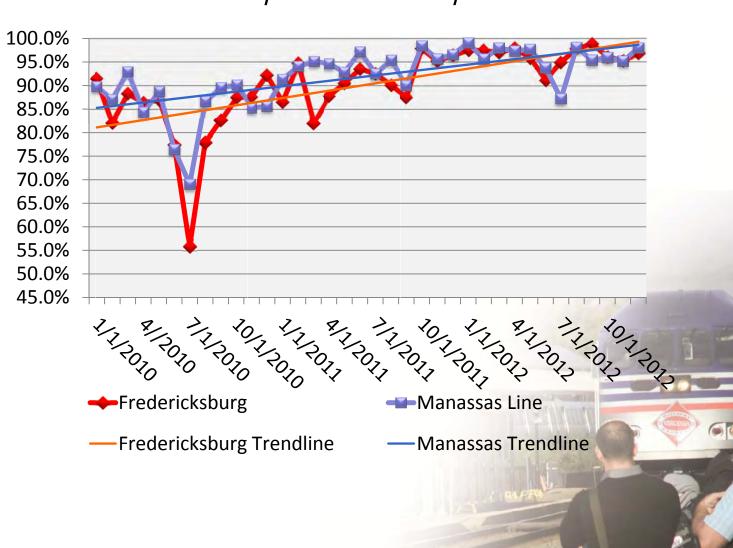




On-Time Performance

Performance by Line

January 2010 – January 2013





Ridership

January

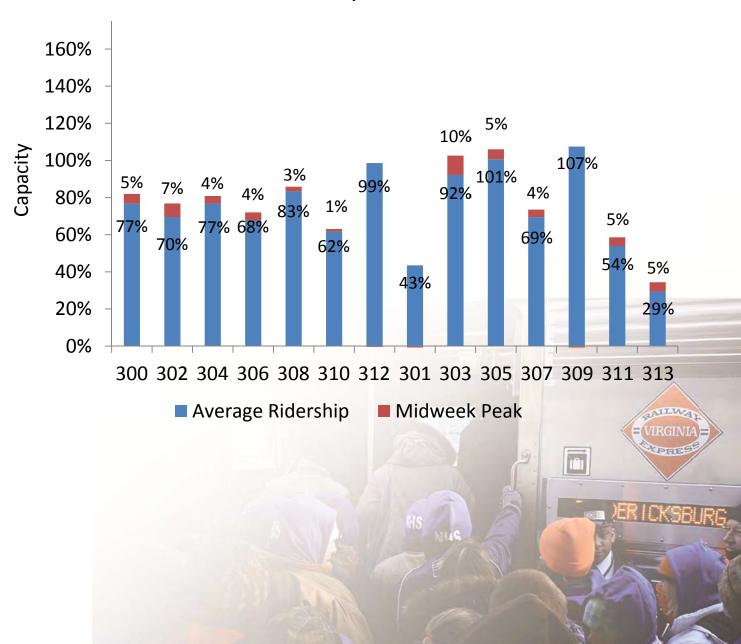
Date	Manassas AM	Manassas PM	Total Manassas	Actual OTP TD	Fred'burg AM	Fred'burg PM	Fred'burg Total	Actual OTP TD	Total Trips	Actual OTP TD
1										
2	4,417	4,200	8,617	100%	4,722	4,586	9,308	100%	17,925	100%
3	4,630	4,511	9,141	88%	5,173	5,150	10,322	100%	19,464	93%
<u>4</u>	4,380	3,614	7,994	94%	4,285	4,363	8,649	100%	16,643	97%
6										
7	4,714	4,339	9,053	100%	5,149	5,033	10,181	100%	19,234	100%
8	4,794	4,784	9,578	100%	5,392	5,486	10,878	100%	20,455	100%
9	4,873	4,711	9,584	100%	5,350	5,486	10,835	100%	20,420	100%
10	4,761	4,909	9,670	100%	5,167	5,226	10,393	100%	20,064	100%
11	4,056	3,742	7,799	100%	4,015	4,047	8,063	100%	15,861	100%
12	,,,,,,	-,	, , , ,		,	, ,	-,,,,,,,			
13										
14	4,930	4,629	9,559	100%	5,128	4,819	9,948	100%	19,506	100%
15	5,046	4,930	9,976	100%	5,173	5,401	10,574	100%	20,550	100%
16	4,905	4,879	9,784	88%	5,326	5,343	10,669	93%	20,452	90%
17	4,689	4,106	8,796	100%	4,790	5,163	9,954	100%	18,750	100%
18	3,716	3,785	7,501	100%	4,027	4,334	8,361	100%	15,862	100%
19										
20										
21										
22	4,633	5,016	9,649	100%	5,155	4,909	10,064	93%	19,714	97%
23	4,764	4,912	9,676	100%	5,492	5,200	10,692	100%	20,368	100%
24	4,315	4,248	8,564	75%	3,723	3,895	7,618	57%	16,182	67%
25	3,751	3,781	7,532	88%	4,260	4,231	8,491	100%	16,022	93%
26										
27										
28	2,677	3,202	5,879	100%	3,437	3,842	7,279	100%	13,158	100%
29	5,005	5,181	10,186	100%	5,721	5,377	11,099	93%	21,285	97%
30	4,865	4,840	9,705	100%	5,368	5,114	10,483	100%	20,188	100%
31	4,716	5,050	9,765	94%	5,264	5,405	10,669	86%	20,434	90%
	94,638	93,369	188,008	96%	102,117	102,411	204,528	96%	392,536	96%
		Amtrak Trains:	400			Amtrak Trains:	5,000			
		Adjusted total:	188,408			Adjusted Total:	209,528	Adjusted Total:	397,936	
	# (of Service Days:	21		Total	Trips This Month:	397,936	Adjusted Total:	397,936	
		Daily Avg. Trips:		Adjusted Avg.:	8972	Prior Total FY-2013:	2,260,408		,	
		Daily Avg. Trips:		Adjusted Avg.:	9978	Total Trips FY-2013:	2,658,344			
		Avg. Daily Trips:		Adjusted Avg.:	18,949	Total Prior Years:	57,778,565			
		J ,	.,,,,	,		Grand Total:	60,436,908			
Noto: /	Adjusted Aver	ngos & Totala	include all VP	E trine taken a	n Amtrak traina	, but do not includ	lo "Q" cobodule	n dave		
	nates "S" sch		include all VR	L tilps takell 0	II AIIIII AK II AIII IS	, Dat do Hot illelat	ie o soriedule	uays.		
_	rak Cross Hor	•	are estimates							
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Train Utilization

Fredericksburg Line

January 2013

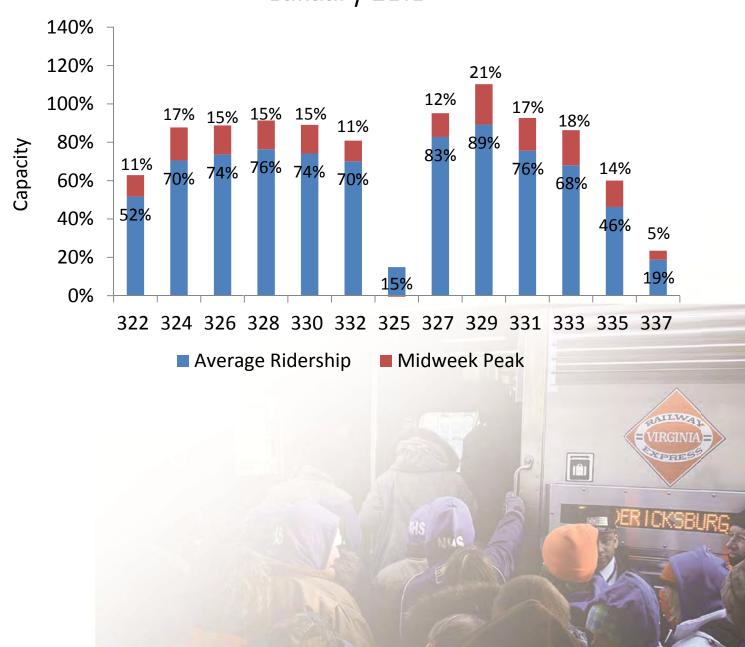




Train Utilization

Manassas Line

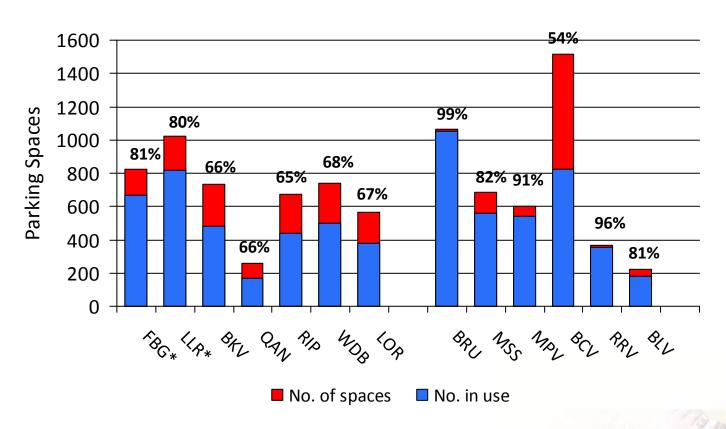
January 2013





Parking Utilization

January 2013



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



Financial Report

January 2013

A copy of the January 2013 Operating Budget Report is attached.

Fare income for the month of January 2013 was \$97,579 above the budget – a favorable variance of 3.40%. The cumulative variance for the year is -0.30% or \$60,087 below the adopted budget. Revenue in the first seven months of FY 2013 is down 6.7% compared to FY 2012. Revenue will be monitored closely over the next several months to see if the reinstatement of the higher federal transit subsidy in January 2013 will reverse the trend toward lower average revenue per trip experienced in the early part of the fiscal year.

A summary of the financial results (unaudited) as of January 2013 follows. Detail on the major revenue and expense categories is provided in the attached Operating Budget Report. Amounts shown reflect the amended FY13 budget.

MEASURES	DOLLARS	GOAL	ACTUAL
		550	550
Operating Ratio		55%	55%
	70 01/ F01		
Budgeted Revenue	79,814,561		
Budgeted Revenue YTD	53,814,700		
Actual Revenue YTD	53,845,916		
Cumulative Variance	31,216		31,216
Percent Collected YTD		67.42%	67.46%
Budgeted Expenses	79,814,561		
Budgeted Expenses YTD	46,821,850		
Operating Expenses YTD	44,019,588		
Cumulative Variance	2,802,262		2,802,262
Percent Expended YTD		58.66%	55.15%
Net Income (Loss) from Opera	tions		2,833,478

These figures are preliminary and unaudited.

VIRGINIA RAILWAY EXPRESS FY 2012 Operating Budget Report January 31, 2013

	CURR. MO. ACTUAL	CURR. MO. BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	 	TOTAL FY13 BUDGET
OPERATING REVENUE							
Passenger Ticket Revenue Other Operating Revenue Subtotal Operating Revenue	2,965,019 27,870 2,992,889	2,867,470 10,627 2,878,096	19,739,110 121,279 19,860,389	19,799,197 73,373 19,872,570	(60,087) 47,906 (12,181)	-0.3% 65.3% -0.1%	34,000,000 126,000 34,126,000
Jurisdictional Subsidy (1)	5,722,597	5,722,597	16,428,800	16,428,800		%0:0	15,806,379
Federal/State/Other Jurisdictional Subsidy Appropriation from Reserve Interest Income	2,314,386	2,311,565 - 5,086	17,546,698 - 10,029	17,478,216 - 35,114	68,483	0.4% 0.0% -71.4%	31,927,578 452,353 60,300
Total Operating Revenue OPERATING EXPENSES	11,029,872	10,917,344	53,845,916	53,814,700	31,216	0.1%	82,372,610
Departmental Operating Expenses Debt Service Insurance Other Non-Departmental Expenses	4,801,531 901,542 -	5,064,096 901,543 -	32,312,379 7,589,670 4,113,239 4,300	35,118,942 7,589,670 4,113,239	2,806,563 (0) - (4,300)	8.0% 0.0% 0.0%	61,122,964 14,000,567 4,100,000 3,149,079
Total Operating Expenses NET INCOME (LOSS) FROM OPERATIONS	5,703,073	5,965,639	44,019,588 9,826,328	46,821,850 6,992,850	2,802,262	%0.9	82,372,610

CALCULATED OPERATING RATIO

25%

(1) Total jurisdictional subsidy is \$16,428,800. Portion shown is attributed to Operating Fund only.

RAIL OPERATIONS:

Safety



In January, Greg Deibler was promoted from Passenger Operations Specialist to VRE's Manager of System Safety and Security following the departure of Sharmila Samarasinghe. Greg joined VRE in 2008 to oversee evening service operations and work with our host railroads to ensure service disruptions were managed and properly communicated. In addition to being involved in VRE's train operations, Greg has been involved with other VRE activities such as coordinating the fall 2012 Disaster Preparedness Drill. He recently graduated with a master's degree in transportation policy and operations from George Mason University.

Greg began his railroad career building railroad track panels while learning the basics of on the job safety. Prior to joining VRE, he was employed with Norfolk Southern (NS) as a freight conductor, eventually earning 1,500 miles of route and terminal operating qualifications. He advanced his commitment to rail safety through participation in various NS safety committees and with Operation Lifesaver, an organization dedicated to eliminating trespasser and oracle crossing fatalities.

Greg's goal in his new role as Manager of System Safety and Security is to continuously look for any opportunity to both emphasize and cultivate a culture of safety amongst VRE's passengers, staff and contractors – thus further improving what has already matured into a great commuter rail system.

GENERAL INFORMATION:

Legislative Update

Currently, the 2013 legislative session has reached the proverbial half way point known as "Crossover". The following is an overview of legislative items that are directly related to VRE:

Senate Bill 1210, introduced by Senator Richard Stuart, would have given the Chairman of the Commonwealth Transportation Board or his designee voting weight on the Virginia Railway Express oversight board equal to the highest jurisdiction. The bill also provides that the Chairman of the Commonwealth Transportation Board or his designee shall be included for purposes of constituting a quorum on certain transportation commissions and shall have voting rights equal to the appointees of component governments. The measure successfully was reported out of the Senate Transportation Committee; however, the bill was defeated in the Senate.

Legislative Update (Continued)



House Bill 2297, introduced by Delegate Eileen Filler-Corn, would have allocated funds for railroad access fees. The legislation provides funds for contract fees paid by the Virginia Railway Express for access to CSX Transportation, Norfolk Southern Corporation, and the National Railroad Passenger Corporation are to be allocated from the public transportation portion of federal Surface Transportation Program funds. This legislation would finally codify what has been past practice of the past five Governors and General Assembly to include these funds in their respective budgets. The bill passed the House Transportation Subcommittee where it was reported to the full committee. Before the full House Transportation Committee Delegate Filler-Corn made a strong presentation for passage of the legislation, but the measure failed 11 to 10

when a Northern Virginia legislator changed his vote against the bill at the last second. We truly appreciate the efforts of Delegate Filler-Corn for spear heading this initiative on behalf of VRE and the region.

House Bill 2152, introduced by Delegate Richard Anderson, is the same as Senate Bill 1210 in that it would have given the Chairman of the Commonwealth Transportation Board or his designee equal voting weight on the Virginia Railway Express oversight board. The bill also provides that the Chairman of the Commonwealth Transportation Board or his designee shall be included for purposes of constituting a quorum on certain transportation commissions and shall have voting rights equal to the appointees of component governments. The measure has received serious debate and consideration in the House. The bill was first reported to the House Transportation Subcommittee, where Chairman Cosgrove asked VDRPT and VRE to try and work with Delegate Anderson to find a common ground to move forward. The parties did meet but the bill came back before the Transportation Subcommittee before an agreement could be reached. The Subcommittee voted 2 to 2 on the bill, which usually results in a bill not moving forward; however, at the pleasure of the Subcommittee Chair the bill was sent ahead to the full House Transportation Committee. The House Transportation Committee voted straight party line 14 to 7 to move the bill, and on February 5th the House voted to pass the measure 66 to 33. The bill will be sent to the Senate and we are awaiting its assignment to committee.

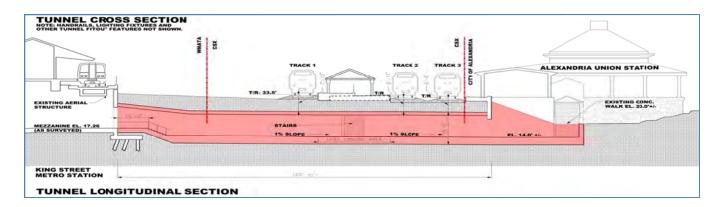
On the budget front, VRE remains in the Secretary's budget for funding for track access; however, Senator Colgan's budget amendment for \$7 million for core capacity improvements was recently struck from the final Senate Finance Committee report. We again thank Senator Coloan for his tireless efforts to advance VRE's needs before the General Assembly.



CAPITAL PROJECTS:

Alexandria

TUNNEL UPDATE: The Alexandria tunnel project will connect the King St - Old Town Metrorail station to the VRE Alexandria Station via a new pedestrian tunnel which will allow all three tracks to be accessible to both VRE and Amtrak passenger trains. A feasibility study was initiated to determine a preliminary cost estimate for construction of an ADA accessible tunnel, and the modification of the east side platform (so that train service can utilize both sides of the platform). The feasibility study draft was completed and distributed to stakeholders in January, 2013. A meeting is scheduled in February with VDOT and the City of Alexandria to discuss the findings of the study, environmental documents, project funding and other steps necessary to proceed. Design is anticipated to start in summer 2013 and be completed a year later, in summer 2014. Construction could then begin as early as fall 2014.



Spotsylvania

Third Track and Station: Both the track and station projects are slated for design completion by the end of February. Prefinal plans have been completed and circulated to CSX, DRPT and Spotsylvania County for final comment. Once all comments are received and CSX has performed preliminary signal design, the plans can be completed and the project



can be put out to bid for construction. We expect that invitations for bid for both projects will be issued by March, with construction beginning in spring 2013.

Franconia/Springfield

The repair and replacement of major structural components of the existing steel stair tower that connects the VRE platform to the Metrorail station is nearing completion. Concrete placement and painting are scheduled to be completed by the end of February, weather permitting. This coincides with plans to place the existing stair tower back in service by March, 2013. The project is scheduled to be complete in April of this year.



Lorton Station

The Lorton Station consists of a 400-ft platform with a 65-ft steel canopy that can accommodate a five car train set. The existing platform will be extended an additional 250-ft northward, as shown in the photo, plus the addition of a 100-ft steel canopy. This will extend the total platform length to approximately 650-ft, allowing an eight car train set to service the station more efficiently and safely. It will also provide 165-ft of total overhead canopy, fitted with LED lighting, to shelter passengers from the elements. The platform extension will be 16-ft wide with handrails along the back edge. Additionally, the existing platform handrail connections will be repaired and the existing canopy provided with LED lighting, roof decking and gutter pan. The existing at-grade track crossing will be removed and placed at the end of the extended platform. A concrete sidewalk will be added to connect the northern end of the existing



parking lot to the extended platform. The platform design is substantially complete and has been submitted to Fairfax County for permitting. Construction is expected to begin in summer 2013 and be complete in fall 2013.

Status Gainesville

VRE is awaiting Norfolk Southern signature on the match agreement for the project. Once signed by both parties, the agreement solidifies Norfolk Southern's local match contribution to the project and will allow VRE to proceed with the planning and environmental work.

Long Bridge Update

I attended a Bridge Workshop on January 24, 2013 along with Christine Hoeffner, VRE Planning Manager, sponsored by the District Department of Transportation (DDOT). DDOT received an American Recovery and Reinvestment Act (ARRA) grant to study the bridge.

Objectives of the study include:

- Analyze the structural integrity and identify short-term structural remediation requirements
- Analyze multi-modal connectivity and operational improvements
- Analyze long-term multi-modal capacity improvements, including future operating requirements for high-speed and intercity passenger rail, commuter rail, transit, bike and pedestrian, and freight services over the Potomac River

The workshop included an overview of the existing structure, discussion of bridge design considerations (e.g., bridge architecture, span lengths, height limitations), and bridge alignment considerations (e.g., adjacent land uses affecting alignment, relationship to VRE stations at each end of the bridge, need to maintain existing bridge operations during construction). Two small group discussions were held for participants to provide their ideas and input on bridge architecture and aesthetics and on alignment alternatives at either end of the bridge.



Rail Car Acquisition and Production

Production at Nippon-Sharyo's Toyokawa, Japan manufacturing facility of 8 new rail cars continues. Piece parts and assemblies for the car shells will be completed by summer. The car shells will then be shipped to Nippon Sharyo's new manufacturing facility in Rochelle, IL for final assembly. With the opening of this new facility, all future VRE car orders with Sumitomo Corporation/Nippon Sharyo will be assembled entirely in the U.S.



VIRGINIA RAILWAY EXPRESS

BOARD MEMBERS

PAUL SMEDBERG CHAIRMAN

PAUL MILDE VICE-CHAIRMAN

JONATHAN WAY
TREASURER

JOHN COOK SECRETARY

SHARON BULOVA
MAUREEN CADDIGAN
WALLY COVINGTON
FREDERIC HOWE
JOHN JENKINS
SUHAS NADDONI
KEVIN PAGE
GARY SKINNER
BOB THOMAS
CHRIS ZIMMERMAN

ALTERNATES

MARC AVENI
THELMA DRAKE
BRAD ELLIS
JAY FISETTE
FRANK JONES
MICHAEL MAY
JEFF McKAY
MARTIN NOHE
BENJAMIN PITTS
SUSAN STIMPSON

DOUG ALLENCHIEF EXECUTIVE
OFFICER

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

MINUTES

VRE OPERATIONS BOARD MEETING PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA JANUARY 18, 2013

MEMBERS PRESENT	JURISDICTION
Sharon Bulova (NVTC)	Fairfax County
John Cook (NVTC)	Fairfax County
Wally Covington (PRTC)	Prince William County
Frederic Howe (PRTC)	City of Fredericksburg
John D. Jenkins (PRTC)	Prince William County
Paul Milde (PRTC)	Stafford County
Gary Skinner (PRTC)	Spotsylvania County
Paul Smedberg (NVTC)	City of Alexandria
Bob Thomas (PRTC)	Stafford County
Jonathan Way (PRTC)	City of Manassas
Christopher Zimmerman (NVTC)	Arlington County

MEMBERS ABSENT	JURISDICTION
Maureen Caddigan (PRTC)	Prince William County
Kevin Page	DRPT
Suhas Naddoni (PRTC)	City of Manassas Park

ALTERNATES PRESENT	JURISDICTION
Thelma Drake	DRPT

ALTERNATES ABSENT	JURISDICTION
Marc Aveni (PRTC)	City of Manassas
Brad Ellis (PRTC)	City of Fredericksburg
Jay Fisette (NVTC)	Arlington County
Frank C. Jones (PRTC)	City of Manassas Park
Michael C. May (PRTC)	Prince William County
Jeff McKay (NVTC)	Fairfax County
Martin E. Nohe (PRTC)	Prince William County
Benjamin T. Pitts (PRTC)	Spotsylvania County
Susan Stimpson (PRTC)	Stafford County

STAFF AND GENERAL PUBLIC Ann King – VRE Doug Allen - VRE Jeremy Borden - Washington Post Mike Lake - Fairfax County DOT Donna Boxer - VRE Lezlie Lamb - VRE Rich Dalton - VRE Bob Leibbrandt - Prince William County Rob Dickinson – Prince William County Steve MacIsaac - VRE counsel John Duque - VRE Betsy Massie - PRTC Patrick Durany - Prince William County Jennifer Mouchantaf - VRE Rhonda Gilchrest - NVTC staff Dick Peacock - Citizen Claire Gron - NVTC staff Lynn Rivers - Arlington County Al Harf - PRTC staff Mark Roeber - VRE Chris Henry - VRE Scott Shenk - Free Lance Star Kim Herman—Stafford County Brett Shorter - VRE Christine Hoeffner - VRE

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

Chairman Covington called the meeting to order at 9:40 A.M. Following the Pledge of Allegiance, roll call was taken.

Approval of the Agenda – 3

Ms. Bulova moved, with a second by Mr. Jenkins, to approve the agenda. The vote in favor was cast by Board Members Bulova, Cook, Covington, Drake, Howe, Jenkins, Milde, Smedberg, Skinner, Way and Zimmerman.

Approval of the Minutes of the December 21, 2012 Operations Board Meeting – 4

Ms. Bulova moved approval of the minutes and Mr. Way seconded. The vote in favor was cast by Board Members Bulova, Cook, Covington, Drake, Jenkins, Milde, Smedberg, Way and Zimmerman. Mr. Howe and Mr. Skinner abstained.

Installation of New Officers – 5

Chairman Covington reviewed the officers for 2013 which were approved at the December meeting:

Chairman: Paul Smedberg Vice-Chairman: Paul Milde Secretary: John Cook Treasurer: Jonathan Way

Chairman Covington handed over the gavel to Mr. Smedberg. On behalf of the VRE Operations Board, Chairman Smedberg presented Mr. Covington with a model VRE train set and a framed photograph of the VRE locomotive as a token of appreciation for his hard work as chairman during 2012.

New Chairman's Comments – 6

Chairman Smedberg reported that a Capital Subcommittee has been established to discuss capital budget issues. Mr. Way will chair the committee consisting of Mr. Cook, Mr. Milde, Mr. Zimmerman, Mr. Howe and Mr. Jenkins. Their first meeting will be held after today's Operations Board meeting. All Board Members are welcome to attend the meeting.

Chairman Smedberg stated that it was brought to the Board's attention that during the current General Assembly Session legislation was introduced (SB1210/HB2152) that would amend the Transportation District Act to provide the Chairman of the Commonwealth Transportation Board with one vote on the VRE Operations Board with a weight equivalent to that of the VRE member jurisdiction paying the highest annual subsidy as determined under the VRE Master Agreement. There was a Senate

Transportation Committee hearing yesterday and Mr. Roeber provided testimony. Chairman Smedberg stated that it is important for VRE to comment on this legislation. A resolution was drafted in direct response to Senator Wagner's request that VRE respond. Resolution #06-01-2013 was distributed to Board Members.

Ms. Bulova stated that she hopes there will be an explanation from DRPT on why this legislation was needed since there is already a process in place for making changes to the VRE Master Agreement.

Ms. Drake stated that as the Code is currently written, that all actions by transportation district commissions must be approved by a majority of jurisdictions, which takes away the ability for the Commonwealth's vote to be counted unless it is voting with the majority. It also clarifies that legislators who are members of a transportation district commission have an effective vote. DRPT was completely unaware that there was a problem until the VRE Operations Board had a split vote on whether to ask for an audit from the Auditor of Public Accounts. DRPT's vote didn't count. She disagrees with VRE's percentages of state funding for the last three years. According to DRPT, in FY 2013, the state's contribution to VRE was 32 percent of VRE funding, which makes the Commonwealth a very significant contributor to VRE.

Chairman Smedberg expressed his concern about hearing some of the comments and impressions people had about VRE as a result of the Senate hearing. He asked Mr. MacIsaac to comment. Mr. Macisaac stated that he was not at the Senate hearing but he heard unsolicited comments and there was an impression given at the hearing that the need for this change was because VRE had hindered an FBI investigation. He was surprised to hear this because he has been very involved in both the Audit of Public Accounts and the FBI investigation. Mr. MacIsaac contacted the FBI and verified that VRE has been very cooperative and forthcoming. He reminded the Board that the Auditor of Public Accounts is looking at VRE's organizational structure and governance issues. Ms. Drake responded that her comments were that there was an FBI investigation and there was a vote about the audit. Accusations were not part of her comments.

Ms. Bulova stated that she was not present at the meeting where the weighted vote occurred, but it is her understanding that the audit was not supported because there was concern that it would interfere with the FBI investigation and the Board should wait until that was completed before deciding if an audit was needed. The weighted vote was not an attempt to thwart the FBI investigation or a state audit.

Mr. Cook asked staff for clarification of the percentage of funding VRE receives from the Commonwealth. Ms. Boxer explained that staff looked at the last three years and the state's contribution did not reach 32 percent for any of these years. Based on VRE's audited financial statements for FY 2013 it was broken down by 39 percent fares, 28 percent federal, 18.5 percent local, and 14.5 percent state. Ms. Drake stated that there are federal funds that flow through the state and are totally within state control. DRPT considers these state funds.

Mr. Cook asked why the state chose to introduce legislation without the courtesy first of coming the Operations Board and following the process in the Master Agreement to amend the voting formula? Ms. Drake stated that the Commonwealth was extremely concerned about having a vote and felt it was necessary to represent the Commonwealth's financial contributions that it provides to VRE. Mr. Cook observed that the weighted vote occurred over six months ago and the state never came to the Board expressing concern or asking for a change in the voting formula. The VRE Operations Board found out about the state's concerns after the legislation was He stated that it is somewhat reminiscent of the track access fee issue introduced. where the state wouldn't discuss it with the jurisdictions. He stated that the goal of each Board Member should be to have an efficient, effective and fiscally well managed transit system. It's hard to maximize efficiency and effectiveness when there is in-fighting. Communication and mutual respect are very important. Ms. Drake stated that she disagrees with Mr. Cook's track access fee comment. There was an incredible amount of effort in Richmond to resolve the issue. She stated that Mr. Cook's point is well taken that DRPT could have come to the Board to seek a change, but this is the way it was dealt with. However, the underlying policy decision is that the state is a major financial contributor to VRE and it needs to have a vote that is effective.

In response to a question from Mr. Covington, Mr. MacIsaac gave some historical background of the VRE Master Agreement. It was written primarily as an organizational document and a financing document to demonstrate to the bond underwriters how VRE would generate revenue to pay debt service. The only ones who would step up and commit to pay debt service each year were the jurisdictions. The Commonwealth has never been part of VRE's funding formula.

Mr. Covington observed that during the last five state administrations there was no request from the state to make a change to VRE's Master Agreement. Mr. Covington also expressed his concern with how this legislation was presented and that DRPT did not come to the Operations Board with its concerns. Ms. Drake stated that the weighted vote at the August VRE Operations Board meeting was the first time that ever happened where the state's vote was thrown out. Ms. Bulova disagreed that the state's vote was thrown out.

Mr. Howe asked the Board to look at it from a purely business perspective. If he was paying he would want a vote. He agrees that it is bothersome how this occurred and he is not happy with what the state did. However, putting that aside, these are taxpayer dollars that the state has a responsibility to make sure are used properly. He asked what is the objection to letting the state have a weighted vote. Mr. Cook responded that he did not hear any Board Member opposed to discussing a change to the voting formula. The formula was originally developed based on the commitment to debt service. One part of the discussion needs to be about what the formula is going to be based on; funding that comes in each year or does the voting formula change based on the amount an entity puts in? You can't get bond funding without someone committing to cover debt. It is a fair argument by the jurisdictions that the voting formula should be based on the willingness to cover debt. It's also a fair discussion to say how federal funds are considered. Federal funds may be under some state control, but it is still federal money.

Mr. Zimmerman noted that not everyone who invests in a business gets a vote. Bond holders are not members of the Board of Directors. In this situation it is more complex both on the debt side and the operating side. It's ultimately a governance question. This is taxpayer's money from whatever source (federal, state or local). The question is who is the best steward to the taxpayer. This is about whether there will be a power shift from a local elected board to an appointee of an appointee that may not even be from this region. Mr. Zimmerman stated that Ms. Drake's logic that federal dollars should be counted as state dollars is the same argument that can be made that state dollars should be counted as local dollars. Northern Virginia tax dollars go down to Richmond and make up 75 percent of the state's transportation funding. The best protection for the taxpayer is to have someone directly responsible to those taxpayers. State administrations change every four years.

Mr. Zimmerman stated that the debt argument is a valid argument, but an argument can also be made concerning the year-to-year operating budget decisions. Almost every year VRE has a budget gap that needs to be filled and the jurisdictions decide how to fill the gap (an increase in local subsidy, increase in fares, or budget cuts). The Commonwealth has offered to help fill the budget gap. This should be the basis for who votes. If the state wants to be part of that formula, he would agree that the state should have a weighted vote.

Ms. Bulova pointed out that the state does have a vote on the Operations Board and DRPT has been very helpful and a good partner to VRE over the years. It is unfortunate that the bill had been introduced in such a hostile way. Any Board Member who feels there needs to be a change can come to the Board and request a change. Mr. Skinner thanked DRPT for working on the track access fee issue, but expressed concern that the state regards these federal dollars as state dollars. In regards to the split vote, DRPT's vote was not ignored. He does not want to see the state moving in the direction of gaining so many votes that it would never lose a vote. He believes in equal money; equal votes. He takes offense to anybody thinking that VRE has impeded an FBI investigation and/or the audit.

Mr. Milde expressed his opinion that this was a heavy handed and sneaky last minute effort to wrest away control from the VRE Operations Board. Now there will be legislators, and in most cases who don't represent VRE riders, who will decide the issue. If this legislation passes, the state will take control of VRE and that is not fair. He does not understand why DRPT would not wait until the FBI investigation and the audit were complete before seeking changes. Mr. Jenkins stated that the VRE Operations Board has shown that jurisdictions can harmoniously work together. He is very surprised to see this legislation introduced.

Ms. Bulova moved to approve Resolution #06-01-23 with a wording change of "that they" be added on the second page. Mr. Covington seconded but asked that it include wording that would support a change in the voting formula if the state made a funding commitment and join the Master Agreement, which is the same budget commitments of the jurisdictions. It needs to be a partnership.

Mr. Cook agreed and also suggested a new whereas clause that the Operations Board welcomes any motions that the state wishes to make to review the funding formula, as well as the Board welcomes a discussion about the state's participation in the Master Agreement. It is important to make it clear that the VRE Operations Board has a process to discuss issues and make changes.

Mr. Skinner stated that it is important to convey that the Operations Board is against the legislation but is open to dialog with the state. It there is a misrepresentation or misunderstanding of the facts, then the VRE Operations Board's reputation is at stake. He suggested VRE have representatives from the FBI and the Audit of Public Accounts verify that VRE has cooperated fully.

Mr. Howe stated that DRPT, as a member of the Operations Board, did not follow procedure. The resolution should include information that VRE has a process that handles these types of issues and DRPT did not follow the process. VRE should request that the legislation be tabled. Mr. Howe asked that his comments be incorporated into the resolution. Mr. Way stated that VRE should not expect that the General Assembly will follow VRE Operations Board procedures. In his opinion, the FBI issue is somewhat of a red herring. The issue is whether the state should have a voice proportionate to its contribution, and if so, how it should be measured.

Ms. Drake stated that one of the issues is that the VRE Operations Board can approve changes but it has to forward them to NVTC and PRTC for approval. That can be an issue, especially on the NVTC side. Resolving the WMATA seat issue was a very lengthy process. Mr. Cook stated that it shouldn't keep the Board from taking action.

Mr. Milde stated that commitment to debt service is important. Mr. Cook stated that he thinks it would be a mistake to put in the resolution what VRE thinks should be the result without having dialogue with the state first. He read specific language he would like to see incorporated into the resolution. Board members discussed the merits of whether to include this in the resolution.

Chairman Smedberg suggested that the Board keep the motion on the table and he asked legal counsel and staff to work on the wording of the resolution incorporating the amendments and the essence of Board Member comments. Mr. Cook requested that his whereas clause be typed up separately for consideration. Chairman Smedberg stated that the Board will continue with other VRE business and return to this issue later in the agenda. There were no objections.

Chief Executive Officer's Report - 6

Mr. Allen reported that overall on-time performance (OTP) for the month of December was 97.5 percent. There was one major delay caused by electrical issues. The cause of the problem is still under investigation, but staff does not believe it is a systematic problem. Average Daily Ridership continues to be strong at 19,500 for the month of December. On January 12th Mr. Allen attended the launching of the inaugural ride of the new Fairfax Connector Bus service to Tysons. The new service will pick up

passengers at the Burke Centre VRE Station and take them via the new Express Lanes to Tysons. Riders living in the Broad Run/Manassas area will now have a new commuting option. VRE will continue to market this new service.

Mr. Allen updated the Board on the progress made regarding the Spotsylvania Station, Potomac Shores Station, the Gainesville/Haymarket extension, and his meeting with WMATA General Manager Sarles concerning long-range system planning. He also announced that on January 22nd VRE will move around some of its railcars to address overcrowding on some trains.

VRE Riders' and Public Comment - 7

Mr. Dick Peacock stated that VRE needs to publicize that the federal transit subsidy has been restored. It should result in additional riders. Funding spent on rail has been wisely spent and it is important to recognize that VRE has been very successful. Mr. Skinner stated that the federal transit benefit was increased to \$245 a month.

Authorization to Issue a Request for Proposals for Consulting Services Related to a VRE System Plan – 9A

Mr. Allen stated that the VRE Operations Board is being asked to authorize him to issue a RFP for the procurement of consulting services related to a VRE System Plan. Resolution #9A-01-2013 would accomplish this. He explained that the intent of this action is to begin the preparations of looking at the next expansion phase as VRE faces critical capacity issues. In response to a question from Chairman Smedberg, Mr. Allen stated that funds are available in VRE's operating budget for this action.

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

Authorization to Award a Contract for Station Communication Cabinets – 9B

Mr. Allen explained that the VRE Operations Board is being asked to authorize him to enter into a contract with Rio Prime, LLC of Fredericksburg, Virginia for the upgrade of station communication cabinets. The contract will be in the amount of \$138,150, plus a 10 percent contingency of \$13,815, for a total amount not to exceed \$151,965. Resolution #9B-01-2013 would accomplish this.

Mr. Milde stated that he was recently in Frankfurt, Germany where they have big screens at the stations making announcements and providing advertising. He thinks that this is a great idea. Mr. Allen stated that VRE has advertising at each station. However, these communication cabinets only house network devices for VRE's fare collection system, visual messaging sign (VMS) system and secure network communication.

Mr. Milde moved, with a second by Ms. Bulova, to approve Resolution #9B-01-2013. The vote in favor was cast by Board Members Bulova, Cook, Covington, Drake, Howe, Jenkins, Milde, Smedberg, Skinner, Way and Zimmerman.

Authorization to Award a Contract for Inspection Pit Covers and Fall Protection at the VRE Maintenance Facilities – 9C

Mr. Allen explained that Resolution #9C-01-2013 would authorize him to award a contract to Industrial TurnAround Corporation (ITAC), of Chester, Virginia, for the design and installation of inspection pit covers and fall protection at VRE maintenance facilities in the amount of \$154,074, plus a 10 percent contingency of 415,408, for a total amount not to exceed \$169,482.

Ms. Bulova moved, with a second by Mr. Howe, to approve the resolution. The vote in favor was cast by Board Members Bulova, Cook, Covington, Drake, Howe, Jenkins, Milde, Smedberg, Skinner, Way and Zimmerman.

Authorization to Amend the Parking Lease at Rippon Station – 9D

Mr. Allen stated that the VRE Operations Board is being asked to authorize him to extend the current lease agreement with Kettler for 320 parking spaces at the Rippon Station. The lease extension would be in the amount of \$161,645 for one year. Resolution #9D-01-2013 would accomplish this.

In response to a question from Mr. Skinner, Mr. Allen explained that the land belongs to the developer and VRE is leasing parking spaces. Mr. Skinner asked if VRE would pay if Spotsylvania County leased land for its parking. Mr. Allen responded that parking costs are usually the financial responsibility of the jurisdictions. In this case, when the developer puts in permanent parking with the development, VRE's lease would end. Mr. Milde stated that some of the older parking projects are grandfathered into the old process. Mr. Allen stated that he is planning on working to make all the parking agreements consistent. Mr. Way observed the lease cost equates to \$2 a day for each space.

Mr. Howe moved, with a second by Mr. Covington, to approve Resolution #9D-01-2013. The vote in favor was cast by Board Members Bulova, Cook, Covington, Drake, Howe, Jenkins, Milde, Smedberg, Skinner, Way and Zimmerman.

Continuation of Discussion of Resolution #06-01-2013

The new resolution was handed out to Board Members and Mr. MacIsaac reviewed the content of the resolution. Mr. Skinner suggested keeping only the first sentence in the second resolve clause. Mr. Cook cautioned that if the intent of VRE is to stop the legislation, VRE needs to be careful that it isn't making demands. Mr. Zimmerman

observed that the second sentence is important but it may be better to separate them into two resolve clauses so it is not construed that VRE is trying to set down conditions for discussion of the issue of the Commonwealth's vote. Mr. Way agreed. Ms. Bulova stated that as the original maker of the motion, she supports separating the clause into two resolve clauses. Mr. MacIsaac provided specific language.

The Board then voted on the amended resolution. The vote in favor was cast by Board Members Bulova, Cook, Covington, Howe, Jenkins, Milde, Smedberg, Skinner, Way and Zimmerman. Ms. Drake voted no.

(Ms. Drake left the meeting and did not return.)

Operations Board Member's Time - 10

Mr. Skinner updated the Board on the Spotsylvania Station. The final design for the parking lot is at 30 percent. The County will meet with VDOT early in February to get their input and then the County will begin acquisition of the land.

Mr. Howe stated that parking capacity in Fredericksburg is a major concern. He asked that this be included in the discussions of the Capital Subcommittee. He stated that it will be important to review the commitments made between VRE and Fredericksburg concerning parking. He personally does not believe that the City will lose a significant number of Spotsylvania riders who currently park in the City when the new Spotsylvania Station opens.

Adjournment

John Cook Secretary

CERTIFICATION	CF	RT		CA.	TIC	N
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This certification hereby acknowledges that the minutes for the January 18, 2013 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Silchnest

Rhonda Gilchrest

CHAIRMAN SMEDBERG AND THE VRE OPERATIONS BOARD

FROM:

DOUG ALLEN

DATE:

JANUARY 18, 2013

RE:

OPPOSITION TO SB 1210 and HB 2152 IN THE VIRGINIA

GENERAL ASSEMBLY

RESOLUTION 06-01-2013 OF THE VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD

WHEREAS, the Virginia Railway Express (VRE) commuter rail service was first established in 1989 under the VRE Master Agreement among the Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC), and the local member jurisdictions of NVTC and PRTC who agreed to pay a subsidy, subject to annual appropriations, to support VRE operations; and

WHEREAS, the VRE Master Agreement provides for a joint subcommittee of NVTC and PRTC called the VRE Operations Board comprised by the local jurisdictions that fund VRE operations and a representative of the Chairman of the Commonwealth Transportation Board; and

WHEREAS, each jurisdiction that funds VRE has a vote on the VRE Operations Board with a weight based on the number of VRE riders from the jurisdiction and the amount of annual subsidy paid by the jurisdiction; and

WHEREAS, NVTC and PRTC receive grant funding from the Commonwealth each year to support VRE operations, which funding varies from year to year and constitutes approximately 16% of the VRE budget each year; and

WHEREAS, SB 1210 and HB 2152 have been introduced in the 2013 Virginia General Assembly which bills provide the Chairman of the Commonwealth Transportation Board (CTB) with one vote on the VRE Operations Board with a weight equivalent to that of the VRE member jurisdiction paying the highest annual subsidy as determined under the VRE Master Agreement; and

WHEREAS, these bills are unnecessary given that the CTB Chairman or his designee already has a voting member on the VRE Operations Board, as well as on both NVTC and PRTC; and

WHEREAS, as proposed, the bills provide the CTB Chair with a vote on the VRE Operations Board equal to the jurisdiction paying the highest annual subsidy without any commitment by the Commonwealth that they themselves make an annual subsidy payment; and

WHEREAS, as proposed, the bills weaken the voice on the VRE Operations Board of the jurisdictions that pay the majority of the annual subsidy for VRE, and whose constituents rely upon the VRE every day to commute to work; and

WHEREAS, as proposed, the bills nullify the regional consensus among NVTC, PRTC, and the nine counties and cities who have signed the VRE Master Agreement, who currently are and other obligations as issued in reliance upon the VRE Master Agreement; and

WHEREAS, the VRE Operations Board has procedures for addressing requests for amendments to the governing documents which were not followed by the Commonwealth, and the VRE Operations Board welcomes the Commonwealth's initiation of requested changes to the Master Agreement and ByLaws.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby oppose SB 1210 and HB 2152; and

BE IT FURTHER RESOLVED THAT, the VRE Operations Board requests that SB 1210 and HB 2152 be tabled while the Commonwealth has discussions with the VRE Operations Board about potential changes to the VRE Master Agreement to address its concerns; and

BE IT FURTHER RESOLVED THAT, the VRE Operations Board is willing to consider potential changes including those that would make the Commonwealth a part of the annual VRE subsidy formula through its commitment, subject to appropriations, to fund a portion of the VRE annual budget, including debt service, and that would make corresponding changes to the subsidy formula and voting structure on the VRE Operations Board; and,

BE IT FURTHER RESOLVED THAT, in the event the bills are not tabled, the VRE Operations Board does hereby urge the General Assembly to defeat SB 1210 and HB 2152 in favor of retaining the organizational structure provided for in the VRE Master Agreement which has proven successful for over twenty years; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board Chairman will transmit this resolution to the Governor and General Assembly, including the President of the Senate, Speaker of the House, and Chairman of the appropriate House and Senate Committees; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board will forward this resolution to both NVTC and PRTC for consideration and action at their next scheduled meetings.

Approved this 18th day of January, 2013

Paul Smedberg

Chairman

John Cook

Secretary

CHAIRMAN SMEDBERG AND THE VRE OPERATIONS BOARD

FROM:

DOUG ALLEN

DATE:

JANUARY 18, 2013

RE:

AUTHORIZATION TO ISSUE A REQUEST FOR PROPOSALS FOR CONSULTING SERVICES RELATED TO A VRE SYSTEM PLAN

RESOLUTION 9A-01-2013 OF THE VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD

WHEREAS, VRE's Strategic Plan was completed approximately nine years ago; and,

WHEREAS, VRE's Transit Development Plan (TDP) addresses the FY14-19 planning horizon and is the planning document supporting the VRE Capital Improvement Plan; and,

WHEREAS, there have been a number of changes within the VRE service area and operating environment that are not addressed in the Strategic Plan or the TDP; and,

WHEREAS, a system-wide plan is needed to begin eliminating current capacity constraints and identifying VRE improvements that help to address regional transportation needs; and,

WHEREAS, consultant services are required to assist in developing a plan that outlines VRE system priorities and a strategy to achieve it.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board authorizes the Chief Executive Officer to issue a Request for Proposals for the procurement of consulting services to prepare a VRE System Plan.

Approved this 18th day of January 2013

Paul Smedberg Chairman

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CHAIRMAN SMEDBERG AND THE VRE OPERATIONS BOARD

FROM:

DOUG ALLEN

DATE:

JANUARY 18, 2013

RE:

AUTHORIZATION TO AWARD A CONTRACT FOR STATION

COMMUNICATION CABINETS

RESOLUTION 9B-01-2013 OF THE VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD

WHEREAS, in August of 2012, the VRE Operations Board approved the issuance of an IFB for the upgrade of existing station communication cabinets; and,

WHEREAS, the IFB was issued on November 26, 2012 and two bids were received on December 17, 2012; and,

WHEREAS, the scope of services includes upgrade of the old communication cabinets to new standardized rack mounted equipment as well as installation of air conditioning units and uninterruptible power supply devices.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board authorizes the Chief Executive Officer to enter into a contract with Rio Prime, LLC of Fredericksburg, Virginia for the upgrade of station communication cabinets. The contract will be in the amount of \$138,150, plus a 10% contingency of \$13,815, for a total amount not to exceed \$151,965.

Approved this 18th day of January 2013

Paul Smedberg

Chairman

\$ecretary

CHAIRMAN SMEDBERG AND THE VRE OPERATIONS BOARD

FROM:

DOUG ALLEN

DATE:

JANDUARY 18, 2013

RE:

AUTHORIZATION TO AWARD A CONTRACT FOR INSPECTION PIT COVERS AND FALL PROTECTION AT THE VRE MAINTENANCE

FACILITIES

RESOLUTION 9C-01-2013 OF THE VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD

WHEREAS, VRE has moved all rolling stock maintenance and repair activities to facilities at the Crossroads and Broad Run yards; and,

WHEREAS, VRE continues to look for enhancements to the safe use of these facilities; and.

WHEREAS, two areas targeted for enhancement are protection of the inspection pits, both in the storage yards and S&I buildings, and fall protection inside the S&I buildings related to performing work on top of the rolling stock equipment; and,

WHEREAS, this work was supported through the APTA Commuter Rail Safety Management audit; and,

WHEREAS, these enhancements are necessary to maintain the safest working environment.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board authorizes the Chief Executive Officer to award a contract to Industrial TurnAround Corporation, of Chester, Virginia, for the design and installation of inspection pit covers and fall protection at VRE maintenance facilities in the amount of \$154,074, plus a 10% contingency of \$15,408, for a total amount not to exceed \$169,482.

Approved this 18th day of January 2013

Paul Smedberg

Chairman

John Cook Secretary

CHAIRMAN SMEDBERG AND THE VRE OPERATIONS BOARD

FROM:

DOUG ALLEN

DATE:

JANUARY 18, 2013

RE:

AUTHORIZATION TO AMEND THE PARKING LEASE AT

RIPPON STATION

RESOLUTION 9D-01-2013 OF THE VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD

WHEREAS, in May 2002, the Operations Board approved a three year lease with Hazel Land for 320 parking spaces at the Rippon VRE Station; and,

WHEREAS, these additional spaces were instrumental in reducing the parking shortage at Rippon where the parking lot was routinely 97% full; and,

WHEREAS, the lease has been renewed several times, with the current extension set to expire at the end of February 2013; and,

WHEREAS, VRE staff is requesting permission to extend the lease for one additional year.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board authorizes the Chief Executive Officer to extend the current lease agreement with Kettler for 320 parking spaces at the Rippon Station. The lease extension would be in the amount of \$161,645 for one year.

Approved this 18th day of January 2013

Paul Smedberg

Chairman

John Cook Secretary



VIRGINIA RAILWAY EXPRESS

BOARD MEMBERS

PAUL SMEDBERG CHAIRMAN

PAUL MILDE VICE-CHAIRMAN

JONATHAN WAY
TREASURER

JOHN COOK SECRETARY

SHARON BULOVA
MAUREEN CADDIGAN
WALLY COVINGTON
JOHN JENKINS
SUHAS NADDONI
KEVIN PAGE
GARY SKINNER
BOB THOMAS
CHRIS ZIMMERMAN

ALTERNATES

MARC AVENI
THELMA DRAKE
BRAD ELLIS
JAY FISETTE
FRANK JONES
TIM LOVAIN
MICHAEL MAY
JEFF MCKAY
MARTIN NOHE
BENJAMIN PITTS
SUSAN STIMPSON

DOUG ALLENCHIEF EXECUTIVE
OFFICER

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

MINUTES

VRE OPERATIONS BOARD MEETING PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA FEBRUARY 15, 2013

MEMBERS PRESENT	JURISDICTION
Sharon Bulova (NVTC)	Fairfax County
Maureen Caddigan (PRTC)	Prince William County
John Cook (NVTC)	Fairfax County
Wally Covington (PRTC)	Prince William County
John D. Jenkins (PRTC)	Prince William County
Paul Milde (PRTC)	Stafford County
Kevin Page	DRPT
Paul Smedberg (NVTC)	City of Alexandria
Bob Thomas (PRTC)	Stafford County
Jonathan Way (PRTC)	City of Manassas

MEMBERS ABSENT	JURISDICTION
Gary Skinner (PRTC)	Spotsylvania County
Suhas Naddoni (PRTC)	City of Manassas Park
Christopher Zimmerman (NVTC)	Arlington County
vacant (PRTC)	City of Fredericksburg

ALTERNATES PRESENT	JURISDICTION
Thelma Drake	DRPT
Benjamin T. Pitts (PRTC)	Spotsylvania County

ALTERNATES ABSENT	JURISDICTION
Marc Aveni (PRTC)	City of Manassas
Brad Ellis (PRTC)	City of Fredericksburg
Jay Fisette (NVTC)	Arlington County
Frank C. Jones (PRTC)	City of Manassas Park
Tim Lovain (NVTC)	City of Alexandria
Michael C. May (PRTC)	Prince William County
Jeff McKay (NVTC)	Fairfax County
Martin E. Nohe (PRTC)	Prince William County
Susan Stimpson (PRTC)	Stafford County

STAFF AND GENERAL PUBLIC	
Doug Allen – VRE	Chris Henry – VRE
Gregg Baxter – Keolis	Christine Hoeffner – VRE
Donna Boxer – VRE	Ann King – VRE
Kevin Chisholm – Citizen	Mike Lake – Fairfax County DOT
Nancy Collins – Stafford County	Bob Leibbrandt – Prince William County
Rich Dalton – VRE	Steve MacIsaac – VRE counsel
Greg Deibler – VRE	Betsy Massie – PRTC staff
John Duque – VRE	Sirel Mouchantaf – VRE
Patrick Durany – Prince William County	Dick Peacock – Citizen
Rhonda Gilchrest – NVTC staff	Mark Roeber – VRE
Anna Gotthardt – VRE	Mike Schaller – Citizen
Al Harf – PRTC staff	Scott Shenk – Free Lance Star
Herbert Harris – Brotherhood of	Brett Shorter – VRE
Locomotive Engineers and Trainmen	Rick Taube – NVTC staff

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

Chairman Smedberg called the meeting to order at 9:35 A.M. Following the Pledge of Allegiance, roll call was taken.

Approval of the Agenda – 3

Mr. Covington moved, with a second by Ms. Bulova, to approve the agenda. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Jenkins, Milde, Page, Pitts, Smedberg, Thomas and Way.

Approval of the Minutes of the January 18, 2013 Operations Board Meeting – 4

Ms. Bulova moved approval of the minutes and Mr. Covington seconded. The vote in favor was cast by Board Members Bulova, Cook, Covington, Jenkins, Milde, Smedberg, Thomas and Way. Ms. Caddigan, Mr. Page and Mr. Pitts abstained.

Chairman's Comments and Expression of Appreciation for Rick Taube - 5

Chairman Smedberg reported that the Capital Committee met for the first time after last month's Board meeting on January 18th. The purpose of the committee was discussed and draft financial and debt management principles were reviewed. The Committee was formed to review the capital needs of VRE. Another meeting is scheduled following this Operations Board meeting.

Chairman Smedberg announced that Frederic Howe has resigned from the VRE Operations Board and has asked the City of Fredericksburg to appoint another council member to serve on VRE's Operation Board. Chairman Smedberg observed that there is strong regional cooperation on the Operations Board regardless of individual member's viewpoints. Moving forward, he hopes all Board Members will work together as regional partners. Ms. Bulova stated that she was saddened to hear this news and suggested that the Operations Board send a letter to Mr. Howe thanking him for his years of service on the VRE Operations Board. There were no objections.

Chairman Smedberg announced that Rick Taube is retiring after almost 30 years as NVTC's Executive Director. On behalf of the Operations Board, Chairman Smedberg recognized Mr. Taube's years of service at NVTC and thanked him for his work on VRE, especially since he was instrumental in the early planning of VRE. Mr Taube was presented with several gifts from the Board.

Chief Executive Officer's Report – 6

Mr. Allen reported that overall on-time performance (OTP) for the month of January was 96 percent, which makes it the 16th straight month that OTP has been over 90 percent. Average Daily Ridership continues to be strong at just over 19,000 for the month of

January. On January 29th VRE had the second highest ridership day in the history of VRE.

Mr. Allen reported that VRE held a legislative reception in Richmond and it was very well attended by over 70 people, including five members of the General Assembly. Mr. Covington stated that VRE's reception is always well received and in his opinion anytime that VRE can tell its success story it is worthwhile.

Mr. Allen reported that House Bill 2152, which would give the Chairman of the Commonwealth Transportation Board or his designee equal voting weight on the VRE Operations Board, was passed in the House. The Senate version was amended, which includes delaying implementation until July 2014, which will allow VRE to work through the issues in the Master Agreement, as well as other issues.

Mr. Allen also updated the Board Spotsylvania Station, on the Gainesville/Haymarket extension project and the VRE staff realignment. Also, the monthly CEO Report has been enhanced to provide more information. Mr. Allen introduced Greg Deibler, who was promoted to VRE's Manager of System Safety and Security.

Mr. Way observed that the CEO Report provides a lot of useful information. He requested that the section on delays add a sentence or two on whether there are any lessons learned or changes made in procedures following VRE controllable delays (i.e. VRE interference, mechanical failure, passenger handling). Mr. Way also observed that the fare evasion section shows that there is only a 20 percent "not guilty rate" which reflects that VRE has a good conviction rate. He stated that it is important to keep a strict fare adherence policy.

VRE Riders' and Public Comment – 7

Dick Peacock stated that VRE needs a 1-2 page summary of VRE's fare evasion report to show General Assembly members that VRE is making every effort to collect all of its fare revenues. He suggested summarizing the information in a yearly report to submit to the General Assembly every January. Mr. Peacock also stated that it is important to invite state legislators to Northern Virginia to tour VRE and ride its trains. Chairman Smedberg thanked Mr. Peacock for attending VRE's legislative reception in Richmond.

<u>Authorization to Issue an IFB for the Construction of a Platform Extension at the Lorton Station – 8A</u>

Mr. Allen stated that the VRE Operations Board is being asked to authorize him to issue an Invitation for Bids (IFB) for the construction of a platform extension at the Lorton VRE Station. Resolution #8A-02-2013 would accomplish this.

In response to a question from Mr. Milde, Ms Bulova explained that funding for this project is from a FY 2009 state grant (\$1,070,000) with the match provided by Fairfax

County, and FY 2010 and 2011 CMAQ grants (\$1,750,000), for which the state is providing the local match. Mr. Page asked if the design will accommodate a second platform and Ms. Bulova replied that it does.

Ms. Bulova moved, with a second by Mr. Cook, to approve the resolution. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Jenkins, Milde, Page, Pitts, Smedberg, Thomas and Way.

Authorization to Issue an RFI for the Sale of VRE Legacy Gallery Passenger Cars – 8B

Mr. Allen explained that the VRE Operations Board is being asked to authorize him to issue a Request for Interest (RFI) for the sale of VRE legacy gallery passenger cars. Resolution #8B-02-2013 would accomplish this.

Mr. Allen explained that in February 2014, VRE will receive eight new Gallery IV passenger cars and VRE will be in a position to retire up to 10 legacy passenger cars, which will be considered at the end of their useful life at that time and no longer suitable for VRE service. When funds are identified, VRE will exercise the contract option to purchase additional Gallery IV passenger cars from the current contract.

Mr. Milde asked if these are the passenger cars that VRE purchased for \$1. Mr. Page responded that those were the Budd cars. In response to a question from Mr. Way, Mr. Dalton explained that VRE did not pay extra for the contract option. The contract was set up as an eight-car base order with a 42-car option if VRE chooses to exercise it within a five-year period. In fact, VRE will pay less on a per car basis for the option passenger cars because the base order includes all the non-returning costs wrapped into the base costs.

Ms. Bulova moved, with a second by Mr. Milde, to approve Resolution #8B-02-2013. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Jenkins, Milde, Page, Pitts, Smedberg, Thomas and Way.

Authorization to Conduct Public Hearings Related to a Proposed Fare Increase – 8C

Mr. Allen explained that Resolution #8C-02-2013 would authorize him to solicit comments through public hearings related to a proposed four percent fare increase and subsequent amendments to VRE's tariff. The hearings will be conducted in March and April in Washington, Crystal City, Burke, Woodbridge, Manassas, Stafford and Fredericksburg. Staff will report back to the Operations Board no later than the May meeting with a summary of comments and a recommendation for action. If adopted, these changes would become effective in July 2013, with the start of the FY 2014 budget.

Mr. Way observed that PRTC is planning to increase its bus fares nine percent this year, with an outlook to increase them another twelve percent the next year. While a four percent may be a good marketing tactic for VRE, he asked if there should be more

congruity between VRE and PRTC fare increases. Mr. Allen stated that the four percent increase was the amount that resolved the budget shortfall of \$1.4 million.

Mr. Covington observed that VRE's farebox recovery rate is above 50 percent while PRTC's is considerably less. Mr. Harf stated that PRTC is pricing its fare increase on what they think the market will allow. PRTC's fare box recovery for buses is at 40 percent, which is excellent by transit industry standards, but PRTC would like to increase it. Commuter Bus fare recovery is higher than that. He stated that there is a relationship between fare pricing practices between VRE and the transit systems of the member jurisdictions supporting them both because there is only so much "water in the well."

Mr. Pitts stated that he did not see Spotsylvania identified as a public hearing location. Mr. Allen stated that there is a hearing scheduled in Fredericksburg, which serves Spotsylvania riders and VRE riders can attend any hearing location. Chairman Smedberg stated that the local governments are also encouraged to publicize the public hearings. In response to a question from Ms. Bulova, Mr. Allen stated that VRE also communicates extensively with riders to inform them of the hearings.

Mr. Milde moved, with a second by Mr. Covington, to approve the resolution. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Jenkins, Milde, Page, Pitts, Smedberg, Thomas and Way.

<u>Authorization to Award a Contract for an Employee Compensation Study – 8D</u>

Mr. Allen stated that the VRE Operations Board is being asked to recommend that PRTC enter into a contract with The Segal Company of Washington, DC for an employee compensation study. The contract will be in the amount not to exceed \$107,500. Resolution #8D-02-2013 would accomplish this.

Mr. Thomas asked when the last compensation study was completed. Mr. Harf replied the last study was completed in 2006. Mr. Covington asked if PRTC approved the contract with The Segal Company at its February 7th meeting. Mr. Harf explained that PRTC will take action at its March meeting after the Operations Board makes its recommendation to PRTC.

Mr. Way asked if potential salary increases resulting from any study recommendations have been included in the FY 2014 budget. Mr. Shorter stated that a contingency has been included in the budget but nothing specifically directed to salaries. Mr. Way observed that these types of studies don't usually recommend salary reductions. Ms. Drake stated that DRPT has been engaged in a similar exercise and although it didn't result in reductions it did show that those employees who thought their salaries were too low were actually appropriate and fair. Chairman Smedberg noted that this is good for VRE to go through this exercise. Mr. Page asked if Mr. Allen would be done with his staff realignment before this work begins. Mr. Allen responded that the final modifications will be completed within a few weeks. Mr. Milde requested that staff convey to The Segal Group that some Operations Board Members believe some

salaries may be too high. Mr. Harf explained that The Segal Group will have face time with the Operations Board to discuss these issues prior to the study.

Ms. Bulova moved, with a second by Mr. Milde, to approve Resolution #8D-02-2013. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Covington, Jenkins, Milde, Page, Pitts, Smedberg, Thomas and Way.

Operations Board Member's Time - 9

Mr. Milde stated that he was glad to see Mr. Peacock attend the VRE legislative reception and it was clear that he has extensive knowledge of VRE as he talked with legislators and other attendees.

Adjournment

Without objection, Cha	airman Smedberg	adjourned the	meeting at 10:20 A.	Μ.
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Approved this 15th day of March, 2013.

Paul Smedberg Chairman	
John Cook Secretary	

CERTIFICATION

This certification hereby acknowledges that the minutes for the February 15, 2013 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.

Rhonda Gilchrest

CHAIRMAN SMEDBERG AND THE VRE OPERATIONS BOARD

FROM:

DOUG ALLEN

DATE:

FEBRUARY 15, 2013

RE:

AUTHORIZATION TO ISSUE AN IFB FOR THE CONSTRUCTION OF A

PLATFORM EXTENSION AT THE LORTON STATION

RESOLUTION 8A-02-2013 OF THE VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD

WHEREAS, due to current ridership demand along with future growth projections. VRE has initiated a platform extension and second platform project at the Lorton VRE station; and,

WHEREAS, this project will accommodate existing demand and future ridership growth as well as eight-car train sets; and,

WHEREAS, at the May 2012 meeting, the Operations Board authorized issuance of a GEC task order to HDR for engineering services for the platform extension design for this project; and,

WHEREAS, the design is substantially complete.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board authorizes the Chief Executive Officer to issue an Invitation for Bids for the construction of a platform extension at the VRE Lorton station.

Approved this 15th day of February 2013

Chairman

MA AM

CHAIRMAN SMEDBERG AND THE VRE OPERATIONS BOARD

FROM:

DOUG ALLEN

DATE:

FEBRUARY 15, 2013

RE:

AUTHORIZATION TO ISSUE AN RFI FOR THE SALE OF VRE LEGACY

GALLERY PASSENGER CARS

RESOLUTION 8B-02-2013 OF THE VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD

WHEREAS, VRE has a contract to purchase eight new Gallery IV passenger cars and seeks funding to acquire additional passenger cars to replace the existing legacy gallery passenger cars; and,

WHEREAS, VRE will retire the legacy gallery passenger cars as the new cars are delivered and accepted; and,

WHEREAS, VRE's legacy gallery passenger cars will be at the end of their useful life at that time and no longer suitable for VRE service.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board authorizes the Chief Executive Officer to issue a Request for Interest for the sale of VRE legacy gallery passenger cars.

Approved this 15th day of February, 2013.

Paul Smedberg Chairman

Jøhn Cook Secretary

CHAIRMAN SMEDBURG AND THE VRE OPERATIONS BOARD

FROM:

DOUG ALLEN

DATE:

FEBRUARY 15, 2013

RE:

AUTHORIZATION TO CONDUCT PUBLIC HEARINGS RELATED TO A

PROPOSED FARE INCREASE

RESOLUTION 8C-02-2013 OF THE VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD

WHEREAS, during the FY 2014 budget process, the VRE Operations Board authorized a fare increase of up to 4%; and,

WHEREAS, VRE staff is recommending this increase be accomplished through an across the board increase in fares with no change or modification to the current ticket discount structure; and,

WHEREAS, VRE staff will report back to the Operations Board with a summary of comments; and,

WHEREAS, if adopted, the fare increase would become effective the first week of July 2013, with the start of the FY 2014 budget.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board authorizes the Chief Executive Officer to solicit comment through public hearings in Washington, DC, Crystal City, Burke, Woodbridge, Manassas, Stafford, and Fredericksburg related to a proposed 4% fare increase and subsequent amendments to VRE's Tariff.

Approved this 15th day of February, 2013.

Paul Smedberg Chairman

løhri Cook Secretary

CHAIRMAN SMEDBURG AND THE VRE OPERATIONS BOARD

FROM:

DOUG ALLEN

DATE:

FEBRUARY 15. 2013

RE:

AUTHORIZATION TO AWARD A CONTRACT FOR EMPLOYEE

COMPENSATION STUDY

RESOLUTION 8D-2-2013 OF THE VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD

WHEREAS, in October 2012, the Operations Board authorized a solicitation for an employee compensation study addressing Potomac and Rappahannock Transportation Commission (PRTC) employees, including those staff employed through PRTC as Virginia Railway Express (VRE) employees; and,

WHEREAS, the Request for Proposals (RFP) was issued on December 20, 2012;

WHEREAS, three proposals were received on January 28, 2013 and reviewed, with the most responsive being *(name of firm will be provided via blue sheet at the Board meeting)*.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board authorizes the Chief Executive Officer to enter into a contract with (name of firm will be provided via blue sheet at the Board meeting) for the employee compensation study in an amount not to exceed (contract value will be provided via blue sheet at the Board meeting).

Approved this 15th day of February, 2013.

Paul Smedberg Chairman

John Cook



AGENDA ITEM #3

TO: Chairman McKay and NVTC Commissioners

FROM: Rick Taube and Scott Kalkwarf

DATE: February 28, 2013

SUBJECT: NVTC's FY 2014 State Transit Assistance Application

The commission is asked to approve Resolution #2211. This resolution authorizes NVTC staff to submit state transit assistance applications to the Virginia Department of Rail and Public Transportation on behalf of NVTC's five WMATA jurisdictions for regional and local bus and Metrorail service and on behalf of VRE.

Detailed tables are attached showing the amounts of each form of assistance being requested for each jurisdiction and for VRE, with comparisons to FY 2013.



RESOLUTION #2211

SUBJECT: Approval of FY 2014 NVTC and VRE State Administrative/FTM, Capital, and Related Grant Applications and Authority to Apply for Funds from the Commonwealth Transportation Board, Federal Transit Administration and other Grant Agencies.

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

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission's executive director is authorized, for and on behalf of NVTC and as an agent for its members, 1) to execute and file an application to the Virginia Department of Rail and Public Transportation (DRPT), for grants of public transportation assistance for the fiscal year 2014 commencing July 1, 2013 in the amount of \$216.7 million to defray the public transportation cost of NVTC and its members for administration, fuels, tires, lubricants and maintenance parts at a matching ratio of 95%; 2) to accept from DRPT grants in such amounts as may be awarded; and 3) to furnish DRPT such documents and other information as may be required for processing the grant request.

BE IT FURTHER RESOLVED that NVTC's executive director is authorized, for and on behalf of NVTC and its members, 1) to file an application to DRPT, for grants of public transportation assistance for FY 2014 for capital expenses in an amount that will not exceed \$114.9 million to defray up to 95 percent of the costs borne by NVTC and its members for equipment, facilities and the associated expenses of any approved capital grant; 2) to revise the capital portion of the application to reflect refined estimates by WMATA or local governments when they become available; 3) to accept from DRPT grants in such amounts as may be awarded; and 4) to furnish to DRPT such documents and other information as may be required for processing the grant request.

- BE IT FURTHER RESOLVED that NVTC's executive director is authorized, for and on behalf of NVTC and PRTC and their members, 1) to execute and file FY 2014 VRE applications to DRPT and to seek up to \$14.7 million for FTM and administrative costs and up to \$12.7 million for capital; 2) to revise the application to reflect refined estimates by VRE; 3) to accept from DRPT grants in such amounts as may be awarded; and 4) to furnish to DRPT such documents and other information as may be required for processing the grant request.
- BE IT FURTHER RESOLVED that NVTC certifies that the funds for all of the above grants will be used in accordance with the requirements of Section 58.1 638.A.4 of the Code of Virginia, that NVTC will provide matching funds in the ratio required by the Act, that the records of receipts of expenditures of funds granted to NVTC may be subject to audit by DRPT and by the State Auditor of Public Accounts, and that funds granted to NVTC for defraying the public transportation expenses of NVTC shall be used only for such purposes as authorized in the Code of Virginia.
- BE IT FURTHER RESOLVED that NVTC's executive director is authorized, for and on behalf of NVTC and its members, to furnish to TPB, CTB and other state and federal funding agencies such documents, information, assurances and certifications as may be required for pursuing the above grant requests and continuing previously awarded grants.
- **BE IT FURTHER RESOLVED** that NVTC's executive director is authorized to amend the above described applications at the request of NVTC's member jurisdictions to include the most recent information and project costs.

Approved this 7 th day of March, 2013		
	Jeffrey McKay Chairman	_
David Snyder Secretary-Treasurer		

NVTC SUMMARY OF STATE CAPITAL AND OPERATING FORMULA GRANT ASSISTANCE APPLICATION: FOR FY 2014

, o. () 20 ()	FY 14	FY 13	Increase (Decrease)
<u>NVTC</u>		<u></u>	120.000
CAPITAL			
Local Capital (Schedule A)			
Alexandria	8,790,000	4,000,000	4,790,000
City of Fairfax	42,000	30,000	12,000
Fairfax County	21,980,000	30,565,000	(8,585,000)
Arlington	18,255,902	6,226,000	12,029,902
Falls Church			
Total	49,067,902	40,821,000	8,246,902
Maximum Eligibility @95%	46,614,507	38,779,950	7,834,557
WMATA Capital (Schedule B)			
Capital Funding Agreement	57,515,820	40,928,490	16,587,330
WMATA Debt Service	3,175,925	4,368,581	(1,192,656)
Metro Matters Program	52,939	52,939	
Debt Service - MMs opt out	10,279,094	10,505,257	(226,163)
Project Development	825,000	825,000	
Total	71,848,778	56,680,266	15,168,512
Maximum Eligibility @95%	68,256,339	53,846,253	14,410,086
Total Capital	120,916,680	97,501,266	23,415,414
Maximum EligIbility @95%	114,870,846	92,626,203	22,244,643
OPERATING FTM/ADMIN			
Maximum Eligibility @ 95%			
WMATA (Schedule C)	180,819,900	156,689,453	24,130,447
Local (Schedule D)	35,930,384	35,229,899	700,485
Total	216,750,284	191,919,352	24,830,933
Prior Year Actual Expenses			
WMATA (Schedule C)*	391,983,480	355,873,528	36,109,952
Local (Schedule D)	94,504,180	84,352,771	10,151,409
Total	486,487,660	440,226,299	46,261,361
<u>VRE</u>			
CAPITAL (see schedule E)			
Total Budget (non-federal)	13,369,688	13,095,915	273,773
Maximum Eligibility @95%	12,701,204	12,441,119	260,085
OPERATING FTM/ADMIN			
Maximum Eligibility @95%	14,703,478	13,924,413	779,065
		10,027,710	119,000

^{*} FY14 includes additional expenses for Silver Line as allowed by DRPT New Start program

STATE CAPITAL GRANT ASSISTANCE LOCAL CAPITAL FY 2014

	TOTAL COST	FEDERAL	NON- FEDERAL
CITY OF ALEXANDRIA			
Purchase 40-ft Expansion Buses (6)	3,900,000	_	3,900,000
CCPY Transitway Improvements	1,200,000	_	1,200,000
Purchase Expansion Buses - BRT (6)	3,690,000	_	3,690,000
Total at Cost	8,790,000	<u> </u>	8,790,000
rotal at oost	0,730,000		0,790,000
CITY OF FAIRFAX			
Purchase Surveillance / Security Equipment	42,000	_	42,000
Total at Cost	42,000	+	42,000
			· · · · · · · · · · · · · · · · · · ·
FAIRFAX COUNTY			
Bus Eng. & Design of Maint. Facility - Huntington	800,000	-	800,000
Bus Construction of Maint. Facility - Huntington	4,000,000	-	4,000,000
Bus Construction of Maint. Facility - West Ox	100,000	-	100,000
Bus Rehab/Renovation of Maint Facility - Hemdon	1,000,000	-	1,000,000
Bus Passenger Shelters	1,500,000	-	1,500,000
Lighting for P&R lots	200,000	-	200,000
Purchase Replacement Buses 40' (18)	8,730,000	-	8,730,000
Purchase Spare Parts, ACM Items	450,000	-	450,000
Purchase Shop Equipment	50,000	-	50,000
3rd Party Project Management	350,000	-	350,000
Bus Rehab/Renovation of Maint. Facility - Huntington	1,300,000		1,300,000
ITS Implementation Project	3,500,000		3,500,000
Total at Cost	21,980,000	-	21,980,000
ARLINGTON			
ARLINGTON Purchase Replacement Buses < 201/(2)	420.000		400.000
Purchase Replacement Buses < 30' (2)	439,600	-	439,600
Purchase Replacmeent Buses 35' (4)	2,035,200	-	2,035,200
Purchase Expansion Buses <30' (2)	439,600	-	439,600
Purchase Expanseion Buses 35' (4)	2,035,200		2,035,200
Eng & Design Ballston Multimodal Improvements Bus Line Inspections	650,000	-	650,000
Bus Stop and Shelter Program	50,000	-	50,000
Project Development Columbia Pike Streetcar	200,000	-	200,000
Program Management Columbia Pike Streetcar	500,000 4,500,000	-	500,000
Preliminary Engineering Crystal City Streetcar	2,000,000	-	4,500,000
Planing and Design Crystal City Streetcar	680,000	-	2,000,000
Bus Construction Maint. Facility - ART	3,350,000	-	680,000
Bus Eng. & Design Maint. Facility - ART	300,000	-	3,350,000
Rosslyn Station Access Improvements	1,000,807		300,000
Bus Shelter Improvements - Glebe, Lee	377,474	201.070	1,000,807
Total at Cost	18,557,881	301,979 301,979	75,495 18,255,902
Total at 00st	10,557,001	301,919	10,233,902
CITY OF FALLS CHURCH			
Total at Coat	-	-	-
Total at Cost	-	-	<u> </u>
GRAND TOTAL	49,369,881	301,979	49,067,902

NVTC APPLICATION FOR STATE CAPITAL GRANT ASSISTANCE WMATA CAPITAL SUBSIDIES FY 2014

SCHEDULE B

	Alexandria	Arlington	Fairfax City	Fairfax County	Falls Church	Total
FY 13 CIP Program (a)	8,819,810	17,132,060	682,260	30,174,800	706,890	57,515,820
WMATA Debt Service (b)	607,636	1,174,053	20,009	1,357,732	16,495	3,175,925
Metro Matters Program (c)		-	-	-	52,939	52,939
Jurisdiction Debt Service - MM Opt Out (d)	1,042,731	1,604,906	-	7,631,457	-	10,279,094
Project Development (e)	133,000	261,000	6,000	417,000	8,000	825,000
Reimbursable Projects (f)	-		-	■ ■ -	-	-
Total	10,603,177	20,172,019	708,269	39,580,989	784,324	71,848,778

- (a) Virginia Compact members' share of FY14 Capital Improvement Program eligible to be funded by DRPT. Preventative maintenance has been excluded from the capital assistance request, but included in the operating assistance request according to DRPT requirements. Assistance request is based on WMATA's proposed budget, with contingency for possible increased subsidy with adoption of final budget. Assistance request will be adjusted when additional information becomes available.
- (b) Gross Revenue Transit Refunding Bonds Series 2003 maturing FY 2014.
- (c) Balance due under Metro Matters program for those members who did not opt out of the FY09 debt issue.
- (d) Debt Service to be incurred directly by jurisdictions on their share of debt used to opt out of the Metro Matters FY09 debt issue.
- (e) Project Development a regional reimbursable capital program stated separately from the FY14 CIP
- (f) Reimbursable projects These are non-regional projects that the individual jurisdictions include on their respective jurisdiction state capital grant requests based upon their understanding of the current year budgeted expenditures.

SCHEDULEC	
NVTC	APPLICATION FOR OPERATING FORMULA ASSISTANCE FY 2014

			WMATA			
		City of	Fairfax	Arlington	City of	TOTAL
	Alexandria	Fairfax	County	County	Falls Church	WMATA
FY12 Actual Operating Expenses	57,249,399	4,045,691	195,590,222	104,967,134	4,018,848	365,871,294
Additional Expenses for New Start Funding	4,002,353	325,507	13,570,003	7,981,275	233,048	26,112,186
	61,251,752	4,371,198	209,160,225	112,948,409	4,251,896	391,983,480
FTM	8,638,418	535,545	29.597.153	16.069.273	607.166	55 447 555
Administrative Expenses	22,583,329	1,455,753	77,088,193	43,071,230	1,559,176	145,757,681
Other Operating Expenses	38,792,520	2,424,144	136,133,325	71,033,931	2,760,939	251,144,859
Total Operating Expenses	70,014,267	4,415,442	242,818,671	130,174,434	4,927,281	452,350,095
Total Operating Revenue	40,428,499	2,697,620	137,067,211	79,059,089	2,738,833	261,991,252
Deficit	29,585,768	1,717,822	105,751,460	51,115,345	2,188,448	190,358,843
Total Federal / Other State Operating Asst	1,105,866	67,201	3,672,234	2,086,921	76,774	7,008,996
Deficit before State Operating Assistance	28,479,902	1,650,621	102,079,226	49,028,424	2,111,674	183,349,847
Eligibility Amount @ 95%	28,106,480	1,631,931	100,463,887	48,559,578	2,058,025	180,819,900

NVTC
APPLICATION FOR OPERATING FORMULA ASSISTANCE FY 2014

SCHEDULE D

		LOCAL SYSTEMS	YSTEMS		TOTAL
	Alexandria	City of Fairfax	Fairfax County	Arlington County	LOCAL
FY12 Actual Operating Expenses	14,746,156	2,951,921	66,611,080	10,195,023	94,504,180
FTM Administrative Expenses	2,425,000	510,898	12,746,156 14.302,674	2,179,978	17,862,032
Other Operating Expenses	10,936,600	2,056,448	52,814,303	7,811,043	73,618,394
Total Operating Expenses	17,247,328	2,973,640	79,863,133	11,355,750	111,439,851
Total Operating Revenue	5,712,000	1,165,294	14,039,133	2,320,934	23,237,361
Deficit	11,535,328	1,808,346	65,824,000	9,034,816	88,202,490
Total Federal / Other State Operating Asst			1		•
Deficit before State Operating Assistance	11,535,328	1,808,346	65,824,000	9,034,816	88,202,490
Eligibility Amount @ 95%	5,995,192	871,332	25,696,389	3,367,472	35,930,384

NVTC VRE APPLICATION FOR STATE CAPITAL GRANT ASSISTANCE FOR FY 2014

SCHEDULE E

	Total Cost	Federal	Non-Federal
Construction of Rail Related Facilities - Station Rehabilitation	200,000	400,000	100,000
Debt Service - 11 Cabcars	1,931,357	1,545,086	386,271
Debt Service - 60 Railcars	4,645,429	3,716,343	929,086
Debt Service - 1998 Bond	6,907,331	•	6,907,331
Positive Train Control	8,335,000	6,668,000	1,667,000
Purchase ADP Software	2,500,000	2,000,000	500,000
Track Lease Payments	14,400,000	11,520,000	2,880,000

13,369,688

25,849,429

39,219,117



AGENDA ITEM #4

TO: Chairman McKay and NVTC Commissioners

FROM: Rick Taube and Mariela Garcia-Colberg

DATE: February 28, 2013

SUBJECT: Disadvantaged Business Enterprise Policy, Program and Goal

The commission is asked to adopt Resolution #2212. This resolution establishes a Disadvantaged Business Enterprise (DBE) policy, program and a three-year goal for NVTC's federally funded projects. The goal is at least 10.3 percent by value of NVTC's federally funded projects to be performed by Certified Disadvantaged Business Enterprises. NVTC's subrecipients must also adhere to this policy and attempt to meet the goal. NVTC must report to the Federal Transit Administration regularly on progress in achieving this goal.

In the recent past, PRTC established the goal for itself, NVTC and VRE and processed the mandatory reports. FTA now requires NVTC to establish its own goal and report individually. NVTC established such a policy, program and goal earlier in 2012 but FTA has asked for revisions. NVTC's revised policy, program and goal must be available to the public for 45 days for comment before NVTC acts to approve them in final form. Accordingly, at its January 3rd meeting the commission authorized staff to advertise the proposed policy, program and goal for public comment. No comments were received.



RESOLUTION #2212

SUBJECT: Disadvantaged Business Enterprise Policy, Program and Goal.

WHEREAS: The Federal Transit Administration (FTA) requires grant recipients to adopt a policy, program and goal for awarding contracts to certified Disadvantaged Business Enterprises (DBE); and

WHEREAS: NVTC has relied on PRTC to adopt such policies, program and goals and file mandatory reports on behalf of NVTC (and VRE), but now FTA is requiring NVTC to adopt its own policy, program and goal.

WHEREAS: At its January 3, 2013 meeting NVTC authorized staff to seek public review and comment on the draft policy, program and goal with no comments received.

NOW, THEREFORE BE IT RESOLVED that the Northern Virginia Transportation Commission hereby authorizes its staff to publish immediately the proposed policy, program and goal of at least 10.3 percent of its federally funded contract value to be awarded to DBE's for the three-year period of FY 2012-2014.

Approved this 7th day of March, 2013.

Secretary-Treasurer

	Jeffrey McKay Chairman
David Snyder	



DISADVANTAGED BUSINESS ENTERPRISE POLICY, PROGRAM AND GOAL

December 12, 2012

Policy Statement

The Northern Virginia Transportation Commission (NVTC) (hereinafter called the commission) has established a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. The commission has received federal financial assistance from the Department of Transportation, and as a condition of receiving this assistance, the commission has signed assurances that NVTC will comply with 49 CFR Part 26.

It is the policy of the commission to ensure that DBE's, as defined in §26.5, have an equal opportunity to receive and participate in DOT-assisted contracts. It is also NVTC's policy:

- ◆ To ensure nondiscrimination in the award and administration of DOT-assisted contracts:
- To create a level playing field on which DBE's can compete fairly for DOT-assisted contracts;
- ◆ To ensure that the DBE Program is narrowly tailored in accordance with applicable law;
- ◆ To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBE's;
- ♦ To help remove barriers to the participation of DBE's in DOT assisted contracts; and
- ♦ To assist the development of firms that can compete successfully in the market place outside the DBE Program.

Mariela Garcia-Colberg, NVTC's Transportation Projects and Grants Specialist, has been delegated as the DBE Liaison Officer. In that capacity, she is responsible for implementing all aspects of the DBE program. Implementation of the DBE program is accorded the same priority as compliance with all other legal obligations incurred by the commission in its financial assistance agreements with the Department of Transportation.

NVTC's staff has disseminated this policy statement to its Commissioners and all the components of their organization. Staff has distributed and will continue to distribute this statement to DBE and non-DBE business communities that perform work for NVTC on DOT-assisted contracts.

Objectives

- Appoint a DBE liaison officer, who shall have direct, independent access to NVTC's Executive Director concerning DBE program matters. The liaison officer shall be responsible for implementing all aspects of NVTC's DBE program. NVTC's DBE liaison officer is Mariela Garcia-Colberg.
- 2. Thoroughly investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in NVTC's community and make reasonable efforts to use these institutions. NVTC will also encourage its prime contractors to use such institutions.
- 3. The DBE liaison officer, together with NVTC's director of finance, will create and establish prompt payment mechanisms for all contractors and subcontractors and provide appropriate means to enforce the requirements of these mechanisms.

These shall be included in all of NVTC's Requests for Proposals, Invitations for Bid and resulting project contracts.

- 4. NVTC's DBE program will include a monitoring and enforcement mechanism to ensure that work committed to DBEs at contract award or subsequently (e.g., as the result of modification to the contract) is actually performed by the DBEs to which the work was committed. This mechanism will include a written certification that NVTC has reviewed contracting records and monitored work sites in its district for this purpose. This monitoring will be conducted as part of the close-out reviews for a contract.
- 5. The monitoring and enforcement mechanism will provide for a running tally of actual DBE attainments (*i.e.*, payments actually made to DBE firms), including a means of comparing these attainments to commitments.
- 6. In order to foster small business participation, NVTC will include an element to structure contracting requirements to facilitate competition by small business concerns, taking all reasonable steps to eliminate obstacles to their participation, including unnecessary and unjustified bundling of contract requirements that may preclude small business participation in procurements as prime contractors or subcontractors.
- 7. NVTC will incorporate all of the DBE program objectives in its agreements with subrecipients. NVTC will monitor the performance of these subrecipients and will implement appropriate mechanisms to ensure compliance with the DBE program requirements.
- 8. In the event that a subrecipient fails to comply with DBE program requirements, NVTC may terminate the subrecipient's agreement for default. Termination shall be effective by serving a notice of termination on the subrecipient setting forth the manner in which the subrecipient is in default.

Applicability

NVTC is the recipient of federal transit funds authorized by Titles I, III, V and VI of ISTEA, Pub. L. 102-240 or by federal transit laws in Title 49. U.S. Code, or Titles I, II, and V of the Teas-21, Pub. L 105-178.

Definitions of Terms

The terms used in this program have the meanings defined in 49 CFR §26.5.

Goal

As calculated below in Attachment 4, NVTC's goal is 10.3 percent of the value of the commission's federally funded contracts or \$1,689,200 of an anticipated \$16.4 million in contract value during 2012 through 2014.

Executive Director's Commitment to the Disadvantaged Business Enterprise Policy, Program and Goal

I, Richard K. Taube, Executive Director of the Northern Virginia Transportation Commission, will take Affirmative Action to ensure that Disadvantaged Business Enterprises shall have maximum practical opportunity to participate in the performance of the contracts financed in whole or in part with funds derived from the Federal Transit Administration.

I will direct the NVTC staff to provide for the maximum utilization of Disadvantaged Business Enterprises including financial institutions, and to use all practical means to ensure that Disadvantaged Business Enterprises have the maximum practical opportunity to compete for contract and subcontract work let by the commission.

In keeping with this commitment it is my pledge to work toward achieving the following DBE goals for the award of FTA-assisted contracts, excluding vehicle procurements. The goal for utilization of the DBE's shall be 10.3% of the construction, supply and consultant contract dollar amounts.

Date 12/12/2012

Richard K. Taube, Executive Director

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Northern Virginia Transportation Commission

Program

1. Nondiscrimination

The commission will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR Part 26 on the basis of race, color, sex, gender, national origin or ethnicity.

In administering its DBE program, the commission will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE program with respect to individuals of a particular race, color, sex, gender, national origin or ethnicity.

2. Record Keeping Requirements

Uniform Report of DBE Awards or Commitments and Payments

NVTC will report DBE participation to the FTA using the Uniform Report of DBE Awards or Commitments and Payments, found in Appendix B to the DBE regulation.

DBE directory

NVTC will create a DBE directory, consisting of information about all DBEs that bid or quote on DOT-assisted contracts. The purpose of this requirement is to allow use of the bidders' list approach to calculating overall goals. The DBE directory will include the name, address, DBE status, expertise and place of DBE certification of firms. NVTC will collect this information by requiring prime bidders to report the names/addresses, and possibly other information, of all DBE firms who quote to them on subcontracts; and by including notices in all of NVTC's solicitations. (NVTC's current directory/bidders' list is attached. See attachment 2.)

3. Assurances

The commission has signed the following assurances, applicable to all DOT-assisted contracts and their administration.

Federal Financial Assistance Agreement Assurance

The commission shall not discriminate on the basis of race, color, sex, gender, national origin or ethnicity in the award and performance of any DOT-assisted contract or in the administration of its DBE Program or the requirements of 49 CFR Part 26. The commission shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. The commission's DBE Program, as required by 49 CFR Part 26 and as approved by DOT, is incorporated by reference in this

agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the commission of its failure to carry out its approved program, the Department may impose sanctions as provided for under §26.101 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

This language will also appear in NVTC's agreements with sub-recipients.

Contract Assurance

The commission will ensure that the following clause is placed in every DOT-assisted contract and subcontract:

The contractor, sub-recipient or subcontractor shall not discriminate on the basis of race, color, sex, gender, national origin or ethnicity in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the commission deems appropriate.

4. DBE Program Updates

The commission will continue to carry out this program until all funds from DOT financial assistance have been expended. The commission will provide to DOT updates representing significant changes in the program.

5. <u>DBE Liaison Officer (DBELO) and Reconsideration Official</u>

The commission has designated the following individual as its DBE Liaison Officer:

Mariela Garcia-Colberg NVTC 2300 Wilson Boulevard, Suite 620 Arlington, VA 22201 (703) 524-3322 mariela@nvtdc.org

In that capacity, Ms. Garcia-Colberg is responsible for implementing all aspects of the DBE program and ensuring that the commission will comply with all provisions of 49 CFR Part 26. Ms. Garcia-Colberg has direct, independent access to the Executive Director concerning DBE program matters.

Ms. Garcia-Colberg is responsible for developing, implementing and monitoring the DBE program, in coordination with other appropriate officials. Duties and responsibilities include the following:

• Gathers and reports statistical data and other information as required by DOT.

- Reviews third party contracts and purchase requisitions for compliance with this program.
- Ensures that bid notices and requests for proposals are available to DBE's in a timely manner.
- ♦ Identifies contracts and procurements so that DBE goals are included in solicitations (both race-neutral methods and contract specific goals) and monitors results.
- ♦ Analyzes the commission's progress toward goal attainment and identifies ways to improve progress.
- Participates in pre-bid meetings as needed.
- ♦ Advises the Executive Director on DBE matters and achievement.
- Participates with the legal counsel and project managers to determine contractor compliance with good faith efforts.
- Provides DBE's with information and assistance in preparing bids, obtaining bonding and insurance.
- Plans and participates in DBE training seminars.
- Provides outreach to DBE's and community organizations to advise them of opportunities.

Reconsideration Official

The commission's reconsideration official will be Mr. Richard K. Taube, Executive Director of the Northern Virginia Transportation Commission (NVTC). Mr. Taube will abide by the requirements for reconsideration as stated in §26.53(d).

6. <u>DBE Financial Institutions</u>

The commission has a practice of reviewing its banking needs periodically and making specific inquiries every two or three years. Because of the nature of its business, and extent of its banking needs, there are a limited number of financial institutions that can fulfill all of the commission's service requirements. It has also been determined that by using one institution at a time for such service, the commission has greater control, and productivity and economic gain are enhanced. At the present time, there is no minority or female owned and controlled financial institutions with which the commission does business.

7. Prompt Payment Mechanisms

The commission will include the following clause in each DOT-assisted prime contract:

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contractor receives from the commission. The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time period may occur only for good cause following written approval of the commission. This clause applies to both DBE and non-DBE

subcontractors. Work may be credited toward goals only when payments are actually made to DBE's.

The commission has established the following mechanism to monitor and enforce that prompt payment and return of retainage to DBEs is in fact occurring:

NVTC will require prime contractors to maintain records and documents of payments to DBE's for three years following the performance of the contract. Any authorized representative of the commission or DOT will make these records available for inspection upon request. This reporting requirement also extends to any certified DBE subcontractor.

NVTC will require contactors to certify that such retainage fee has been returned to DBE before proceeding with the contractors final retainage payment.

NVTC will keep a running tally of actual payments to DBE firms for work committed to them at the time of contract award.

NVTC will perform interim audits of contract payments to DBE's. The audit will review payments to DBE subcontractors to ensure that the actual amount paid to DBE subcontractors equals or exceeds the dollar amounts stated in the schedule of DBE participation.

8. <u>Directory</u>

The commission does not certify firms as DBE's but utilizes the Department of Transportation of the Commonwealth Virginia (VDOT) and the Virginia Department of Minority Business Enterprises (VDMBE) Certified DBE Vendor lists to determine which firms may be counted as DBE's. The directories list the firm's name, address, and phone number and the type of work the firm has been certified to perform as a DBE.

These directories are revised periodically. Because of the size of VDOT's directory, copies are not appended; however, these directories are available online at VDOT's website (www.virginiadot.org). Likewise, VDMBE's list can be found online (www.dmbe.state.va.us).

9. Overconcentration

The commission has not identified that overconcentration exists in the types of work that DBEs perform. NVTC will re-evaluate for overconcentration every two years.

10. Business Development Programs

The commission has not established a business development program. NVTC will reevaluate the need for such a program every two years.

11. Monitoring and Enforcement Mechanisms

The commission will establish the following monitoring and enforcement mechanisms to ensure compliance with 49 CFR Part 26:

NVTC will bring to the attention of the Department of Transportation any false, fraudulent, or dishonest conduct in connection with the program, so that DOT can take the steps (e.g., referral to the Department of Justice for criminal prosecution, referral to the DOT Inspector General, action under suspension and debarment or Program Fraud and Civil Penalties rules) provided in 26.109.

NVTC will consider similar actions under its own legal authorities, including responsibility determinations in future contracts. Attachment 3 lists the regulation, provisions, and contract remedies available to us in the events of non-compliance with the DBE regulation by a participant in our procurement activities.

NVTC will also establish a monitoring and enforcement mechanism to verify that work committed to DBEs at contract award is actually performed by the DBEs. This will be accomplished by getting a certification from contractors and DBEs, and by having the subrecipients monitored the work sites and then certifying that they seen the DBE's employees performed the jobs. This monitoring will occur for each contract/project on which DBEs are participating. A written certification will be provided by the commission stating that it has reviewed contracting records and NVTC, or its subrecipients, have monitored work sites on which DBEs are performing.

NVTC will keep a running tally of actual payments to DBE firms for work committed to them at the time of contract award.

12. <u>Fostering Small Business Participation</u>

The commission has incorporated the following non-discriminatory element to its DBE program, in order to facilitate competition on DOT-assisted public works projects by small business concerns (both DBEs and non-DBE small businesses):

- For design-build or large contracts, require bidders to specify elements of the contract or specific subcontracts that a small business, including DBEs can perform.
- For contracts that do not have DBE goals, require the subcontractor to provide subcontracting opportunities.
- Identify other ways for small businesses, including DBEs, to compete for and to perform prime contracts.
- In order to meet the portion of the overall race-neutral goals, ensure that small businesses, including DBEs, can perform on a reasonable number of prime contracts.

Before issuing an RFP, both the commission and its subrecipients will look at the current environment of small businesses to consider whether the specific unbundling of contracts will be conducive to the present small business capabilities. Each new RFP will be dissected to ascertain whether a small business opportunity is available within its scope of work. As part of this analysis, NVTC will look at past contracts to get an idea of what

contract sizes are appropriate for small businesses.

In order to verify the business size, the commission will require that a firm and its affiliates be certified as a Small Business Enterprise (SBE) by the Commonwealth of Virginia, the State of Maryland, the District of Columbia, the federal government or any of the local jurisdictions. Proof of certification must be given to the commission. Also, staff will conduct the due diligence necessary to verify business size by going to the city, county, state or federal website and verify the business license.

In order to increase small business participation, the commission will create an outreach strategy and ensure that information about contracting opportunities reaches small businesses. NVTC foresees that such strategy could be implemented in 12 months.

13. Overall Goals

The commission Goal Setting Methodology is described extensively in Attachment 4 and it is based on the demonstrable evidence of DBE firms ready, able, and willing to participate/perform contracting opportunities derived from NVTC's DOT-assisted projects/contracts.

An important part of setting the DBE goal is public participation. NVTC must consult with minority, women's and general contractor groups, community organizations and others which could be expected to have information about DBEs.

Once staff set the proposed NVTC DBE goals and gained commissioners' provisional approval in January, 2013, the commission will publish a notice in a Northern Virginia newspaper and available minority –focused media informing the public that the proposed goal and its rationale are available for inspection during normal business hours at the commission's principal office for 30 days following the date of the notice, and informing the public that the commission will accept comments on the goals for 45 days from the date of the notice. If public comments are received, the goal must be reconsidered and reviewed by the commissioners; if not, the commissioners can adopt the goal. The commission's overall goal submission to DOT will include a summary of information and comments received during this public participation process and NVTC's responses.

The commission will submit its overall goal to DOT no later than December 12, 2012.

The commission will begin using its overall goal right away, unless it receives other instructions from DOT. NVTC's goal will remain effective for the duration of the three-year period established and approved by FTA.

14. Goal Setting and Accountability

If the awards and commitments shown on the commission Uniform Report of Awards or Commitments and Payments at the end of any fiscal year are less than the overall goal applicable to that fiscal year, NVTC will:

Analyze in detail the reason for the difference between the overall goal and the actual awards/commitments; establish specific steps and milestones to correct the problems identified in the analysis; and submit the plan to the FTA within 90 days of the end of the affected fiscal year.

15. Transit Vehicle Manufacturers

If the commission ever procures transit vehicles, it will require each transit vehicle manufacturer (TVM), as a condition of being authorized to bid or propose on FTA-assisted transit vehicle procurements, to certify that it has complied with the requirements of this section. Alternatively, the commission may, at its discretion and with FTA approval, establish project-specific goals for DBE participation in the procurement of transit vehicles in lieu of the TVM complying with this element of the program.

16. <u>Breakout of Estimated Race-Neutral and Race-Conscious Participation</u>

The commission will meet the maximum feasible portion of its overall goal by using raceneutral means of facilitating DBE participation. The commission uses the following raceneutral means to increase DBE participation, including but not limited to:

- Give priority to race-neutral means (including gender neutrality).
- Use outreach, technical assistance and procurement process modifications to increase opportunities for all small businesses, not just DBE's, and do not set specific goals for the use of DBE's on individual contracts.
- The commission estimates that its overall goal of **10.3%**, will be met through 6.18% race-neutral means (60%) and by 4.12% race-conscious means (40%).

17. Meeting Overall Goals - Contract Goals

The commission will use contract goals to meet any portion of the overall goal that the commission does not project being able to meet using race-neutral means. Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of the overall goal that is not projected to be met through the use of race-neutral means.

The commission will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. The commission needs not establish a contract goal on every such contract, and the size of contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work, availability of DBEs to perform the particular type of work)

In the past three years NVTC reported a DBE participation of 0 percent. Because NVTC's future projects are comparable to the past ones, in order to accomplish NVTC's 10.3% goal it needs to have a percentage of the goal as a race conscious goal. NVTC believes 40% of its 10.3% goal should be met by race conscious contracting goals.

18. Good Faith Efforts

The commission treats bidder/offerors' compliance with good faith effort requirements as a matter of responsiveness. Each solicitation for which a contract goal has been established will require the bidders/offerors to submit the following information under sealed bid procedures, as a matter of responsiveness, or with initial proposals, under contract negotiation procedures:

- ♦ The names and addresses of DBE firms that will participate in the contract;
- A description of the work that each DBE will perform.
- ♦ The dollar amount of the participation of each DBE firm's participation.
- Written and signed documentation of commitment to use a DBE subcontractor whose participation it submits to meet a contract goal.
- ♦ Written and signed confirmation from the DBE that it is participating in the contract as provided in the prime contractor's commitment; and
- If the contract goal is not met, evidence of good faith efforts.

19. Demonstration of Good Faith Efforts

The obligation of the bidder/offeror is to make good faith efforts. The bidder/offeror can demonstrate that it has done so either by meeting the contract goal or documenting good faith efforts.

The Contract Officer is responsible for determining whether a bidder/offeror who has not met the contract goal has documented sufficient good faith efforts to be regarded as responsive pertaining to the contract.

The commission will ensure that all information is complete and accurate and adequately documents the bidder/offeror's good faith efforts before NVTC commits to the performance of the contract by the bidder/offeror.

20. Administrative Reconsideration

Within 30 days of being informed by the commission that a bidder/offeror is not responsive because it has not documented sufficient good faith efforts, a bidder/offeror may request administrative reconsideration. Bidder/offerors should make this request in writing to the appropriate reconsideration official at the address provided below.

Executive Director NVTC 2300 Wilson Boulevard, Suite 620 Arlington, VA 22201 703-524-3322 nvtc@nvtdc.org

The reconsideration official will not have played any role in the original determination that the bidder/offeror did not document sufficient good faith efforts.

As part of this reconsideration, the bidder/offeror will have the opportunity to provide written documentation or argument concerning the issue of whether it met the goal or made adequate good faith efforts to do so. The bidder/offeror will have the opportunity to

meet in person with NVTC's reconsideration official to discuss the issue of whether it met the goal or made adequate good faith efforts to do. The commission will send the bidder/offeror a written decision on reconsideration, explaining the basis for finding that the bidder did or did not meet the goal or make adequate good faith efforts to do so. The result of the reconsideration process may not be appealed to the Department of Transportation.

21. Good Faith Efforts when a DBE is Replaced on a Contract

The commission will require a contractor to make good faith efforts to replace a DBE that is terminated or has otherwise failed to complete its work on a contract with another certified DBE, to the extent needed to meet the contract goal. The commission will require the prime contractor to notify the DBE Liaison Officer immediately of the DBE's inability or unwillingness to perform and provide reasonable documentation.

In this situation, the commission will require the prime contractor to obtain NVTC's prior approval of the substitute DBE and to provide copies of new or amended subcontracts, or documentation of good faith efforts. If the contractor fails or refuses to comply in the time specified, NVTC's contracting officer will issue an order stopping all or part of payment/work until satisfactory action has been taken. If the contractor still fails to comply, the contracting officer may issue a termination for default proceeding.

22. Sample Bid Specification

The commission will include the following specification in each DOT-assisted request for proposals or bids:

The requirements of 49 CFR Part 26, Regulations of the U.S. Department of Transportation, apply to this contract. It is the policy of the commission to practice nondiscrimination based on race, color, sex, or national origin in the award or performance of this contract. All firms qualifying under this solicitation are encouraged to submit bids/proposals. Award of this contract will be conditioned upon satisfying the requirements of this bid specification.

These requirements apply to all bidders/offerors, including those who qualify as a DBE. A DBE contract goal of __ percent has been established for this contract. The bidder/offeror shall make good faith efforts, as defined in Appendix A, 49 CFR Part 26 (Attachment 1), to meet the contract goal for DBE participation in the performance of this contract.

The bidder/offeror will be required to submit the following information: (1) the names and addresses of DBE firms that will participate in the contract; (2) a description of the work that each DBE firm will perform; (3) the dollar amount of the participation of each DBE firm participating; (4) written documentation of the bidder/offeror's commitment to use a DBE subcontractor whose participation it submits to meet the contract goal; (5) written confirmation from the DBE that it is participating in the contract as provided in the commitment

made under (4); and (5) if the contract goal is not met, evidence of good faith efforts.

23. Counting DBE Participation

The commission will count DBE participation toward overall and contract goals as provided in 49 CFR §26.55.

24. <u>Certification Procedures</u>

The commission does not certify DBE's; however, the commission does recognize certification by the Virginia or Maryland Department of Transportation, WMATA, Amtrak or any other transportation or transit agency receiving federal DOT funds.

The commission will use and count for DBE credit only those DBE firms certified by Virginia, Maryland or the District of Colombia.

25. Information, Confidentiality, Cooperation

NVTC will safeguard from disclosure to third parties information that may reasonably be regarded as confidential business information, consistent with federal, state, and local law.

Notwithstanding any contrary provisions of state or local law, NVTC will not release personal financial information submitted in response to the personal net worth requirement to a third party (other than DOT) without the written consent of the submitter.

ATTACHMENTS

Attachment 1: Organizational Chart

Attachment 2: DBE Directory

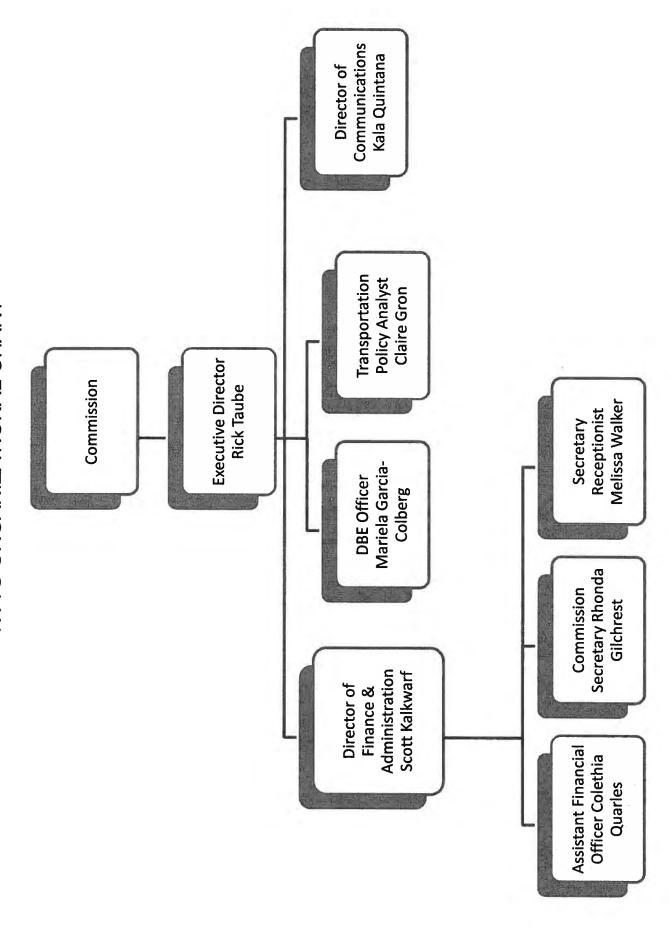
Attachment 3: Monitoring and Enforcement Mechanisms/Legal Remedies

Attachment 4: Goal Setting Methodology Attachment 5: Good Faith Efforts Forms

Attachment 6: Certification Forms

Attachment 7: DBE Regulation, 49 CFR Part 26

NVTC ORGANIZATIONAL CHART



ATTACHMENT 2

DBE DIRECTORY

<u>Name</u>	Expertise	<u>Certification</u>
AG Samuel Group DBA Foursquare Integrated 6 Hollyberry court Rockville, Maryland (301) 774-4566	Transportation Planning	MWAA
Gallop Corporation 51 Hungerford Drive Suite 612 Rockville, Md. 20850	Traffic Engineering	Maryland
MCV Associates, Inc. 4605-C Pinecrest Office Park Dr. Alexandria, Va. 22312	Environmental	Virginia
MZ strategies, LLC 914 North Ivy Street Arlington, VA 22201 (703) 582-7355	Policy and Consulting	Virginia
Partners for Economic Solution 349 Cedar Street, NW Washington, DC 20012	General Management	Virginia
Sabra, Wang and Assoc. 7055 Samuel Morse Drive Suite 100 Columbia, Md. 21046 (443) 741-3500	Engineering	Virginia
Sharp and Co., Inc. 794 Nelson Street Rockville, Md. 20850	Consulting	Maryland

ⁱ NVTC just started its Bidders list.

ATTACHMENT 3

Monitoring and Enforcement Mechanisms / Legal Remedies

NVTC has available several remedies to enforce the DBE requirements contained in both its subrecipient agreements, and in its direct contracts including, but not limited to, the following:

Breaches and Dispute Resolution – Breach of contract might be decided by a mutually agreeable form of alternative dispute resolution, or in a court of competent jurisdiction within the Commonwealth of Virginia.

In cases of fraud, NVTC will immediately notify the federal government.

<u>Federal Government Enforcement</u>- the federal government may apply suspension and debarment proceedings, (49 CFR part 26), enforcement actions (49 CFR part 31) and prosecution (18 USC 1001)

Step 1. Base Figure Determination

The first step in establishing an overall DBE goal is to measure the actual availability of DBE vendors within the NVTC service area to perform the types of DOT assisted contracts that NVTC intends to let during the federal fiscal year cycle. In FFY2012, 2013 and 2014 NVTC (and its subrecepients) are expected to initiate contracts for: construction of a Falls Church intermodal transit facility; preliminary design of Alexandria Potomac Yard transit improvements including final design and construction of entrances; design of an intermodal station on Eisenhower Avenue; design, construction and project management of King Street Metrorail access improvements; and design and construction of improvements for Alexandria Transit. Firms that will be utilized include general management, planning services, engineering services, and construction.

Local Market Area

The local market area is the area wherein the substantial majority of the contractors and subcontractors are located and the area in which NVTC spends the substantial majority of its contracting dollars. For the purpose of this methodology, NVTC will consider the relevant market area to be the cities of Alexandria, Fairfax, Falls Church; the counties of Arlington, Fairfax, Loudoun; and the District of Columbia.

Available Firms in Local Market Area by North America Industry Classification Code (NAICS)

The total number of all contractors and subcontractors located in the NVTC local market area that would be available for DOT assisted projects, were extracted from the 2010 NAICS County Business Patterns compiled by the US Census.

TABLE 1 - Total Available Firms

Jurisdiction	NAICS CODE 23	NAICS CODE	NAICS CODE	NAICS CODE
	Construction	541330	541611	541620
		Engineering	General	Environmental
			management/	Consulting
			Planning	Services
Alexandria City	146	75	167	11
Arlington County	208	166	242	14
District of	384	197	584	47
Columbia				
Fairfax City	136	42	41	1
Fairfax County	2315	586	933	78
Falls Church City	39	7	12	2
Loudoun County	789	133	216	8
TOTAL	4017	1206	2195	161

Base Figure Formula

The regulations suggest the following formula for determining the base figure percentage of ready, willing and able DBE firms for DOT- Assisted projects.

Numerator:

Ready, Willing and Able DBE Firms (by category) divided by;

Denominator:

All Ready, Willing and Able Firms

The number for the numerator (the number divided) includes firms listed in DBE databases maintained by the Virginia Department of Minority Business Enterprise (DMBE), District of Columbia Department of Transportation (DDOT), the Washington Metropolitan Area Transit Authority (WMATA), and The Metropolitan Washington Airports Authority (MWAA) **SEE TABLE** 2

TABLE 2 - Certified DBE Firms

	DDOT	MWAA	DMBE	WMATA	Total
Construction (23)	124	72	99	95	390
Engineering (541330)	49	12	50	48	159
General management/ Planning (541611)	44	32	56	46	178
Environmental Consulting (541620)	5	3	7	8	23

The number for the denominator was extracted from the NAICS listing for the local market area, as referenced in **Table 1**.

The Base Goal calculation is 750/7579 = 9.9%

However, NVTC will now weight its base goal to make the figure more accurate. As shown in Table 3, we determined how many projects we will have for each of the NAICS industry codes.

TABLE 3 - RELATIVE AVAILABILITY OF DBE's

NAICS Code	Industry	Work item	#of DBE firms	# of All Firms
23 Constr	uction	Eisenhower Avenue Bus Loops – construction terminal	390	4017
		BRT Potomac Yards- construction of stations		
		Falls Church Intermodal Transit Facility-construction of transit plaza		

		1	T
	Alexandria Transit Services Improvement – construction of walkways, bus shelters/ rehabilitation		
	Alexandria Eisenhower Ave Busloops construction terminal/intermodal		:
	King Street Access improvement construction		
541330 - Engineering	Eisenhower Avenue Bus Loops – preliminary engineering and final design	159	1206
	Arlington/ Crystal City Potomac Yard Busway- final design services and engineering		
	Alexandria Potomac Yards Busway -preliminary engineering and final design	:	
	Falls Church Intermodal Transit Facility-preliminary engineering and final design		
	Alexandria Transit Service Improvements – engineering and design.		
	King Street Access Improvement – design		:
	BRT Potomac Yards – station design		
541611 Gen. management/ planning	Eisenhower Avenue Bus Loops -project management and administration	178	2195
Pra9	Arlington/ Crystal City Potomac Yard Busway –project management		
	Alexandria Potomac Yards Busway –project management		:
	Alexandria Van Dorn –Beauregard Alternative Analysis		
	Route 7 – Alternative Analysis Project		
	King Street Access Improvement – project management		
	Alexandria Transit Service Improvements – project management		
541620 Environmental consulting	Alexandria Potomac Yards Metro Station- NEPA Potomac Yard Metro station Flex- environmental analysis	23	161
TOTAL		750	7579

Using the Weighting Base Figure Worksheet Instructions (See attached excel spreadsheets) on which NVTC included all this information; NVTC established its new weighted goal as 10.3%.

STEP 2: Adjust Base Figure

After calculating NVTC's base figure, the second step is to adjust for differences between NVTC's yearly contracting programs, if any. NVTC contracts for the next years will substantially be the same as in previous years. NVTC will be contracting with firms that perform the following services: general management, planning services, engineering services, environmental consulting services and construction.

The federal DBE regulations require that the base goal should be adjusted (again) using past participation rates of DBEs on USDOT-funded projects. NVTC looked at past participation rates and decided that reported past participation rates do not accurately reflect the use of DBE in FTA assisted contracts by either NVTC or its subrecipients. There are also no disparity studies that can be use in the calculation. Therefore, NVTC will not adjust the base figure.

Goal 10.3%

Means of Meeting Overall Goals

Based on NVTC's past experience, the 10.3% goal would be met through 6.18% race-neutral means (60%) and by 4.12% race-conscious means (40%). Race-neutral DBE participation occurs when a DBE wins a contract or subcontract that did not have contract specific goals, or when the DBE status was not considered in making the award. NVTC will meet 40% of its DBE goal by using contract goals, which is considered race-conscious means. A complete explanation of how NVTC will accomplish its DBE goal can be found in the DBE Program, Section 17.

Determine the weight of each type of work by NAICS Code:

* Enter all the FTA-assisted projects below. Project amounts should be assigned relevent NAICS Code(s).

	NAICS Code		Amount of DOT	% of total
		Project	funds on project:	DOT funds
3	2) 541620	all environmental	\$909,277.00	0.0554
3	23	all contruction	\$9,238,038.00	0.5633
4	4) 541330	all engineering	\$2,964,651.00	0.1808
ଜା	5) 541611	all gen. man/planning	\$3,286,977.00	0.2004
6				0.0000
				0.0000
®				0.0000
6				0.0000
9				0.0000
	Total FTA-Assis	Total FTA-Assisted Contract Funds	\$16,398,943.00	1

(N)

Determine the relative availability of DBE's by NAICS Code:

* Use DBE Directory, census data and/or a bidders list to enter the number of available DBE firms and the number of av

										Overall availability of DBEs
Relative Availability	0.1429	0.0971	0.1318	0.0811						0.0990
Number of all Relative firms available Availability (including	161	4017	1206	2195						7579
Number of DBEs available to perform this	23	390	159	178						750
Project	all environmental	all contruction	all engineering	all gen man./planning	0	0	0	0	0	Combined Totals
NAICS Code	2) 541620	23	541330	541611					0	Comb
	7	3	4	જ	(9	7	8	6	10) 0	

6

(Weight) x (Availability) = Weighted Base Figure

	NATOR COA					
	INAICS Code					Weighted Base
		Project	Weight	×	Availability	Figure
7	541620	all environmental	0.05545	×	0.14286	0.0079
3	23	all contruction	0.56333	×	0.09709	0.0547
4	541330	all engineering	0.18078	×	0.13184	0.0238
5	541611	all gen. man/planning	0.20044	×	0.08109	0.0163
9	0	0	0.00000	×	0.00000	
7	0	0	0.00000	×	0.0000	
8	0	0	0.00000	×	0.00000	
6	0	0	0.00000	×	0.0000	
10)0	0	0	0.00000	X	0.00000	
					Total	0.1027
					Expressed as	
					a % (*100)	10.27%
					Rounded,	
					Weighted	
					Base	
					Figure:	10.3%

ATTACHMENT 5

DEMONSTRATION OF GOOD FAITH EFFORTS – NVTC includes the following clause in all its solicitations:

<u>PARTICIPATION:</u> Where it is practicable for any portion of the awarded contract to be subcontracted, the contractor is encouraged to offer such business to minority, womenowned businesses and/or small businesses.

Contractor or his/her subcontractor shall not discriminate on the basis of race, color, sex, gender, national origin or ethnicity in the performance of this contract. Contractor or his/her subcontractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor his/her subcontractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as NVTC deems appropriate.

Contractor will be required to submit a schedule of DBE or small businesses use on a quarterly basis. Contractor is required to maintain records and documents of payments to DBE's or small businesses for three years following the performance of the contract and will make these records available to NVTC upon request.

Contractor or its subcontractors agree to ensure that disadvantaged business enterprises as defined in 49 C.F.R. Part 26 have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with federal funds provided under this agreement. In this regard, NVTC and its contractors shall take all necessary and reasonable steps in accordance with 49 C.F.R. Part 23 to ensure that disadvantaged business enterprises have the maximum opportunity to compete for and perform contracts.

Contractor, its agents, employees, assigns or successors, any persons, firms, or agency of whatever nature with whom it may contract or make agreement, in connection with this contract shall cooperate with NVTC in meeting its commitment and goals with regard to the maximum utilization of disadvantaged business enterprises. The parties to this contract shall use their best efforts to ensure that disadvantaged business enterprises shall have the maximum practicable opportunity to compete for subcontract work under this contract. Reference: Federal Regulation Sec. 49 CFR 26.49

ATTACHMENT 6

CERTIFICATION FORMS – NVTC includes the following clause in all its solicitations:

<u>PARTICIPATION:</u> Where it is practicable for any portion of the awarded contract to be subcontracted, the contractor is encouraged to offer such business to minority, womenowned businesses and/or small businesses.

Contractor or his/her subcontractor shall not discriminate on the basis of race, color, sex, gender, national origin or ethnicity in the performance of this contract. Contractor or his/her subcontractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor his/her subcontractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as NVTC deems appropriate.

Contractor will be required to submit a schedule of DBE or small businesses use on a quarterly basis. Contractor is required to maintain records and documents of payments to DBE's or small businesses for three years following the performance of the contract and will make these records available to NVTC upon request.

Contractor or its subcontractors agree to ensure that disadvantaged business enterprises as defined in 49 C.F.R. Part 26 have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with federal funds provided under this agreement. In this regard, NVTC and its contractors shall take all necessary and reasonable steps in accordance with 49 C.F.R. Part 23 to ensure that disadvantaged business enterprises have the maximum opportunity to compete for and perform contracts.

Contractor, its agents, employees, assigns or successors, any persons, firms, or agency of whatever nature with whom it may contract or make agreement, in connection with this contract shall cooperate with NVTC in meeting its commitment and goals with regard to the maximum utilization of disadvantaged business enterprises. The parties to this contract shall use their best efforts to ensure that disadvantaged business enterprises shall have the maximum practicable opportunity to compete for subcontract work under this contract. Reference: Federal Regulation Sec. 49 CFR 26.49

The commission also includes the following forms as part of the solicitation documents:

FORM 1

DISADVANTAGED BUSINESS ENTERPRISE AND SMALL BUSINESS PARTICIPATION STATEMENT

The commission commits itself to an active effort to involve Disadva Enterprises (DBE) in contracting opportunities, to increase competition, and to of support for public transit. The commission has established a goal of 10.3% of DBEs. To ensure that DBEs have the maximum practicable opportunit contract and subcontract work, we ask that you describe below, how your assist the commission with its commitment toward achieving our 10.3% goal.	broaden the base for the utilization by to compete fo
While there is no goal established for the utilization of small businesses, the commits itself to involve Small Businesses (SB) in contracting opportunities. SBs have the maximum practicable opportunity to compete for contract and we ask that you describe below, how your organization will assist the corcommitment toward SBs.	. To ensure tha subcontract work

FORM 2

SCHEDULE OF DISADVANTAGED BUSINESS ENTERPRISE (DBE) AND SMALL BUSINESS PARTICIPATION

Name of Offeror		•	
Project Name			
Name of DBE Contractor			
Address			
Phone Number			
Type of Product/Services P	rovided/SOW Tasks a		be Provided
Projected Dates for Work C	ommencement/Comp	letion	
Contract Amount			ill and the second
The undersigned will enter work listed in the schedule			3E or SB Contractors fo
Offeror		Date	

ATTACHMENT 7

Regulations: 49 CFR Part 26

A copy of the regulations can be found at:

http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&tpl=/ecfrbrowse/Title49/49cfr26 main 02.tpl



AGENDA ITEM #5

TO: Chairman McKay and NVTC Commissioners

FROM: Kala Quintana

DATE: February 28, 2013

SUBJECT: Legislative Items

HB2313 Transportation Bill Summary

On February 22, 2013, the Governor's transportation bill/Conference Report compromise (HB 2313) passed the House of Delegates, and it passed Senate the next day. The bill contains statewide revenue component that will provide roughly \$880 million annually for transportation funding by 2018. There is also a regional component for Northern Virginia which will provide another \$300 - \$350 million annually.

The bill has been sent to the Governor, who can then approve the bill, as is, or propose amendments. Secretary Connaughton has asked the Northern Virginia Transportation Authority (NVTA) for feedback and any technical amendments that should be considered before the Governor signs the bill into law.

Included with this memo is the HB2313 Conference Report Summary presentation as well as the Conference Report Line by Line Summary.

Highlights of the statewide and the Northern Virginia regional package are as follows:

Statewide funding

- Changes the gas tax by replacing the 17.5 cents per gallon with a 3.5% tax at the wholesale price.
- Changes the diesel fuel tax by replacing the 17.5 cent per gallon with a 6% tax at the wholesale price. Vehicles (under 10,000 lbs) that use diesel and are for personal use will be eligible for a refund of 2.5%.
 - O Special Note: NVTC's 2.1% will be collected in parallel with the new tax on the wholesale price of gasoline and diesel from the distributors. However, the NVTC tax is calculated based on the actual price at the time of sale whereas the new tax will be calculated according to a rolling base rate as defined by the legislation. (See additional analysis at the end of this section).

- Adds \$100 fee for alternative fuel vehicles
- Increases statewide sales tax by 0.3% (from 5.0% to 5.3%)
 - 0.125% of this increase will be used to support rail and transit projects (40% for rail, 60% for transit)
- Increases the vehicle sales tax by 1.3% (from 3% to 4.3%)
- A larger amount of the existing sales tax will be dedicated to transportation (from 0.50% to 0.675% by 2018).
- If Congress passes the Marketplace Equity Act (MEA), the Commonwealth will collect out of state sales taxes on internet purchases. The revenues will be divided amongst public education, localities and transportation.
- By 2018, these funds will annually provide approximately:
 - \$500 million maintenance
 - \$190 million construction
 - \$140 million transit
- In addition the bill provides \$300 million for Dulles Rail Silver Line Phase II. Funding will be provided in \$100 million increments from FY14-16.

Additional Analysis of the gas sales tax component in HB2313 Conference Report vs. NVTC's 2.1%

- HB2313 calculates the fuel tax on REGULAR unleaded gasoline. NVTC taxes ALL GRADES.
- NVTC's 2.1% is calculated AFTER federal excises taxes are added. The loss of NVTC's ability to calculate based on the state excise tax (due to the elimination of the tax) is estimated at \$4 million annually for NVTC and PRTC combined. HB2313 provides a "safe harbor" element in pricing. Guaranteeing that the base rate will not drop below the rate as of February 20, 2013. NVTC's gas tax has no floor. So if gas prices plummet so do NVTC's revenues.
- Northern Virginia uses reformulated fuel to reduce pollutants in the region.
 HB2313 uses a statewide average on regular unleaded fuel and includes areas that do not require reformulated gasoline (which is more expensive) to be sold.

Regional Funding

The HB2313 Conference Report includes a regional component for Northern Virginia and establishes the Northern Virginia Transportation Authority (NVTA) Fund. In total, these revenue streams are expected to provide \$300-\$350 million annually for use solely in Northern Virginia. Several of these revenue components were adopted and implemented by the NVTA under HB3202 (2007). In February 2008, the Virginia Supreme Court ruled that the General Assembly did not have a constitutional basis for delegating taxing authority to the NVTA. The General Assembly has rectified that by implementing these taxes and fees directly through HB2313.

- Imposes an additional 0.7% sales tax on top of the new state rate of 5.3%. Northern Virginia's sales tax will be 6%.
- Imposes a 3% Transient Occupancy Tax (hotel tax).
- Imposes a Grantors Tax of \$0.25 per \$100.

70% of the fees collected under the regional package will be used to fund regional projects adopted by the NVTA. The remainder 30% will be distributed to the NVTA jurisdictions for local transportation projects.

Special note: In order to access these funds, each locality is required to maximize their Commercial & Industrial (C&I) tax at 12.5% or provide a dedicated revenue stream equal to the revenue that would be collected if the C&I tax was maximized for that locality.

This bill has an effective date of July 1, 2013.

SB1140 – Performance Based Funding for Transit Bill Summary

Implements performance-based funding for mass transit for revenues generated above \$160 million in 2014 and after. Creates the Transit Service Delivery Advisory Committee (TDAC) to advise the Department of Rail and Public Transportation on the distribution of such funds and how transit systems can incorporate the metrics into their transit development plans.

An attempt was made by DRPT to strike the language in the code pertaining to NVTC and its subsidy allocation model (SAM) for funding WMATA. This language was reinstated and remains in the final version.

This bill has an effective date of July 1, 2013.

HB2152 – Transportation Commission and VRE Operations Board Membership and Voting Bill Summary

This legislation gives the Chairman of the CTB or his designee weighted voting equal to the weight of the VRE jurisdiction contributing the greatest amount of jurisdictional subsidy, when the Commonwealth provides funding to VRE at least equal to that jurisdiction. For NVTC and PRTC the bill requires that the Chairman of the CTB or his designee shall have voting rights equal to appointees of component governments. Arguably this is already the case. However, the statutory requirement that an affirmative vote requires a majority of the jurisdictions represented has been eliminated Also, it is unclear if an affirmative vote requires a majority of the members of the commission (11) or of those present constituting a quorum (as few as 6).

This legislation will require amendments to the VRE Master Agreement and could have adverse affects on the ability of the Commissions to issue additional VRE-related debt for future projects. Bond Counsel (attached) views that this legislation could be perceived by the bond markets as an attempt to alter the governance structure of VRE and the Commissions and may signal instability and credit risk.

Following extensive discussions within the General Assembly regarding the possible effects of this bill, the General Assembly amended the bill to delay the enactment until **July 1, 2014.**

HB 2313 Conference Report

February 21, 2013

- Generates \$880 million annually statewide in 5th year when fully implemented
 - Amount includes \$200 million from existing GF sources by year 2018
- Provides a dynamic funding source for transportation that grows with the economy
 - Why change? Motor fuels taxes are forecasted to be stagnant.
 - ✓ Increasing CAFÉ standards
 - ✓ Increasing use of alternative fueled vehicles
 - ✓ Reduced purchasing power because gas tax based on cents per gallon
 - Sales and use tax on gasoline and on general purchases is percentagebased and thus has inherent growth factor allowing revenues to keep pace with increased costs
- Sources retain nexus to transportation system usage
 - Replaces current 17.5 cents per gallon gas tax by lowering the discount on motor vehicle sales — maintains a 1% discount to buy a car, adds a 3.5% motor fuel tax at rack, and a 6% diesel tax at rack (reflects higher wear and tear on roads from heavy trucks)

- Eliminates the HMOF/TTF "cross-over" where construction funding is transferred to maintenance
 - Provides the more than \$500 million of additional revenue to the HMOF in FY 2017 to eliminate crossover
 - Sufficient revenue provided to ensure that the practice of transferring highway construction funding to maintenance is eliminated
 - This results in an equivalent share of funding that will remain in the highway portion of the Transportation Trust Fund which can be distributed according to the <u>existing</u> formulas
- Protects maintenance in the future giving them more dynamic funding sources, protecting from future "crossover" issues

- Includes major regional packages for both Northern Virginia and Hampton Roads
 - Approximately \$300-350 million each year for Northern Virginia
 - Approximately \$173 million, growing to \$219 million by FY 2018 for Hampton Roads
- Provides a dedicated funding source for the Mass Transit and Intercity Passenger Rail Fund (IPROC)
 - IPROC Fund created in 2011 but has had no dedicated funding stream
 - Amounts generated by a portion of the 0.3% increase in general sales tax increase will be used to support rail and transit projects in the Commonwealth (0.125%)
 - ✓ Amounts distributed 40% for rail, 60% for transit
 - ✓ Includes the \$300 million for Phase II Dulles Rail (as included in both bills)

- Increases fee for alternative fueled vehicles to \$100
 - Current rate for electric vehicles \$50 million
 - Includes hybrid vehicles
 - Excludes natural gas taxed under federal tax Code
- Reflects compromise on use of existing GF for transportation
 - Increases the share of the existing general sales and use tax dedicated to transportation from 0.50% to 0.675% by 2018
 - Transfers additional 0.05% each year in FY 2014, 2015 and 2016, with an additional 0.025% transferred in 4th year
 - Increases share of existing sales tax dedicated to transportation from 0.50% to 0.675% when fully phased-in

Additional Revenues for Transportation Conference Report HB 2313

Additional Statewide Funding for Transportation - HB 2313 Conference Rpt	2014	2015	2016	2017	2018	5-Year
Convert Cents Per Gallon at Pump (gasoline and diesel)	(871.1)	(889.3)	(907.4)	(922.6)	(938.2)	(4,528.6)
3.5% tax at rack on gasoline (wholesale price)	412.0	470.1	482.0	493.2	501.6	2,358.7
6% tax at rack on diesel (wholesale price)	214.3	252.9	267.6	285.3	303.1	1,323.2
\$100 Registration Fee for Alt. Fuel Vehicles	10.2	11.4	13.0	15.0	17.0	66.6
Maintain historic 1% exemption on motor vehicle sales (phase in: 1%, .1%, .1%, .1%)	184.0	223.9	248.8	278.5	278.6	1,213.7
Net Impact - User Fees	(50.7)	68.9	103.9	149.3	162.0	433.5
Increase General Sales and Use Tax 0.3%	265.8	301.2	313.2	325.2	336.3	1,541.7
MEA: Share for Transp Sales Tax at 5.3%	144.6	164.1	170.8	177.5	183.6	840.6
Increase Share of Existing GSUT to HMOF by 0.175% (.05/3 years, .025 yr 4)	49.0	101.7	158.4	191.8	198.2	699.1
Net Impact - Other Fees	459.4	567.0	642.4	694.5	718.1	3,081.4
Grand Total For Transportation	408.7	635.9	746.3	843.8	880.2	3,514.9

Conference Report for HB 2313 - Proposed Uses of Revenue	2014	2015	2016	2017	2018	5-Year
Highway Maintenance and Operating Fund						
Loss from gas tax conversion	(735.4)	(751.6)	(767.5)	(781.3)	(795.4)	(3,831.2)
HMOF - 80% of amounts from 3.5% non-diesel rack	329.6	376.0	385.6	394.5	401.2	1,886.9
HMOF - 80% of amounts from 6% diesel rack	171.4	202.3	214.1	228.2	242.5	1,058.6
Eliminate 1.3% of sales tax exemption on motor vehicle sales (1% yr 1, .1% add'l years 2-4)	184.0	223.9	248.8	278.5	278.6	1,213.7
Increase alternative fueled vehicle fee to \$100	10.2	11.4	13.0	15.0	17.0	66.6
Use portion of general sales and use tax increase for HMOF (0.175%)	155.1	175.7	182.7	189.7	196.2	899.3
Increase Share of Existing Sales Tax to HMOF to 0.675% over 4 years	49.0	101.7	158.4	191.8	198.2	699.1
Total to HMOF:	163.9	339.4	435.0	516.4	538.3	1,993.0
Transportation Trust Fund						
Loss from gas tax conversion	(108.5)	(110.4)	(112.4)	(113.7)	(115.1)	(560.1)
TTF - 15% of amounts from 3.5% non-diesel rack	61.8	70.5	72.3	74.0	75.2	353.8
TTF - 15% of amounts from 6% diesel rack	32.1	37.9	40.1	42.8	45.5	198.5
MEA: 3% Share for Transp. Trust Fund - Sales Tax at 5.3%	144.6	164.1	170.8	177.5	183.6	840.6
Total to TTF:	130.0	162.1	170.8	180.6	189.2	832.8
Intercity Passenger Fund and Transit Capital						
Use portion of general sales and use tax increase for IPROC and Transit (0.125%)	110.8	125.5	130.5	135.5	140.1	642.4
Intercity Passenger Rail Operating and Capital Fund (40%)	44.3	50.2	52.2	54.2	56.1	257.0
Mass Transit Trust Fund (60%)	66.5	75.3	78.3	81.3	84.1	385.4
DMV Total - Holds Harmless for Gas Tax Amount	6.3	7.2	7.5	7.8	8.0	36.8
PTF Total - Holds Harmless for Fuel Tax Evasion Assumption	25.1	28.9	30.0	31.1	32.2	147.3
Grand Total for Transportation	408.7	635.9	746.3	843.8	880.2	3,514.9

Additional Provisions: Conference Report HB 2313

- Prohibits tolling of existing lanes of Interstate I-95 South of Fredericksburg
- Retains the refund for diesel-powered passenger vehicles
 - Rate identical to non-diesel vehicles
- Retains refunds for other non-highway vehicles
 - Watercraft, non-road use, etc.
- Includes maintenance of effort provisions on both the state and regional levels to ensure regions are not negatively impacted for undertaking "self-help"

Increased Funding for Public Education

Also includes additional dedicated funding for Public Education

- Dedicates additional 1/8th percent of existing general sales and use tax for education
- Dedicates 1.25% of sales tax generated from Marketplace Equity Act (MEA) to public education
- Includes trigger that if MEA is not adopted by January 1, 2015, general fund transfers to HMOF will be used to backfill the difference
- Also includes a "double-trigger" that if MEA is subsequently adopted, provisions go back into effect

Additional General Fund for Education						
(\$ in millions)	2014	2015	2016	2017	2018	5-Year
MEA for Public Education (1.25%)	59.3	67.3	70.0	72.8	75.3	344.5
Dedicate add'l 1/8% sales and use tax	99.7	113.0	117.5	122.0	126.1	578.3
Total:	159.0	180.3	187.5	194.8	201.4	922.8

Comparison to House-Adopted and Senate-Adopted Versions

- Total revenue levels reflect compromise between House and Senate statewide figures
 - House-adopted version totaled \$827 million in FY 2018 and included \$283 million GF transfer to HMOF
 - Senate-adopted version reported to total \$1.0 billion by FY 2018 and utilized \$56.6 million from existing GF resources
 - Conference Report includes FY 2018 statewide total of \$880 million and \$198 million GF transfer to HMOF

Kala Quintana

From:

Linda McMinimy--Virginia Transit Association [pvilla@mcm1.net]

Sent:

Friday, February 22, 2013 12:56 PM

To:

Kala Quintana

Subject:

Legislative Update/Alert from the Virginia Transit Association

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sportation Plan Update

1embers and Friends,

to view: the <u>summary of HB2313 conference report with funding charts</u>, a <u>PDF of the bill</u> and <u>line e summary</u> for your review. These details just became available and they are not on the General nbly website.

pill will significantly increase state transit funding for the mass transit fund through increased funding to the portation Trust Fund and especially through redirection of sales tax funding to transit and intercity passenger rail. Increase in dollars to the mass transit fund is estimated at \$44-85M in FY14 (depending on whether the Marketplace y-Internet sales tax is passed by Congress) to \$112M by FY18. It's not possible to determine the new funding level f system. \$300M would be dedicated to the Dulles Rail project, which comes out of highway funds, not transit.

onally, new dedicated local and regional funds could be available for transit in the greater Northern Virginia region ities within NVTA). Unfortunately, new dedicated Hampton Roads fund cannot be used for transit only road projects.

the bill clearly has flaws, it provides significant new funds for transit and I urge you to contact your Senate Delegates ASAP to let them know this bill is good for transit and intercity passenger rail and encourage to ort.

louse and Senate plan to vote today. For different reasons Republican and Democratic caucuses seem to on their support of the bill so <u>your call today will be timely.</u>

to General Assembly contact information:

//virginiageneralassembly.gov/membersAndSession.php?secid=1&activesec=0#!hb=1&mainContentTa

• McMinimy

itive Director

Forward email





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Page 2, lines 34 – Page 2, line 53	§15.2-4838.01	Northern Virginia Transportation Authority Fund Created. Establishes the Fund within the State Treasury as a non- reverting fund to be used for transportation.
Page 3, lines 54 to Page 6, line	§15.2-4838.1	Use of Revenues by NOVA Transportation Authority. Stipulates that they will be chosen from a list of projects selected by the Authority to reduce congestion.
Page 6 line 142 through Page 8 line 191	§33.1-23.03:08	Priority Transportation Fund. Eliminates reference to receipt of \$20 million annually derived from gasoline tax at cents per gallon. Replaces it with dedication of 4% of revenues generated by the tax at the rack to provide on-going hold-harmless for PTF with marginal growth.
Page 8 line 192 through Page 9 line 222	§33.1-23.5:1	Funds for Counties that Have Withdrawn from State Highway System Updates per lane mile references for Arlington and Henrico counties to reflect FY 2014 rates instead of FY 1986 rates. Does not change Arlington rate. Increases Henrico to reflect a rate more closely aligned with payments made to cities.
Page 9 line 223 through line 241	8331,23.5.1	Hampton Roads Transportation Fund Established. Creates a special non-reverting Hampton Roads Transportation Fund in the State Treasury to hold the revenues generated by the regional taxes imposed in this Act Defines the Hampton Roads region to mirror the Transportation Planning Organization in the region. (includes: Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg, and the Counties of Gloucester, Isle of Wight, James City, and York)
Page 10, lines 242-245	§58.1-300	Incomes not subject to local taxation. Technical – eliminates references to Code provisions eliminated elsewhere in the Act.
Page 10 lines 246 - 265	§58.1-520	Contingent expiration – Definitions. Eliminates references to Code section repealed elsewhere in this Act.
Page 10 line 266 to Page 11 line 286	§58.1-520	Contingent effective – Definitions. Eliminates Code section repealed elsewhere in this Act.

Page 11 line 287 – Page 12 line 308	§58.1-601	Administration of Chapter. This section sets out the administration of the collection of sales tax from remote sellers to implement collection of sales tax pursuant to the Marketplace Equity Act.
Page 12 line 309 – Page 20 line 522	§58.1-602	Definitions. This section amends the definitions used in the sales tax chapter of title 58.1 to include language relating to redefinition of terms that might be necessary to comply with the provisions of the Marketplace Equity Act.
Page 20 line 523 – Page 21 line 541.	§58.1-603	Imposition of sales tax. Includes the increase in the general sales tax of 0.3%. Does not apply to food.
Page 21 line 542 – Page 22 line 566	§58.1-603.1	Additional sales tax in certain cities or counties. Includes an additional 0.7% sales tax for the Hampton Roads and Northern Virginia regional funds. (brings total sales tax in those 2 regions to 6% inclusive of statewide increase of 0.3% above) Does not apply to food.
Page 22 line 567 to Page 23 line 592	§58.1-604	Imposition of Use Tax. Mirrors the sales tax section above to make the corresponding increase of 0.3% to the use tax.
Page 23 line 593 -617	§58.1-604.01	Additional use tax in certain cities or counties. Mirrors the additional 0.7% sales tax for the Hampton Roads and Northern Virginia regional funds to increase the use tax. (brings total sales tax in those 2 regions to 6% inclusive of statewide increase of 0.3% above)
Page 24 line 618 – Page 25 line 652	§58.1-604.01	Use tax on motor vehicles, machinery, tools and equipment brought into Virginia for performing contracts. Reflects the same 0.3% increase for other items with the existing exclusions unchanged.
Page 25 line 653 to Page 28 line 739	§58.1-605	Local Sales Tax Provisions. This section sets out the administration of the collection of sales tax from remote sellers to implement collection of sales tax pursuant to the Marketplace Equity Act for the local

		option sales tax.
Page 28 line 740 to Page 30 line 802	§58.1-606	Local Use Tax Provisions. This section sets out the administration of the collection of sales tax from remote sellers to implement collection of sales tax pursuant to the Marketplace Equity Act for the local option use tax.
Page 30 line 803 to Page 34 line 903	§58,1-608.3	Entitlement to certain sales tax revenues. This existing Code section relates to sales tax revenues generated at specific facilities – hotels, sports arenas, etc. – that are expressly given permission to retain portions of the sales tax funding generated at such facilities. New language is added excluding retention of the additional 0.3% dedicated to transportation under this act, as well as any regional transportation sales tax included in this Act. Already excluded is the 1% distributed by school age population, the existing 0.5% dedicated to the TTF and the 1% local option sales tax
Page 34 line 904 to Page 37 line 987	§58.1-612.	Dealers Defined Contingent expiration date(sales tax) Like the previous sales tax section, this includes language authorizing changes to definitions and collection practices which allows the methods to change if required to comply with the provisions of the Marketplace Equity Act.
Page 37 line 988 to Page 41 line 1084	§58.1-612.	Dealers Defined Contingent effective date(sales tax) Like the previous sales tax section, this includes language authorizing changes to definitions and collection practices which allows the methods to change if required to comply with the provisions of the Marketplace Equity Act.
Page 41 line 1085 to Page 42 line 1109	§58.1-614.	Vending machine sales. This updates the sales tax provisions related to vending machines to reflect the 0.3% increase in the general sales tax included in this bill as well as the regional increases contemplated in NOVA and Hampton Roads.
Page 42 line 1110 to Page 43 line 1141	§58.1-615.	Returns by dealers. Also related to Marketplace Equity. Limits sales tax returns by dealers to no more than once per month.
Page 43 line 1142 to Page 44 line 1176	§58.1-625.	(effective until July 1, 2017) Collection of Tax. Another section which is amended to include language relating to compliance with provisions of the Marketplace Equity Act. (Note: the contingent effective dates are

		unrelated to this legislation and are pre-existing)
Page 44 line 1177 to Page 46 line 1210	§58.1-625.	(effective July 1, 2017) Collection of Tax. Another section which is amended to include language relating to compliance with provisions of the Marketplace Equity Act. (Note: the contingent effective dates are unrelated to this legislation and are pre-existing)
Page 46 line 1211 to Page 47 line 1236	§58.1-635.	Failure to file return; civil penalties. Another section which is amended to include language relating to compliance with provisions of the Marketplace Equity Act.
Page 47 line 1237 to Page 56 line 1491 (Note: changes begin on page 55, line 1454)	§58.1- 6 38.	Disposition of state sales and use tax revenues. Includes changes to distribution of sales tax as follows: F. 2 reflects the dedication of an additional 1/8 th percent of the sales and use tax to education through the existing Education SOQ Find created in 2004. G. Sets out the phased increase in the share of the existing sales and use tax transferred to the HMOF by year. Amounts equal 0.05% in FY 2014, 0.10% in FY 2015, 0.15% in FY 2016, and 0.175% in FY 2017 and beyond. Percentages are used because the language as drawn in comparison to the existing 0.50% going to the TIF since 1986. Enactment clause says that the amounts do NOT apply to food. H. Sets out the distribution of the additional 0.7% sales and use tax in Northern Virginia and Hampton Roads, and directs their deposits to the respective funds.
Page 56 line 1492 to Page 57 line 1520	§58.1-638.2	Disposition of sales tax generated by the Marketplace Equity Act. This language sets out the distribution of tax revenues generated by the MEA as follows: 1% local = 50% to transportation, 50% any purpose 1% school age population 25% SGQ Remainder to transportation (3.05%) with amounts being deposited in the Transportation Trust Fund
Page 58 line 1521 to line 1533	\$58.1-638.3	Disposition of 0.3% sales tax for transportation Sets out the distribution of the 0.3% increase in sales tax for transportation as follows: 175% to the HMOF

		.05% to the Intercity Passenger Rail Fund .075% to the Mass Transit Fund
Page 58 line 1534 to Page 59 line 1553	§58.1-639	Transitional Provisions. Updates provisional implementation language to deal with remittance of sales tax for items delivered within 3 months of the effective date of the increase of 0.3% of the sales tax.
Page 59 line 1554 to 1574	§58.1-802.2	Regional Congestion Relief Fee. This section implements a \$0,25 per \$100 grantor's tax in the Northern Virginia Transportation Authority region.
Page 59 line 1572 to Page 63 line 1663	§58.1-811	Exemptions. Retains the existing exemptions from grantors tax and ensures the same apply to the regional congestion relief fee in Northern Virginia.
Page 63 line 1664 to 1675	§58.1-1742	Transient Occupancy Tax In Northern Virginia. Implements a 3% transient occupancy tax in Northern Virginia with revenues deposited into the NVTA Fund.
Page 63 line 1676 to Page 71 line 1867	§58.1-2201	Definitions. Adds definitions of alternative fuel vehicle and hybrid electric vehicle.
Rage 71, line 1868 to Page 73 line 1923	\$58-1-2217	Taxes levied; rate. The language in this section repeals the 17.5 cents per gallon tax on gasoline effective July 1, 2013. The second sentence imposes a 3.5% wholesale tack sales tax on motor fuel effective July 1, 2013. That rate is to be initially set based on the rack price in effect on February 20, 2013. Henceforth it is updated bi-annually on July 1 and January 1 to reflect the average wholesale price of regular unleaded gasoline over the preceding period.
		Paragraph B makes similar changes to diesel taxes. Eliminates the current 17:5 cents per gallon tax on diesel fuel effective July 1, 2013. The second sentence imposes a 6% wholesale rack sales tax on motor fuel effective July 1, 2013.
		Language an paragraph P. retains the Leaking Underground Storage Tank Pee

Page 73 line 1923 –Page 74 line 1963	§58.1-2230	When tax return and payment are due. This section includes additional language requested by the gasoline dealers to address the implementation of the tax, specifically payments related to gasoline in inventory at the date of the expiration of the 17.5 cents gas tax and the imposition of the sales tax at the rack.
Page 74 line 1964 to Page 75 line 1983	§58.1-2249	Tax on alternative fuel Adjusts the tax rate on alternative fuels to reflect the elimination of the 17.5 cents per gallon and replace it with an equivalent charge for such vehicles as compared to the rack tax rate.
		Increases the annual fee paid by electric vehicles from \$50 to \$100 and includes alternative fuel vehicles and hybrid electric vehicles in the definition.
		Includes language excluding natural gas vehicles subject to federal excise tax or registered under the International Registration Plan.
		Revenues generated are to be deposited into the Highway Maintenance and Operating Fund
Page 75 line 1984 to Page 76 line 2016	§58.1-2251	Liability for tax; filing returns; payment of tax. Changes date for annual alternative fuel license tax from December 31, to the date when vehicle first registered and annually on same date.
Page 76 line 2017 to Page 81 line 2138	§58.1-2259	Fuel uses eligible for a refund of a portion paid for motor fuels. Does not change or climinate the rate of discount applied to any of the 21 pre-existing refund provisions for any type of vehicle.
		Adds new language allowing diesel vehicles weighing 10,000 pounds or less to receive a rebate equivalent to the differential between diesel and non-diesel fuel.
Page 81 line 2139 to Page 83 line 2209	§58.1-2289	(Contingent Expiration Date) Disposition of tax revenue generally. First sections are technical changes to reflect the elimination of the existing motor fuel tax.
		Paragraph E. distributes the net revenues generated by the motor fuel and diesel wholesale sales tax as follows:

		hand and the state of the state
		80% to HMOB 15% to TTF 4% to PTF 1% to DMV
Page 84 line 22:10 to Page 84 line 22:33	\$58 1-2295	(Effective July 1, 2013) Lievy; payment of tax. Paragraph 2. Adds a 2.1% wholesale tax at the rack on motor fuels in the Hampton Roads Region to equalize with the pre-existing rate in Northern Virginia.
Page 84 line 2234 to Page 85 line 2253	\$58.1-2299.20	(Effective July 1, 2013) Disposition of tax revenues. Paragraph 1 simply clarifies that no change is made relative to the existing 2.1% motor fuel sales fax in Northern Virginia in terms of its disposition: Paragraph 2 deposits all the revenues generated for Hampton Roads into the Hampton Roads Transportation Fund.
Page 85 line 2254 to Page 86 line 2288	§58.1-2401	Definitions. Amends the definition of the motor vehicle sale price to exclude from the sale price used to calculate fitting tax any manufacturer rebate or incentive payment
Page 86 line 2289 to Page 89 line 2346	\$58.1-2402	Phases in a reduction in the sales tax discount applied to; motor vehicle sales over 4 years to reflect the increase in the statewide sales tax and maintain a 1% differential between titling tax and general sales and use tax rates. Rate becomes 4% in FY 2014, 4.1% in FY 2015, 4.2% in FY
		2016 and 4.3% in FY 2017. There is no change made to the rate paid for manufactured homes nor does it impact the exemption for trailers or semitrailers of mobile offices.
		Increases the minimum fee of \$35 for utling to \$75 to reflect the rate change. The minimum fee was initially imposed to easure that person to person sales included accurate sale prices and were not deliated to reduce amounts paid. This increase reflects in the increases in the titing rate as well as the growth in vehicle prices since the fee was set in 1986.

Page 89 line 2346 to Page 90 line 2371	§58.1-2425	Disposition of revenues. Amends existing language relating to the distribution of a fitting tax to deposit the additional revenues generated by the changes in this Act to the Highway Maintenance and Operating Fund.
Page 90 line 2372 to Page 90 line 2391	§58.1-2701	Amount of tax. Translates the language relating to the road-use tax paid by large trucks for mileage traveled in Virginia to reflect the shift to tax at the rack.
Page 90 line 2392 to Page 91 line 2417	§58.1-2706	Credit for payment of motor fuel, diesel or liquefied gases tax. Technical change to maintain the credit for such fuels but reflects the other provisions in this Act relating to motor fuels tax.
Page 91 line 2418 to 2421	§58.1-2708	Inspection of books and records. Technical language change to authorize the inspection of books related to the collection of fuels under the International Fuel Tax Agreement
Page 91 line 2422 to Page 98 line 2603	2 rd Enactment	The enactment clause reflects the agreement to backfull any shoutfall in transportation funding if the Marketplace Equity. Act is not adopted by Congress by January 1, 2015. If that Act does not become law, the sales tax on the wholesale price of non-diesel fuel would increase to 5.1% to replace the amounts assumed to be generated from the MEA. Applies only to non-diesel fuel.
		This contingent language only goes into effect if Congress fails to act, but requires the setting out of the entirety of the rack tex section of the Code. Language in the 15 th enactment encludes an "nun-trigger" if Congress subsequently passes the legislation.
Page 98 lines 2604-2607	310 Enactment	This enactment reflects another contingent action if Congress does not pass the Marketplace Equity Act. Under these phovisions, the phased transfer of additional 0.175% of the pre-existing general sales and use tax revenues to the HMOF would be halted beyond the 2015 level to ensure there is no loss from the assumed MEA funding for public education.

HB 2313 Conference Report - Line by Line

Page 99 Lines (2608-2611	4 th Enactment	Repeals the existing local option income tax provisions: Repeals provisions relating to propage tax Repeals a now unnecessary effective contingent date. Repeals enactment clause relating to the existing commercial real estate assessment in Northern Virginia.
Page 99 lines 2612-2615	5 th Enactment	Clarifies that none of the sales tax increases included in the bill, or the calculations used to determine the additional amounts to be transferred to transportation apply to food for human consumption.
Page 99 lines 2616-2622	6 th Enactment	Provides \$100 million a year for 3 years for the Dulles Rail* Phase II in FY 2014, 2015, and 2016 provided that MWAA addresses all the recommendations cited by the US Inspector General and that the Secretary of U.S. DOT determines the recommendations have been addressed.
Page 99 lines 2623-2634	7 th Enactment	Includes language making all the language relating to the collection of sales from remote dealers contingent upon Congressional passage of the "Marketplace Equity Act".
Page 100 lines 2635-2637	8 th Enactment	Includes language requiring the NVTA to work with the towns encompassed in the region.
Page 100 lines 2638-2642	9th Enactment	Outlines the compelling congestion problems in Northern Virginia and Hampton Roads as identified by a national study.
Page 100 lines 2643-2649	10 th Enactment	Includes a requirement that the localities in Northern Virginia and Hampton Roads meet maintenance of effort requirements in terms of transportation expenditures.
Page 1.00 lines 2650-2652	11th Enactment	Prohibits the imposition of tolling on Interstate 95 south of Predericksburg pursuant to the Interstate System Reconstruction and Rehabilitation Pilot Project without produced General Assembly approval.
Page 100 lines 2653-2657	12 th Enactment	Amends the 22 nd enactment of HB 3202 from the 2007 Session to set out that the contingent expiration provisions do not apply to revenues that have been repealed (cents per gallon gas tax) in this Act.
Page 100 lines 2658-2659	13 th Enactment	Provides, beginning in FY 2020, \$20 million per year from the HMOF to the Route 58 Corridor Development Fund.

HB 2313 Conference Report – Line by Line

Page 100 lines	14 th Enactment	Provides for the expiration of the revenues dedicated to the
2660 - Page 101 line 2664	14 Estaconent	Northern Virginia and Hampton Roads regional transportation plans if such funds are used for non-transportation purposes or for any project outside the boundaries of those regions.
Page 101 lines 2665-2668	15 th Enactment	States that if Congress adopts the Marketplace Equity Act after January 1, 2015, the contingent provisions that go into
2003-2000		effect in the 2 nd and 3 rd enactments of this Act revert to their previous state.
•		In essence, the increase in non-diesel at the rack and reduced transfer of existing GF to transportation that occur if
e ·	a 5 ₂	Congress does not pass the MEA by January 1, 2015 are then repealed once the Act does pass.
Page 101 lines	16 th Enactment	States that if any section of this Act is deemed
2669-2670	9 9	unconstitutional it shall not affect the remaining provisions



A digest of news from the General Assembly of interest to local governments

Feb. 26, 2013

Transportation

Analysis: Closer look reveals details of compromise

The passage of comprehensive funding legislation Saturday marked the first significant infusion of money into the state's cash-strapped transportation system since a special session of the legislature convened in 1986. Passage of <u>HB 2313</u> (Howell) was a nail-biter. There were numerous twists and turns before a compromise was reached that has a little something for everyone to both like and dislike. Here's a closer look.

Political perspective

Several newspaper articles and editorials have been written over the last several days praising Gov. Bob McDonnell for pushing the funding issue over the objections of legislative leadership. There was little appetite among most delegates and senators to tangle with such legislation in an election year. The governor, however, persevered, persuading House Speaker Bill Howell to introduce the legislation.

The credit bestowed upon McDonnell is well-deserved. Although the compromise version of HB 2313 that was adopted bears only a slight resemblance to the bill as introduced, the governor transformed the conversation on transportation funding. The discussion was no longer about advocating for another VDOT audit or reaching for the state's credit card to issue more bonds. Instead, the discussion turned to the challenge of raising cash to address the state's burgeoning road maintenance expense, dwindling federal funds for passenger rail service across the state, and public transit whether it be heavy-rail, light-rail, bus, or passenger van.

There were, however, a number of political hurdles to be cleared before the General Assembly voted on the HB 2313 conference report.

In the House, the Finance Committee either killed or merged all other House transportation funding bills into HB 2313. The speaker's measure was the only bill debated on the House floor, and it squeaked by on a <u>53-46 vote</u>. Four Democrats joined the majority of the House Republican caucus to secure the vote. The House Democrats objected to the transportation plan's heavy reliance on General Fund dollars. The same dollars are used to fund public education, public safety, water quality and economic development.

When the time came for the vote on the transportation conference committee report, House Democrats provided the margin needed to attain a <u>60-40</u> majority. By that stage, the funding sources had changed enough to win them over.

Affirmative votes cast for HB 2313					
НВ 2313					
HB 2313 as Conference Change					
Party affiliation	introduced	report	in votes		
Republicans	4	24	+20		
Democrats	49	36	(-)13		

In the Senate, the road to compromise was rockier than in the House. The 40-member Senate is evenly divided between the two parties. And, in matters of legislation that involve taxes, constitutional amendments, and the state budget, Lt. Gov. Bill Bolling cannot cast a tie-breaking vote.

The Republicans easily reported the Senate version of HB 2313, <u>SB 1355</u> (Newman), out of the Finance Committee to the Senate floor by a party-line vote of 10-5. The bill, however, crashed on the Senate floor. As was the case with their counterparts in the House, Senate Democrats objected to the use of so much General Fund money. Amendments offered by Senate Republicans were either withdrawn or defeated. The Democrats did not waiver, and SB 1355 was killed. Because of procedural deadlines, the Senate had run out of time to pass its own transportation bill. The only funding bill remaining was HB 2313, and its fate in a divided Senate did not look good.

The bitterness, however, faded later in the week when Senate Republicans offered, as part of the Senate budget amendment package, new language providing a pathway for the state to expand Medicaid coverage for 400,000 Virginians under the federal Affordable Care Act. The mood in the Senate changed almost overnight.

When HB 2313 came before the Senate Finance Committee, a substitute was offered by Sen. Frank Wagner reducing the funding plan's dependency on General Fund dollars. This version passed the committee 9-6 with four Republicans joining the committee's five Democrats to form a bi-partisan majority. This version passed the Senate 25-15 with five Republicans joining the 20 Democrats. The action taken by the Senate Republicans to offer a new approach on Medicaid paid dividends on transportation as well. The House and Senate now had a bill to discuss in the conference committee.

Conference committee action

The conferees produced a compromise, incorporating some elements of the House and Senate versions of HB 2313 along with some items that were not in either version. By the fifth year of implementation, the conferees estimate that HB 2313 will generate some \$880 million annually. Of this amount, \$200 million is from existing general fund sources. As originally proposed, the amount would have been closer to \$300 million per year. This compromise is balanced by greater reliance on user fees, including increases in the vehicle titling tax and an ad valorem tax imposed at the wholesale level on motor fuels. The compromise also includes an increase in the state sale's tax from 5 percent to 5.3 percent. The Senate passed the compromise 25-15 with a winning coalition of eight Republicans and 17 Democrats.

Conference committee report for HB 2313							
Proposed uses of revenue							
(\$s in millions)							
	FY 2018	5-Year Totals					
Highway Maintenance and Operating Fund							
Loss from ending excise tax on motor fuels	(\$795.4)	(\$3,831.2)					
80% of amounts from 3.5% non-diesel tax at the rack	401.2	1,886.9					
80% of amounts from 6% diesel tax at the rack	242.5	1,058.6					
all of additional 1.3% vehicle titling tax	278.6	1,213.7					
all of increase (to \$100) for alternative fueled vehicles	17.0	66.6					
0.175% of the 0.3% increase in state sales tax	196.2	899.3					
0.675% of existing 5.0% state sales tax	198.2	699.1					
Total for Highway Maintenance and Operating Fund	\$538.3	\$1,993.0					
Transportation Trust Fund							
Loss from ending excise tax on motor fuels	(\$115.1)	(560.1)					
15% of amounts from 3.5% non-diesel tax at the rack	75.2	353.8					
15% of amounts from 6% diesel tax at the rack	45.5	198.5					
Marketplace Equity Act (3% of the 5.3% state sales tax)	183.6	840.6					
Total for Transportation Trust Fund	\$189.2	\$832.8					
-							
Intercity Passenger Fund & Transit Capital							
Passenger Rail – 40% of the 0.125% sales tax increase	\$56.1	\$257.0					
Mass Transit – 60% of the 0.125 sales tax increase	84.1	385.4					
Total for Intercity Passenger Fund & Transit Capital	\$140.1	\$642.4					
• • • • • • • • • • • • • • • • • • • •							
DMV Total – holds harmless for loss of excise tax	\$8.0	\$36.8					
Priority Transportation Fund – holds harmless for							
loss of fuel tax evasion	\$32.2	\$147.3					

Also, as part of the compromise, the allocation of the state sales tax dedicated to public education is increased by an additional 1/8th of a percent and 1.25 percent of sales tax money coming from the Marketplace Equity Act (MEA) on internet sales is dedicated to public education. The MEA portion assumes Congress will pass the legislation.

If Congress fails to pass MEA by Jan. 1, 2015, then the ad valorem tax at the wholesale level for non-diesel fuel will be increased to 5.1 percent to make up for the loss. If Congress passes MEA legislation after the "trigger" date, then the tax rate at the wholesale level returns to 3.5 percent.

HB 2313 also includes special funding for Northern Virginia and Hampton Roads.

Funding item	Northern Virginia	Hampton Roads
Sets up special regional fund	Yes	Yes
Includes additional 0.7% state-imposed sales		
tax for the region, raising tax rate to 6%	Yes	Yes
Regional congestion relief fee of 25 cents per		
\$100 of assessed value of real estate	Yes	No

Includes a 3% state-imposed transient		
occupancy tax	Yes	No

The special funding for Hampton Roads is restricted to bridges, tunnels and roads. Northern Virginia is authorized to use its special funds for other capital improvements that reduce congestion, including transit.

Both regions also must comply with a special enactment clause that sets out local maintenance of effort spending requirements.

Transportation perspective

HB 2313 unquestionably boosts state support for transit and passenger rail. The harder question to answer is whether the bill will solve an issue referred to as "crossover." Right now it looks as if the answer is both yes and no.

VDOT told the Commonwealth Transportation Board earlier this month that maintenance needs will continue to exceed the revenues dedicated to the Highway Maintenance and Operating Fund. Transfers (or crossover) from the new construction budget to maintenance could not cease. (This was prior to passage of HB 2313.) VDOT's preliminary projections of the crossover amounts for fiscal years 2014 through 2019 were as follows:

FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
\$433.5 M	\$419.3 M	\$451.4 M	\$474.8 M	\$501.0 M	\$523.7 M

HB 2313 is expected to provide roughly \$538.3 million for the Highway Maintenance and Operating Fund by FY18, wiping out the transfer of state transportation dollars from the new construction budget.

Federal dollars, however, are also used for maintenance. In FY12, VDOT allocated \$167.3 million in federal dollars for maintenance. And, in this fiscal year, some \$434.4 million is allocated for maintenance, comprising roughly 44.2 percent of all federal dollars. HB 2313 does not make up for this transfer.

It is also unclear if any of the new funding for construction will be distributed through the construction allocation formula for local road needs. There has been no funding available for secondary and urban roads since 2010.

Transportation Trust Fund					
FY 2014 FY 2015 FY 2016 FY 2017 FY 2018 5-Years					
\$130.0 M \$162.1 M \$170.8 M \$180.6 M \$189.2 M \$832.8 M					

Local government perspective

HB 2313 provides Northern Virginia and Hampton Roads with additional funding to address their specific transportation needs; boosts spending for passenger rail and local transit services; and provides more funding for road maintenance.

As is the case for any compromise, some of the bill's provisions will cost localities. The measure dictates that half of any local sales tax money recovered under the federal Marketplace Equity Act must be spent on local transportation projects. It is unusual for the state to prescribe how much local revenue must be spent on a particular item.

Also, allocating more General Fund money (\$200 million) for transportation will likely affect the amount of state dollars available for public education, healthcare, public safety and other services.

And, the maintenance of effort language inserted in the bill for Northern Virginia and Hampton Roads is clumsily written. Should bond money spent on specific capital projects be included in the maintenance of effort? Should the debt service for the bonds be included?

VML urges its members to carefully review HB 2313 and to let legislative staff know of any concerns. VML will share the concerns with the McDonnell Administration. There is a strong likelihood that the governor will submit amendments in the reconvened session on April 3. This is important. It just might take another 27 years before the next transportation funding measure is passed.

Staff contacts: Neal Menkes, nmenkes@vml.org or Joe Lerch, jlerch@vml.org.

I-95 toll proposal sacked

Tolls along Interstate 95 in southside were not part of the compromise solution to raise new revenue for the state's withering transportation program.

Gov. Bob McDonnell's proposal to collect tolls on I-95 in Sussex County was sidetracked during the debates in the House and Senate. The final version of HB 2313 adopted Saturday says that the state may not collect tolls on I-95 south of Fredericksburg without General Assembly approval. It will be up to a subsequent governor or General Assembly to broach the issue again.

Staff contact: Joe Lerch, jlerch@vml.org

Statewide HB 2313 Sources and Uses

Revenues:	7 *** .
Convert existing motor fuel tax to a wholesale tax based on price Phased 1.3% increase in Motor Vehicle Sales Tax Increase in General Sales and Use Tax by 0.3% Increase share of existing GSUT by 0.175% Share of Marketplace Equity Act GSUT for Transportation* \$50 Increase in Registration Fees for Alternative Fuel Vehicles Total Estimated New Revenues for Transportation * If MEA not enacted by 1/1/2015, gas tax increases by 1.6%	5-Yr. Amount (\$846.7) \$1,213.7 \$1,541.7 \$699.1 \$840.6 \$66.6 \$3,515.0
Uses:	
HMOF	
Phase 2 Metrorail from HMOF TTF	\$1,993.0 <i>\$300.0</i>
Mass Transit Fund Share of TTF	\$832.8 <i>\$122.4</i>
Sales Tax to Mass Transit Fund Sales Tax to Intercity Passenger Rail Priority Transportation Fund DMV	\$385.4 \$257.0 \$47.3
Total Uses	<u>-\$0.5</u> \$3,515.0
Mass Transit Est. Share by Year: FY 2014: \$64.4-85.6 (Depending on MEA adoption) FY 2015: \$99.1	

Source: Jim Regimbal for VTA Fiscal Analytics

FY 2015: \$99.1 FY 2016: \$103.4 FY 2017: \$107.8 FY 2018: \$111.9

VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act to amend and reenact §§ 15.2-4507 and 15.2-4512 of the Code of Virginia, relating to transportation commission membership.

[H 2152] 5

Approved

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Be it enacted by the General Assembly of Virginia:

1. That §§ 15.2-4507 and 15.2-4512 of the Code of Virginia are amended and reenacted as follows: § 15.2-4507. Members of transportation district commissions.

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

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

In the case of the Transportation District Commission of Hampton Roads, such commission shall consist of one citizen member appointed by the Governor from each county and city embraced by the Transportation District. The governing body of each such county or city may appoint either a member of its governing body or its county or city manager to serve as an ex officio member with voting privileges. Every such ex officio member shall be allowed to attend all meetings of the commission that other members may be required to attend. Vacancies shall be filled in the same manner as the original appointments.

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

B. Any appointed member of a commission of a transportation district, commonly known as the Northern Virginia Transportation Commission, which was established prior to July 1, 1986, and which includes jurisdictions located within the Washington, D.C., metropolitan statistical area, and the Secretary of Transportation or his designee, is authorized to serve as a member of the board of directors of the Washington Metropolitan Area Transit Authority (Chapter 627 of the Acts of Assembly of 1958 as amended) and while so serving the provisions of § 2.2-2800 shall not apply to such member. In appointing Virginia members of the board of directors of the Washington Metropolitan Area Transit Authority (WMATA), the Northern Virginia Transportation Commission shall include the Secretary of Transportation or his designee as a principal member on the board of directors of the WMATA. Any designee serving as the principal member must reside in a locality served by WMATA.

In selecting from its membership those members to serve on the board of directors of the WMATA, the Northern Virginia Transportation Commission shall comply with the following requirements:

- 1. A board member shall not have been an employee of WMATA within one year of appointment to serve on the board of directors.
- 2. A board member shall have experience in at least one of the following: transit planning, transportation planning, or land use planning; transit or transportation management or other public sector management; engineering; finance; public safety; homeland security; human resources; the law; or knowledge of the region's transportation issues derived from working on regional transportation issue resolution.
 - 3. A member shall be a regular patron of the services provided by WMATA.

- 4. Members shall serve a term of four years with a maximum of two consecutive terms. Such term or terms must coincide with their term on the body that appointed them to the Northern Virginia Transportation Commission. Any vacancy created if a board member cannot fulfill his term because his term on the appointing body had ended shall be filled for the unexpired term in the same manner as the member being replaced was appointed within 60 days of the vacancy. The initial appointments to a four-year term will be as follows: the Secretary, or his designee, for a term of four years; the second principal member for a term of three years; one alternate for a term of two years; and the remaining alternate for a term of one year. Thereafter, members shall be appointed for terms of four years. Service on the WMATA board of directors prior to July 1, 2012, shall not be considered in determining length of service. Any person appointed to an initial one or two year term, or appointed to an unexpired term in which two years or less is remaining, shall be eligible to serve two consecutive four-year terms after serving the initial or unexpired term.
- 5. Members may be removed from the board of directors of the WMATA if they attend fewer than three-fourths of the meetings in a calendar year; if they are conflicted due to employment at WMATA; or if they are found to be in violation of the State and Local Government Conflict of Interests Act (§ 2.2-3100 et seq.). If a member is removed during a term, the vacancy shall be filled pursuant to the provisions of subdivision 4.
- 6. Each member of the Northern Virginia Transportation Commission appointed to the board of directors of the WMATA shall file semiannual reports with the Secretary of Transportation's office beginning July 1, 2012. The reports shall include (i) the dates of attendance at WMATA board meetings, (ii) any reasons for not attending a specific meeting, and (iii) dates and attendance at other WMATA-related public events.

Any entity that provides compensation to a WMATA board member for his service on the WMATA board shall be required to submit on July 1 of each year to the Secretary of Transportation the amount of that compensation. Such letter will remain on file with the Secretary's office and be available for public review.

C. In the case of two or more transportation commissions which each include at least one jurisdiction located within the Washington, D.C., metropolitan area and which have entered into an agreement to operate a commuter railway, the agreement governing the creation of the railway shall provide that the Chairman of the Commonwealth Transportation Board or his designee shall have one vote on the oversight board for the railway. For each year in which the state contribution to the railway is greater than or equal to the highest contribution from an individual jurisdiction, the total annual jurisdictional subsidy used to determine vote weights shall be recalculated to include the Commonwealth contributing an amount equal to the highest contributing jurisdiction. The vote weights shall be recalculated to provide the Chairman of the Commonwealth Transportation Board or his designee the same weight as the highest contributing jurisdiction. The revised vote weights shall be used in determining the passage of motions before the oversight board.

§ 15.2-4512. Quorum and action by commission.

A majority of the commission, which majority shall include at least one commissioner from a majority of the component governments, shall constitute a quorum. Members of the commission who are members of the General Assembly shall not be counted in determining a quorum while the General Assembly is in session. The Chairman of the Commonwealth Transportation Board or his designee may shall be included for the purposes of constituting a quorum. The presence of a quorum and a vote of the majority of the members necessary to constitute a quorum of all the members appointed to the commission, including an affirmative vote from a majority of the jurisdictions represented members, shall be necessary to take any action. The Chairman of the Commonwealth Transportation Board or his designee shall have voting rights equal to appointees of component governments on all matters brought before the commission. Notwithstanding the provisions of § 2.2-3708, members of the General Assembly may participate in the meetings of the commission through electronic communications while the General Assembly is in session.

2. That the provisions of this act shall become effective on July 1, 2014.

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January 24, 2013

Stephen A. MacIsaac, Esq. General Counsel Virginia Railway Express c/o County Attorney's Office 2100 Clarendon Boulevard, Suite 403 Arlington, Virginia 22102

Re: Proposed HB No. 2152/SB No. 1210

Dear Steve:

In my capacity as bond counsel to the Virginia Railway Express ("VRE"), a joint venture of the Northern Virginia and Potomac and Rappahannock Transportation District Commissions (the "Commissions"), I have reviewed the referenced proposed legislation and I have a number of concerns I wanted to express to you. As described below, the proposed legislation would require amendments to the VRE Master Agreement and would necessitate substantial and costly efforts to provide notice to and obtain informed consent from VRE debt holders and related financing stakeholders. In my view, it is by no means certain that those required consents would be forthcoming. Such a failure could signal structural credit concerns about outstanding VRE debt to the capital markets which, in turn, could adversely affect the ability of the Commissions to issue additional VRE-related debt for future projects.

As you know, the Commissions have a substantial amount of VRE-related senior bond debt and significant federal and private capital lease obligations, in addition to some bank debt. The bond debt is guaranteed by bond insurers and has been rated for investors by national credit rating agencies. The VRE bonds are widely held and these holders are represented by a fiduciary trustee. The basic premise upon which all of the VRE bond holders, guarantors, financing lessors, other lenders and fiduciaries and the rating agencies have based their investments in and/or assessments of the VRE debt is that under the Master Agreement VRE's participating jurisdictions have mutually agreed to procedures and a formula by which those jurisdictions (1) annual approve VRE's budget and (2) make "subject to annual appropriation" payments sufficient to supplement VRE's system revenues so as to meet VRE's annual budget and cover all of the Commissions' VRE-related annual debt service.

Fundamental VRE governance changes like the ones proposed in HB No. 2152/SB No. 1210 are obviously of substantial concern to VRE debt holders and their related financing stakeholders because such changes could inadvertently upset the basic repayment premises described above and/or increase the theoretical risk of non-appropriation. Accordingly, all of the Commissions' VRE debt documents are structured to require prior notice of and informed consent to any amendments to the VRE Master Agreement or any other substantial governance changes.

By its very language, the proposed legislation necessitates changes to "the agreement governing the creation of the railway". To practically implement the proposed legislation without making conforming amendments to the Master Agreement is difficult to imagine. Of course, all Master Agreement amendments must be approved by the participating jurisdictions and the Commissions' VRE financial stakeholders would then face the risk that this reopening of the Master Agreement could alter the established subsidy formula, budgetary process and/or appropriation mechanism in a materially adverse way. It is at best unclear how financial stakeholders would assess the risk of even just the governing changes actually specified in the proposed legislation without any further Master Agreement changes resulting from the give and take of the iurisdictional approval process. For example, it is entirely possible that stakeholders would be concerned that the weighting of voting power in favor of an entity with no obligation to appropriate for debt service would, in and of itself, increase the risk of a dispute among the participating jurisdictions and thereby make nonappropriation for debt service theoretically more likely. Finally, even if the proposed governance changes could somehow be effected without a Master Agreement amendment, they are so fundamental as to trigger other debt covenants requiring prior notice of and consent by the stakeholders. The very notion that the General Assembly would attempt to legislate changes in order to override the Master Agreement, irrespective of the substance of the changes, calls into question the entire underlying credit structure of all of the Commissions' VRE-related debt and may very well adversely affect the ability of the Commissions to issue additional debt for VRE projects in the future.

It would be, at a minimum, challenging to explain the rationale for the proposed legislation to the Commissions' VRE debt stakeholders in such a way as to sufficiently assure them that the changes are not indicative of any political instability or heightened risk associated with the basic VRE subsidy agreement. More technically, the debt documents taken as a whole would require a myriad of notices, consents, certificates and legal opinions to document and effect the stakeholders' approval of the governance changes. It would take several hours of review of all of the existing debt documentation to exhaustively list for you and outline all of the procedural requirements triggered by the proposed governance changes. Of course, it would take many more hours to actually negotiate and draft the Master Agreement amendments and the various required notices, consents, certificates and opinions. Communication with the stakeholders is also complicated, time consuming and costly. On occasions in the past,

we have made minor technical amendments to the Master Agreement without any of the import of these proposed governance changes and even with the most noncontroversial and easily explained of such amendments the complexity of the Commissions' VRE debt structure has resulted in the incurrence of tens of thousand dollars of legal fees in order to secure the required approvals and put in place the required documentation. It has often taken several weeks or even a few months to finalize these substantively relatively simple amendment projects.

Based in part upon prior experience, I would expect it would take several months to obtain the analogous bond and debt approvals required in connection with the VRE governance changes proposed in HB No. 2152/SB No. 1210. I think this project would be significantly more complicated than prior VRE amendments both from a documentation perspective and because I believe the financial stakeholders would appropriately view the alteration of VRE's governance structure as a much more significant matter and one potentially fraught with credit risk—even if only inadvertently so. Accordingly, I believe the total VRE legal fees associated with the bond and debt aspects of the proposed governance changes could be as much as \$100,000.

Please let me know if you need anything further in this regard at this time or if I can be of any other assistance with the bond and debt aspects of the proposed VRE governance changes.

Muchael U. M

Michael W. Graff, Jr.

Weighted Vote by VRE Operations Board Member Currrent and Proposed

Jurisdiction	Current	Proposed	Board Members	Weight/ Member
Prince William	35%	26%	3	9%
Fairfax	31%	23%	2	12%
Stafford	14%	11%	2	5%
Spotsylvania	7%	5%	1	5%
Manassas	5%	3%	1	3%
Manassas Park	3%	2%	1	2%
Fredericksburg	3%	2%	1	2%
Arlington	1%	1%	1	1%
Alexandria	1%	1%	1	1%
DRPT	0%	26%	1	26%
	100%	100%		



AGENDA ITEM #6

TO: Chairman McKay and NVTC Commissioners

FROM: Rick Taube and Claire Gron

DATE: February 28, 2013

SUBJECT: WMATA Items.

A. WMATA Board Members' Report.

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

B. 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. For persons wishing to learn more about the performance measures used by WMATA including why they were chosen, please go to:

http://www.wmata.com/about_metro/board_of_directors/board_docs/091312_4A VitalSigns.pdf

The most recent Vital Signs document (CY2012 year-end) can be seen at: http://wmata.com/about_metro/docs/Vital_Signs_CY%202012%20Year%20End. pdf

According to the CY2012 year-end report, Metrobus and Metrorail on-time performance and reliability saw significant improvements over CY2011. For example, bus reliability improved 9%, and rail reliability improved 13%. Also, in CY2012, escalator and elevator availability improved over CY2011, and customer injuries were down 10%. Crime rates in parking lots in CY2012 reached an all-time low, however, snatch/pickpocket thefts of small electronic devices drove crime rates up on bus and rail.

C. WMATA Subsidy Allocation Materials.

On January 31, 2013, representatives from WMATA's Office of Management & Budget Services (OMBS) met with jurisdictional staff to review and discuss FY2014 proposed operating subsidies. WMATA's presentation is attached.

D. Momentum.

WMATA released the staff draft of *Momentum*, Metro's strategic plan, at the January 24, 2013 Governance Committee meeting. The draft incorporates four months of public, stakeholder, and customer outreach, and includes recommended strategies and priority actions. Over the course of the next few months, WMATA plans to gather input on and revise the staff draft, and anticipates Board endorsement and adoption of *Momentum* in Mid-2013. WMATA's presentation to the Governance Committee is attached.

The full staff draft as well as a 10-page summary, is available at: http://wmata.mindmixer.com/comments-about-the-draft-momentum-strategic-plan.

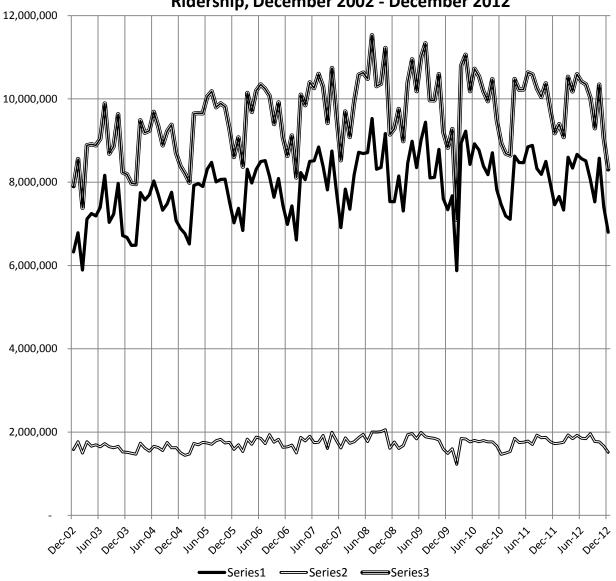
NVTC Quarterly Summary of Systemwide Metrorail and Metrobus Performance Through December, 2012

On-Time Performance							
Metrobus				Metrorail			
		CY 2011	CY 2012			CY 2011	CY 2012
	Dec	75.2%	76.9%		Dec	90.6%	92.3%
Townst	Nov	73.7%	76.3%	Tauant	Nov	88.7%	91.7%
Target = 78%	Oct	72.6%	74.5%	Target	Oct	90.5%	91.7%
= 78%	Sept	72.2%	73.8%	= 90%	Sept	91.0%	91.5%
	Aug	76.4%	78.0%		Aug	91.4%	92.1%
	July	75.5%	76.7%		July	89.5%	91.2%

Safety									
Pre	Preventable and Non-Preventable								
	Passenger	Injury Rate							
	(per million p	passengers)*							
	CY 2011	CY 2012							
Dec	2.37	1.4							
Nov	2.08	1.2							
Oct	1.46	2.01							
*Includes Metrorail Dec Nov Oct	Nov 121 128								
	Crime	Rate							
	(per million	passengers)							
		Nov-12	Dec-12						
Bus	0.55	1.09	1.08						
Rail	6.16	6.43	5.75						
Parking	1.84	2.72	2.67						

Reliability							
	Bus Fleet R	eliability					
	by Fuel	Туре					
(miles v	without serv	ice interrupti	on)				
		Dec-11	Dec-12				
CNG (30	%)*	8,246	8,570				
Hybrid (2	27%)	12,249	10,463				
Clean Diese	el (8%)	6,852	7,506				
Other (3	5%)	5,066	5,894				
* Percentage of fleet.							
	Rail Fleet R	eliability					
(miles v	without serv	ice interrupti	on)				
-	CY 2011	CY 2012	-				
Dec	39,356	66,942					
Nov	35,138	67,555					
Oct	47,654	72,943					
Escalat	or	Eleva	itor				
	~ .						
Availability Availablity Target = 89% Target = 97.5%							
Taraet -							
Target = 8		•					
Dec-11	Dec-12	Dec-11	Dec-12				
J	Dec-12	•					

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



Northern Virginia Ridership Data (thousands of one-way passenger trips)							
Metrorail	July	Aug	Sept	Oct	Nov	Dec	
CY 2012	8,510.0	8,065.4	7,525.8	8,575.0	7,409.1	6,796.2	
CY 2011	8,883.5	8,325.0	8,188.3	8,499.1	7,971.0	7,458.2	
5 yr. Avg.	9,094.1	8,300.9	8,131.0	8,782.3	7,744.0	7,340.5	
Metrobus							
CY 2012	1,840.2	1,959.5	1,770.9	1,765.0	1,662.9	1,515.0	
CY 2011	1,703.9	1,925.4	1,863.1	1,873.4	1,767.5	1,721.0	
5 yr. Avg.	1,824.1	1,900.6	1,818.6	1,898.7	1,688.3	1,610.5	



Washington Metropolitan Area Transit Authority

Work Session: FY2014 Proposed Operating Subsidy

January 31, 2013



FY2014 Subsidy Components



Total Proposed FY2014 Subsidy: \$734



Total Rail Subsidy

Expenses: \$962 million

Revenue: (\$724 million)

• Preventive Maint.: (\$20 million)

FY14 Rail Subsidy: \$217 million

FY13 Rail Subsidy: \$164 million

Increase: \$ 53 million



Rail Subsidy Allocation

- Max fare calculation
 estimates benefit from
 "taper" and "cap"
 features
- Updated using 2012 rail survey

- Base rail allocation:
 - 1/3 weighted population density
 - 1/3 ridership (by residence)
 - 1/3 number of rail stations









Max Fare Subsidy — Explanation

- Recognizes "taper" and "cap" in rail fares
 - Taper: Lower cost per mile above 6 miles
 - Cap: Peak fares no higher than \$5.75
- Subsidy calculated as difference between fare that "would have been paid" and actual fare paid, based on rail survey data
- Jurisdictions are allocated half of the calculated amount



Max Fare Subsidy — Results

- FY13 Max Fare Subsidy: \$8.6 million
 - Montgomery, Prince George's, and Fairfax responsible for 85%
- FY14 Max Fare Subsidy: \$6.9 million
 - Montgomery, Prince George's, and Fairfax responsible for 82%
- Result tracks with overall results from passenger survey (i.e., growth in inner core, flat or down in outer jurisdictions)

(see separate spreadsheet for calculations)



Weighted Population Density

			Α	В	C=(B/A)	D=(B*C)/1M	E=(Bjur/Btot)	F=(Djur/Dtot)	G=(E+F)/2
		2010 Ce	ensus			Density		Density	Pop/Pop
	Total Land		UZA Land		UZA Pop.	Wght. Pop	UZA Pop.	Weighted	Density
Jurisdiction	(sq. mi.)	Total Pop.	(sq. mi.)	UZA Pop.	Density	(millions)	Distr.	Pop. Distr.	Distr.
District of Columbia	61	601,723	61	601,723	9,810	5,903	15.9%	34.8%	25.3%
Maryland	981	1,835,197	550	1,725,119	3,135	5,408	45.7%	31.8%	38.8%
Virginia	964	1,464,216	370	1,449,137	3,913	5,671	38.4%	33.4%	35.9%
Montgomery County	496	971,777	270	943,773	3,491	3,295	54.7%	60.2%	57.4%
Prince George's County	485	863,420	280	781,346	2,791	2,181	45.3%	39.8%	42.6%
City of Alexandria	15	139,966	15	139,966	9,208	1,289	9.7%	19.4%	14.5%
Arlington County	26	207,627	26	207,627	8,004	1,662	14.3%	25.0%	19.7%
City of Fairfax	6	22,565	6	22,565	3,663	83	1.6%	1.2%	1.4%
Fairfax County	395	1,081,726	321	1,066,647	3,323	3,544	73.6%	53.3%	63.4%
City of Falls Church	2	12,332	2	12,332	6,166	76	0.9%	1.1%	1.0%



Weighted Population Density (cont.)

	Pop/Pop Density Distr.		Rail Form	ula Weight
	2000	2010		
Jurisdiction	Census	Census	FY13	FY14
District of Columbia	25.9%	25.3%	8.6%	8.4%
Maryland	40.1%	38.8%	13.4%	12.9%
Virginia	<u>34.0%</u>	<u>35.9%</u>	<u>11.3%</u>	<u>12.0%</u>
	100.0%	100.0%	33.3%	33.3%
Montgomery County	53.4%	57.4%	7.1%	7.4%
Prince George's County	46.6%	42.6%	6.2%	5.5%
City of Alexandria	14.9%	14.5%	1.7%	1.7%
Arlington County	20.0%	19.7%	2.3%	2.4%
City of Fairfax	1.5%	1.4%	0.2%	0.2%
Fairfax County	62.8%	63.4%	7.1%	7.6%
City of Falls Church	0.9%	1.0%	0.1%	0.1%



Rail Ridership by Jurisdiction

	2007 Weekday	(AM Peak to	2012 Weekday	% Change	
	Even	ing)	Ever	ning)	Wkdy Trips
Compact Jurisdictions	Trips	% of Total	Trips	% of Total	2007 to 2012
District of Columbia	192,503	30.4%	211,822	32.0%	10.0%
Montgomery County	132,544	20.9%	134,951	20.4%	1.8%
Prince George's County	117,312	18.5%	110,340	16.7%	-5.9%
Fairfax County	91,152	14.4%	90,784	13.7%	-0.4%
Arlington County	64,052	10.1%	73,855	11.2%	15.3%
City of Alexandria	30,325	4.8%	33,480	5.1%	10.4%
City of Falls Church	2,818	0.4%	3,625	0.5%	28.6%
Fairfax City	2,393	0.4%	3,090	0.5%	29.1%
Compact Total	633,100	100.0%	661,945	100.0%	4.6%



Metrorail Stations

-	00
Total	90
IUtai	

• DC 40.3 44.7%

• MD 25.7 28.6%

• VA 24.0 26.7%

Alexandria3.5

Arlington 10.0

Fairfax10.5

(see separate table for specific assignments)



Summary of Base Rail Allocation

	Ridership	Population	Stations	FY 14 Total	FY 13 Total
District of Columbia	10.7%	8.4%	14.9%	34.0%	33.6%
Montgomery County	6.8%	7.4%	4.3%	18.5%	18.4%
Prince George's County	5.6%	5.5%	5.3%	16.3%	17.7%
Maryland Subtotal	12.4%	12.9%	9.5%	34.8%	36.2%
Alexandria	1.7%	1.7%	1.3%	4.7%	4.5%
Arlington	3.7%	2.4%	3.7%	9.8%	9.3%
City of Fairfax	0.2%	0.2%	0.0%	0.3%	0.3%
Fairfax County	4.6%	7.6%	3.9%	16.0%	15.8%
Falls Church	0.2%	0.1%	0.0%	0.3%	0.3%
Virginia Subtotal	10.3%	12.0%	8.9%	31.2%	30.2%
Total	33.3%	33.3%	33.3%	100.0%	100.0%
Total	55.5%	55.5%	55.5%	100.0%	100.0%



Rail Subsidy Growth Summary

FY13 to FY14: Metrorail Subsidy	\$ (millions)	%
District of Columbia	\$19.3	36%
Montgomery County	\$9.3	29%
Prince George's County	\$6.5	22%
Maryland Total	\$15.8	26%
City of Alexandria	\$3.0	41%
Arlington County	\$6.0	41%
City of Fairfax	\$0.2	44%
Fairfax County	\$8.7	33%
City of Falls Church	\$0.2	58%
Virginia	\$18.2	37%
Total	\$53.2	32%



Total Bus Subsidy

Expenses: \$578 million

Revenue: (\$160 million)

Preventive Maint.: (\$10 million)

FY14 Bus Subsidy: \$408 million

FY13 Bus Subsidy: \$398 million

Increase: \$ 10 million



Bus Subsidy Allocation

- Non-regional bus:
 - Subsidy estimated
 directly from costs (based on platform hours) and
 revenues



Updated with current schedule

- Regional bus allocation:
 - 15% ridership (by residence)
 - 25% weighted population density
 - 35% revenue miles
 - 25% revenue hours



Same as last year



Updated using 2010 Census



Updated with current schedule



Updated with current schedule



Allocation of Bus Miles/Hours

- 1. Run Trapeze line statistics report for December sign-up, which provides revenue miles/hours and platform hours
 - Daily totals for Monday-Thursday, Friday, Saturday, Sunday
 - Annualize for target fiscal year
- Run Geo-distribution of revenue hours and miles to get percentages by line/jurisdiction
- 3. Apply percentages to line statistics for "base" distribution:
 - Platform hours for non-regional routes
 - Revenue miles/hours for regional routes
- 4. Modify base distribution as needed to account for special subsidy rules
- 5. Run revenue report for non-regional routes



Non-Regional Bus

Jurisdicton	Platform Hours	Cost Per Platform Hour	Operating Cost	Revenue	Non-Regional Subsidy	% of Total
District of Columbia	379,325	\$112.77	\$42,775,849	\$10,723,944	\$32,051,905	43.9%
Montgomery County	110,533	\$112.77	\$12,464,682	\$2,899,887	\$9,564,795	13.1%
Prince George's County	268,839	\$112.77	\$30,316,594	\$7,633,283	\$22,683,311	31.0%
Maryland	379,373		\$42,781,275	\$10,533,170	\$32,248,105	44.1%
City of Alexandria	5,532	\$112.77	\$623,876	\$119,178	\$504,698	0.7%
Arlington County	10,041	\$112.77	\$1,132,355	\$359,879	\$772,476	1.1%
City of Fairfax	-					0.0%
Fairfax County	86,606	\$112.77	\$9,766,415	\$2,289,231	\$7,477,184	10.2%
City of Falls Church	-					0.0%
Virginia	102,180		\$11,522,646	\$2,768,288	\$8,754,358	12.0%
Total	860,877		\$97,079,770	\$24,025,402	\$73,054,369	



Non-Regional Bus Subsidy

- Overall subsidy of \$73 million is nearly identical to FY13 value
- Platform hour decrease balanced out by hourly cost increase
- Non-regional expenses and revenues are taken out of the overall bus numbers – remainder is allocated based on regional bus formula
 - All PM is allocated to regional bus



Bus Ridership by Jurisdiction

Source is 2008 bus survey – unchanged from FY13

	Total	% of Total
District of Columbia	223,851	50.2%
Montgomery County	59,233	13.3%
Prince George's County	91,582	20.5%
Maryland Subtotal	150,815	33.8%
Alexandria	13,614	3.1%
Arlington	24,019	5.4%
City of Fairfax	892	0.2%
Fairfax County	32,102	7.2%
Falls Church	1,001	0.2%
Virginia Subtotal	71,628	16.0%
Total	446,294	100.0%



Weighted Population Density

	Pop/Pop De	ensity Distr.	Bus Fori	mula Weight
	2000	2010		
Jurisdiction	Census	Census	FY13	FY14
District of Columbia	25.9%	25.3%	6.5%	6.3%
Maryland	40.1%	38.8%	10.0%	9.7%
Virginia	<u>34.0%</u>	<u>35.9%</u>	<u>8.5%</u>	<u>9.0%</u>
	100.0%	100.0%	25.0%	25.0%
Montgomery County	53.4%	57.4%	5.4%	5.6%
Prince George's County	46.6%	42.6%	4.7%	4.1%
City of Alexandria	14.9%	14.5%	1.3%	1.3%
Arlington County	20.0%	19.7%	1.7%	1.8%
City of Fairfax	1.5%	1.4%	0.1%	0.1%
Fairfax County	62.8%	63.4%	5.3%	5.7%
City of Falls Church	0.9%	1.0%	0.1%	0.1%



Regional Bus Miles

Regional Bus Revenue Miles									
	FY20	13	FY20	14					
	Total	% of Total	Total	% of Total					
District of Columbia	12,096,069	43.3%	12,145,387	42.7%					
Montgomery County	3,684,250	13.2%	3,601,999	12.7%					
Prince George's County	4,838,365	17.3%	5,092,535	17.9%					
Maryland Subtotal	8,522,615	30.5%	8,694,534	30.6%					
Alexandria	1,392,887	5.0%	1,597,919	5.6%					
Arlington	2,526,255	9.0%	2,480,484	8.7%					
City of Fairfax	12,024	0.0%	11,479	0.0%					
Fairfax County	3,225,391	11.6%	3,387,752	11.9%					
Falls Church	144,385	0.5%	134,273	0.5%					
Virginia Subtotal	7,300,942	26.1%	7,611,907	26.8%					
Total	27,919,626	100.0%	28,451,828	100.0%					



Regional Bus Hours

Regional Bus Revenue Hours								
	FY20	13	FY20	14				
	Total	% of Total	Total	% of Total				
District of Columbia	1,448,331	51.8%	1,480,721	51.8%				
Montgomery County	332,067	11.9%	321,169	11.2%				
Prince George's County	401,853	14.4%	415,627	14.5%				
Maryland Subtotal	733,920	26.3%	736,796	25.8%				
Alexandria	117,390	4.2%	130,994	4.6%				
Arlington	229,702	8.2%	230,817	8.1%				
City of Fairfax	959	0.0%	916	0.0%				
Fairfax County	250,846	9.0%	266,613	9.3%				
Falls Church	12,767	0.5%	11,490	0.4%				
Virginia Subtotal	611,664	21.9%	640,829	22.4%				
Total	2,793,914	100.0%	2,858,347	100.0%				



Regional Bus Allocation Total

	Ridership	Population	Miles	Hours	FY 14 Total	FY 13 Total
District of Columbia	7.5%	6.3%	14.9%	13.0%	41.8%	42.1%
Montgomery County	2.0%	5.6%	4.4%	2.8%	14.8%	14.9%
Prince George's County	3.1%	4.1%	6.3%	3.6%	17.1%	17.4%
Maryland Subtotal	5.1%	9.7%	10.7%	6.4%	31.9%	32.4%
Alexandria	0.5%	1.3%	2.0%	1.1%	4.9%	4.6%
Arlington	0.8%	1.8%	3.1%	2.0%	7.6%	7.6%
City of Fairfax	0.0%	0.1%	0.0%	0.0%	0.2%	0.2%
Fairfax County	1.1%	5.7%	4.2%	2.3%	13.3%	12.8%
Falls Church	0.0%	0.1%	0.2%	0.1%	0.4%	0.4%
Virginia Subtotal	2.4%	9.0%	9.4%	5.6%	26.3%	25.5%
Total	15.0%	25.0%	35.0%	25.0%	100.0%	100.0%



Bus Subsidy Growth Summary

FY13 to FY14: Metrobus Subsidy	\$ (millions)	%
District of Columbia	\$3.1	2%
Montgomery County	\$1.4	2%
Prince George's County	\$0.8	1%
Maryland Total	\$2.2	2%
City of Alexandria	\$0.4	3%
Arlington County	\$0.9	4%
City of Fairfax	\$0.0	1%
Fairfax County	\$3.1	6%
City of Falls Church	(\$0.0)	-1%
Virginia	\$4.5	5%
Total	\$9.8	2%



Total Access Subsidy

Expenses: \$114 million

• Revenue: (\$ 8 million)

• FY14 Access Subsidy: \$106 million

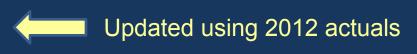
FY13 Access Subsidy: \$107 million

Decrease: \$ 1 million

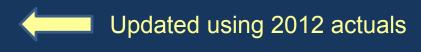


Access Subsidy Allocation

 Allocated based on trips by jurisdiction



 Virginia jurisdictions reallocate internally by weighting trips by average travel time





Access Trips by Jurisdiction

Dassangars	Total	Share of	Total	Share of
Passengers	FY2012	Compact	FY2011	Compact
District of Columbia	529,147	25.4%	597,884	25.6%
Montgomery County	430,552	20.7%	487,392	20.9%
Prince George's County	814,833	39.2%	927,390	39.7%
Maryland Total	1,245,385	59.9%	1,414,782	60.6%
City of Alexandria	21,403	1.0%	24,396	1.0%
Arlington County	22,408	1.1%	28,743	1.2%
City of Fairfax	5,445	0.3%	5,964	0.3%
Fairfax County	255,010	12.3%	261,733	11.2%
City of Falls Church	1,961	0.1%	2,715	0.1%
Virginia Total	306,227	14.7%	323,551	13.8%
Compact Area Sub Total	2,080,759		2,336,217	j
Other Eligible	661			
Temporary Visitor	1,462			
Total Reported Ridership	2,082,882			



Average Access Trip Time (VA only)

				Time-	Time-
				Weighted	Weighted
		Average		Average	Average
Virginia Jurisdictions	Trips	Time (min)	Total Time	(VA Only)	(Total)
City of Alexandria	21,403	34	724,492	6.3%	0.9%
Arlington County	22,408	30	675,825	5.9%	0.9%
City of Fairfax	5,445	39	211,593	1.8%	0.3%
Fairfax County	255,010	38	9,754,133	85.3%	12.5%
City of Falls Church	1,961	37	72,420	0.6%	0.1%
Total	306,227		11,438,462	100.0%	14.7%



Access Subsidy Summary

FY13 to FY14: Access Subsidy	\$ (millions)	%
District of Columbia	(\$0.3)	-1%
Montgomery County	(\$0.3)	-1%
Prince George's County	(\$0.8)	-2%
Maryland Total	(\$1.1)	-2%
City of Alexandria	\$0.1	7%
Arlington County	(\$0.1)	-12%
City of Fairfax	\$0.0	2%
Fairfax County	\$0.9	7%
City of Falls Church	(\$0.0)	-21%
Virginia	\$0.8	6%
Total	(\$0.6)	-1%



Debt Service

- No new debt issued since last year; same debt service schedules in effect
- FY2014 is final year of Series 2003 Gross Transit Refunding Bonds
 - Series 2003 debt service down \$4.4 million from FY2013
- Debt service for "Metro Matters" from 2009 essentially identical to FY2013



Operating Surplus

- Total operating surplus of \$30.5 million
 - Residual surplus of \$2.6 million from FY2011
 - \$27.9 million net surplus from FY2012:

• Bus: +\$26.3 million

• Rail: (\$21.6 million)

• Access: +\$23.2 million

• Net: +27.9 million

- Proposed budget applies the surplus to the jurisdictions as it was generated
- Allocation of any surplus >1% of operating budget (~\$17 million) will require Board resolution
- Other allocation approaches could be considered



Surplus Alternate #1: Proportional to Net Subsidy

	Net Subsidy	Allocation	of Surplus	Not Import of	
Jurisdiction	1		Alternate (Proportional to Net Subsidy)	Net Impact of Alternate Approach	
District of Columbia	\$271.2	(\$11.3)	(\$11.3)	\$0.0	
Montgomery County Prince George's County Maryland Subtotal	\$123.1 \$157.4 \$280.4	(\$4.6) (\$11.0) (\$15.6)	(\$5.1) (\$6.6) (\$11.7)	(\$0.6) \$4.5 \$3.9	
Alexandria Arlington City of Fairfax Fairfax County Falls Church Virginia Subtotal	\$28.0 \$48.0 \$1.6 \$100.2 \$2.1 \$180.0	(\$0.4) (\$0.1) (\$0.0) (\$2.9) (\$0.1) (\$3.6)	(\$1.2) (\$2.0) (\$0.1) (\$4.2) (\$0.1) (\$7.5)	(\$0.7) (\$1.9) (\$0.0) (\$1.3) (\$0.0) (\$3.9)	
TOTAL	\$731.5	(\$30.5)	(\$30.5)		



Surplus Alternate #2: One-Time Silver Line Expenses

	Metrorail Subsidy		Allocation	of Surplus	Net Impact of
Jurisdiction	Current Proposed	Alternate (\$25M	Current Proposed	Alternate (\$25M	Alternate
	Budget	for Silver Line)	Budget	for Silver Line)	Approach
District of Columbia	\$72.2	\$63.7	(\$11.3)	(\$2.3)	\$0.5
Montgomery County	\$41.9	\$37.3	(\$4.6)	(\$0.7)	(\$0.8)
Prince George's County	\$35.7	\$31.6	(\$11.0)	(\$1.6)	\$5.3
Maryland Subtotal	\$77.6	\$68.9	(\$15.6)	(\$2.3)	\$4.6
Alexandria	\$10.2	\$9.0	(\$0.4)	(\$0.1)	(\$0.9)
Arlington	\$20.7	\$18.3	(\$0.1)	(\$0.1)	(\$2.4)
City of Fairfax	\$0.7	\$0.7	(\$0.0)	(\$0.0)	(\$0.1)
Fairfax County	\$35.0	\$30.9	(\$2.9)	(\$0.6)	(\$1.7)
Falls Church	\$0.7	\$0.6	(\$0.1)	(\$0.0)	(\$0.0)
Virginia Subtotal	\$67.3	\$59.5	(\$3.6)	(\$0.8)	(\$5.1)
TOTAL	\$217.1	\$192.1	(\$30.5)	(\$5.5)	



Subsidy Summary

				Non-	Metro	Net	Debt	Operating	Total
(\$ millions)	Metrorail	Metrobus	Regional	Regional	Access	Subsidy	Service	Surplus	Subsidy
District of Columbia	\$72.2	\$171.9	<i>\$139.9</i>	\$32.1	\$27.1	\$271.2	\$15.1	(\$11.3)	\$274.9
Montgomery County	\$41.9	\$59.1	\$49.6	<i>\$9.6</i>	\$22.0	\$123.1	\$7.0	(\$4.6)	\$125.5
Prince George's County	<u>\$35.7</u>	<u>\$80.0</u>	<i>\$57.3</i>	<u>\$22.7</u>	<u>\$41.7</u>	<u>\$157.4</u>	<u>\$7.6</u>	<u>(\$11.0)</u>	<u>\$153.9</u>
Maryland Total	\$77.6	\$139.1	\$106.9	<i>\$32.2</i>	\$63.7	\$280.4	\$14.6	(\$15.6)	\$279.4
City of Alexandria	\$10.2	\$16.8	\$16.3	<i>\$0.5</i>	\$0.99	\$28.0	\$0.61	(\$0.4)	\$28.2
Arlington County	\$20.7	\$26.4	\$25.6	\$0.8	\$0.93	\$48.0	\$1.17	(\$0.1)	\$49.0
City of Fairfax	\$0.7	\$0.6	\$0.6	\$0.0	\$0.29	\$1.6	\$0.02	(\$0.0)	\$1.6
Fairfax County	\$35.0	\$51.9	\$44.5	<i>\$7.5</i>	\$13.35	\$100.2	\$1.36	(\$2.9)	\$98.7
City of Falls Church	<u>\$0.7</u>	\$1.3	<i>\$1.3</i>	<i>\$0.0</i>	\$0.10	<u>\$2.1</u>	\$0.07	(\$0.1)	<u>\$2.1</u>
Virginia	\$67.3	\$97.0	\$88.3	\$8.8	\$15.66	\$180.0	\$3.23	(\$3.6)	\$179.6
Total Subsidy	\$217.1	\$408.0	\$335.0	<i>\$73.1</i>	\$106.4	\$731.5	\$33.0	(\$30.5)	\$734.0

Note: Metrorail column includes both Base and Max Fare subsidies. Total Max Fare subsidy is \$6.9 million.



Subsidy Change from FY2013

Change in operating subsidy components, FY13 budget to FY14 proposed

			Metro	Net	Debt	Oper.	Total
(\$ millions)	Metrorail	Metrobus	Access	Subsidy	Service	Surplus	Subsidy
DC	\$19.3	\$3.1	(\$0.3)	\$22.0	(\$1.7)	(\$11.3)	\$9.1
Maryland	\$15.8	\$2.2	(\$1.1)	\$16.9	(\$1.6)	(\$15.6)	(\$0.3)
Virginia	<u>\$18.2</u>	<u>\$4.5</u>	<u>\$0.8</u>	<u>\$23.5</u>	<u>(\$1.2)</u>	<u>(\$3.6)</u>	<u>\$18.7</u>
Total	\$53.2	\$9.8	(\$0.6)	\$62.4	(\$4.4)	(\$30.5)	\$27.5

Change in operating subsidy components, FY13 budget to FY14 proposed (VA only)

			Metro	Net	Debt	Oper.	Total
(\$ millions)	Metrorail	Metrobus	Access	Subsidy	Service	Surplus	Subsidy
Alexandria	\$3.0	\$0.4	\$0.1	\$3.5	(\$0.2)	(\$0.4)	\$2.8
Arlington	\$6.0	\$0.9	(\$0.1)	\$6.8	(\$0.4)	(\$0.1)	\$6.2
Fairfax City	\$0.2	\$0.0	\$0.0	\$0.2	(\$0.0)	(\$0.0)	\$0.2
Fairfax County	\$8.7	\$3.1	\$0.9	\$12.8	(\$0.5)	(\$2.9)	\$9.4
Falls Church	<u>\$0.2</u>	<u>(\$0.0)</u>	<u>(\$0.0)</u>	<u>\$0.2</u>	<u>(\$0.0)</u>	<u>(\$0.1)</u>	<u>\$0.1</u>
Virginia	\$18.2	\$4.5	\$0.8	\$23.5	(\$1.2)	(\$3.6)	\$18.7



Conclusion

Thank you.

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Tom Webster – twebster@wmata.com – 202.962.1718



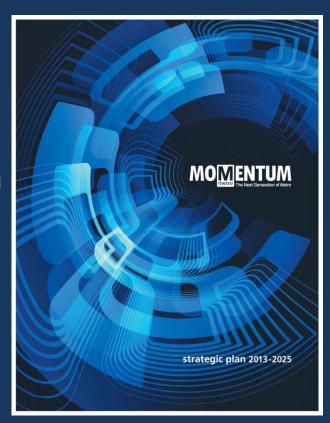
Governance Committee

January 24, 2013



Purpose

- Update the Board on Momentum and its related stakeholder outreach
- Present the "staff draft" of the plan for input





Strategic Framework

Mission: Metro moves the region forward by connecting communities and improving mobility for our customers

<u>Vision:</u> Metro provides safe equitable, reliable, and costeffective public transit

Strategic Goals:

- Build and maintain a premier safety culture and system
- Meet or exceed customer expectations by consistently delivering quality service
- Improve regional mobility and connect communities
- Ensure financial stability and invest in our people and assets



Outreach Activities



MindMixer: 11,800 visits 7,200 unique visits



Surveys: 3,000 responses



WaPo Forum: 150 attendees 1,200 online viewers Daily readers: 1.5M

a gr mor	ause we want to hear it. If you have reat idea for helping Metro maintair mentum and prepare to serve a gro pulation over the next 30 years, join aversation.	n owing	
visit	re your thoughts, opinions and idea ing www.wmata.com/momentum ting it below and mailing it in. The r at Metro improvement could be you	or next	MOMENTUM TO Not Output Out No.

Big Idea: 17 media outlets Circulation: 2.9M



Outreach Activities



Momentum Forums: Four meetings 120 people



SmarTrip Users: Monthly emails to over 500,000 people

Stakeholder
Presentations:
40 meetings with
customers, public
officials, MACS
customers and
business groups



GM Employee Town Halls: 145 attendees



Top Themes

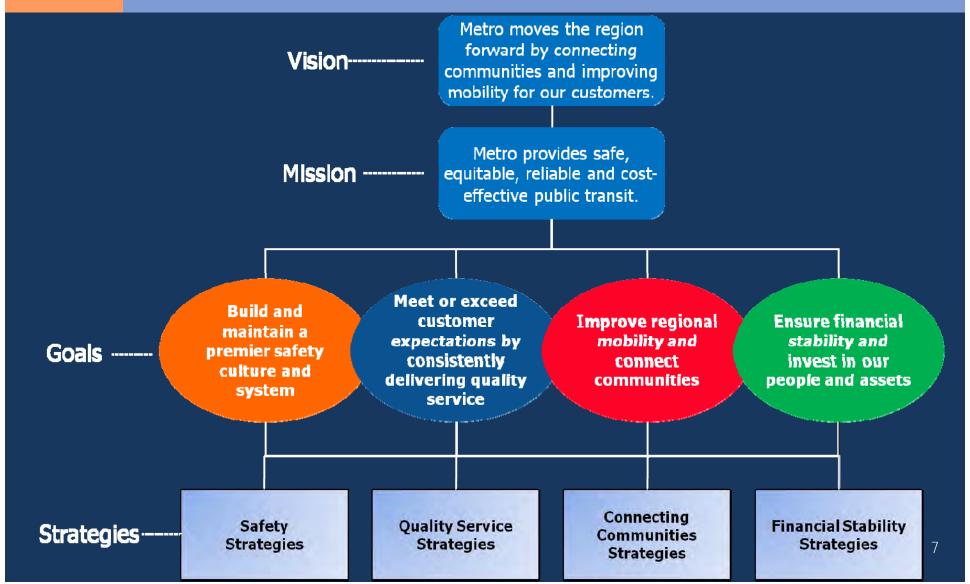
- Make no small plans (for Metro)
- Recognize Metro is critical to the region's future
- Keep rebuilding
- Reduce crowding
- Provide better customer information
- Ensure stable funding







Momentum Framework





Goal 1: Build and Maintain a Premier Safety Culture and System

- Fix and maintain the system
- Create a shared climate of safety
- Expect the unexpected
- Prepare for extreme weather







Goal 2: Meet or Exceed Customer Expectations by Consistently Delivering Quality Service

- Become a self-service system
- Focus on the customer
- Fix it first and fast
- Be on-time
- Make it easy to plan, pay, & ride







Goal 3: Improve Regional Mobility and Connect Communities

- Be the region's transit leader
- Maximize what we have
- Enhance access
- Expand for the future
- Support the region's economic competitiveness







Goal 4: Ensure Financial Stability and Invest in Our People and Assets

- Add new sources of predictable funding
- Invest for the long-term
- Increase efficiency and lower costs
- Be green
- Recruit and keep the best







Metro 2025: Maximize What We Have

Investments:

- Run 100% 8-car trains
- Complete Metrobus Priority Corridor Network
- Improve core system capacity and throughput
- Provide next-generation trip planning information to the regional transit customer
- Add pocket tracks and interlockings
- Prepare for bus service growth in emerging corridors
- Add infrastructure to increase service between key rail stations







Transit 2040: Expand the System

- Complete Regional Transit System Plan (RTSP)
- Evaluate potential new Metrorail lines in the core
- Evaluate potential extensions
- Extend high quality surface transit
- Evaluate potential for cross-Potomac streetcar and commuter rail connections
- Improve commuter rail/bus frequency and span of service





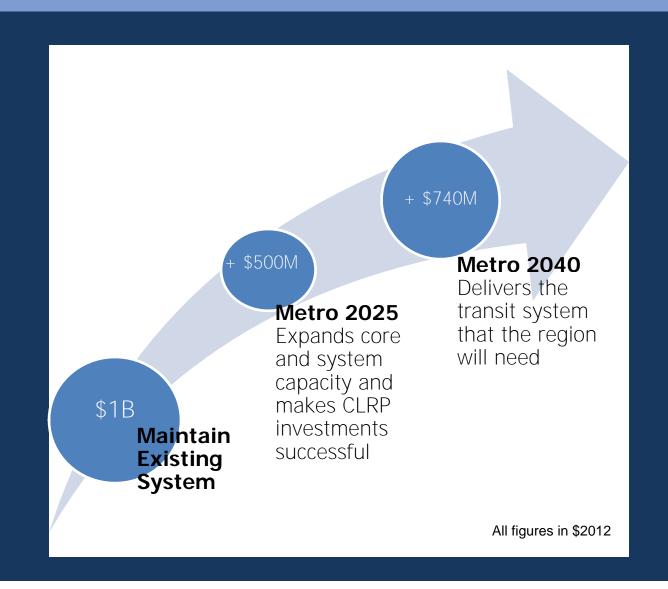


Impact of Investing in the System

Element	Initiative	Benefit
100% 8-car Trains (including Metro 2025 station improvements)		35% increase in peak hour/direction capacity Current rail system has adequate capacity until 2040
Priority Corridor Network (PCN)	Metro 2025	Adds 100K riders to the regional bus network
Next generation communications infrastructure	Metro 2025	Convenient and compelling customer experience Attractive to potential future regional transit riders
New Connections for Existing Lines	Metro 2025	Reduced transfer volumes at key stations and strengthens intra-jurisdictional service
Regional Transit System Plan (RTSP)	Metro 2040	\$37B in additional property value = \$477M in annual real estate tax revenue (\$2012)
		10% decrease in congestion = \$488M annually in savings
		11 million fewer gallons of gas consumed annually = \$169 million annual savings
		45,000 fewer parking spaces = \$870M in savings



Momentum's Order of Magnitude Annual Capital Funding Needs





Recommended Next Steps

- Seek input on staff draft
- Board strategic discussions
- Update strategic plan
- Adopt and implement Momentum



Upcoming Momentum Outreach

- Continue gathering input, provide staff draft to stakeholders
 - Congressional delegation, Jurisdictions, Public Officials
 - Advisory Groups—JCC, RAC, AAC
 - Advocacy and Planning Groups
 - Board of Trade, Federal City Council, Chambers
- Seek public feedback—Combined "budget/strategic plan"
 - Update Momentum web page
 - Email notice to extensive list of followers
 - Public meetings
 - Customer newsletter article (Express)
- Discuss further with Employees
 - Metro Weekly article
 - Employee Town Hall
 - GM Weekly messages to employees and Board
- Seek endorsements from stakeholders, groups, individuals



AGENDA ITEM #7

TO: Chairman McKay and NVTC Commissioners

FROM: Rick Taube

DATE: February 28, 2013

SUBJECT: DRPT Report

NVTC Commissioner Jim Dyke will present information about the activities, issues, concerns, initiatives, etc. of the Virginia Department of Rail and Public Transportation. The report will be a regular feature on NVTC's monthly agendas.



AGENDA ITEM #8

TO: Chairman McKay and NVTC Commissioners

FROM: Rick Taube and Claire Gron

DATE: February 28, 2013

SUBJECT: Regional Transportation Items

A. Transit Systems Receiving Support from Toll Revenues.

An NVTC Commissioner asked staff to research this issue. According to the Federal Highway Administration (FHWA), Office of Highway Policy Information, in 2010, four states distributed state toll revenues for mass transit purposes, including California (\$27.4M), Delaware (\$73.5M), New Jersey (\$6.7M) and New York (\$518M). Also, two states distributed local toll revenues for mass transit: California (\$38.5M) and New York (\$762M).

Separately, in their FY2011 National Transit Database (NTD) filings to the Federal Transit Administration (FTA), 36 transit agencies in 11 states and territories reported receiving funding from tolls.

Please refer to Attachment A.

B. Virginia State Contributions for HRT's The Tide and Dulles Rail.

An NVTC Commissioner requested additional information concerning capital contributions by the Commonwealth of Virginia for the Dulles Rail project as compared to the Hampton Roads Transit (HRT) The Tide. According to the Financial Advisor to the CFO at HRT, the capital cost of the Tide was \$315M. Direct state contributions totaled \$61.7M (19.6% of the total capital cost). Direct state contributions, plus Federal pass-through funds totaled \$69.3M (22% of the total capital cost).

The estimated capital cost for both phases of the Dulles Rail project is \$5.998B. Direct state contributions total \$177M (6.1% of the total capital cost). Direct state contributions, plus Federal pass-through funds total \$252M (8.7% of the total capital cost). Direct state contributions, Federal pass-through funds, and toll revenues (which DRPT considers to be a state source) total \$1.538B (52.9% of the total capital cost). Obviously the action by the 2013 General Assembly to

provide an additional \$300 million for the project will alter these amounts and shares.

Please refer to Attachment B.

C. Regional Transportation Data Clearinghouse

In order to improve access and facilitate transportation data sharing in the region, National Capital Region Transportation Planning Board (TPB) staff is creating the Regional Transportation Data Clearinghouse (RTDC), a web application (https://gis.mwcog.org/webmaps/rtdc). The RTDC application will consolidate transportation data from many different sources across the region including TPB jurisdictions, state agencies, and transit providers. Data layers in the web application include:

- Traffic counts;
- Traffic volumes;
- Transit counts (routes and ridership);
- Metrorail stations and lines;
- Round 8.1 Coop. Forecast (population, household, and employment forecasts); and
- MWCOG Activity Centers and Clusters.

Users will be able to browse on the map, query, and download data. For example, by clicking on Wilson Boulevard on the map in the vicinity of NVTC offices, a user learns that there are eight bus routes operating in the area. For each route, the route number, operating agency, origin and destination, headway, and runtime is provided. The web application is expected to be made available to the public later this year, and staff is actively seeking input on how the application may be improved for public use.

Please refer to Attachment C.

D. MWCOG Survey: What Do People Think About Congestion Pricing?

In 2011, TPB, in partnership with the Brookings Institution, received a grant through FHWA to study public support for congestion pricing in the Washington, D.C. metropolitan area. The study consisted of five deliberative forums (two in Virginia) where participants learned about, discussed, and explored potential solutions concerning funding for transportation, congestion, and congestion pricing scenarios. Attitudes were measured before and after the discussions in the forums.

TPB released the final draft report in January. Findings from the study include:

 Participants were generally uninformed about how transportation is funded, including gas taxes. Only 27% of participants knew or guessed the current federal gas tax rate, and 65% incorrectly thought it had been raised since 1993.

- Approximately half of participants support congestion pricing as a tool to reduce congestion (45%) and address funding shortfalls (53%).
- Before discussions in the forums, 72% of participants agreed that transportation funding is a critical issue; 85% agreed after.
- Support for congestion pricing as a reasonable tool for addressing congestion in the region rose from 39% before to 49% after the forum; the percentage of participants who believed congestion pricing is not a reasonable tool for addressing congestion also rose, from 29% to 33%.
- Support for raising the gas tax rose from 21% before to 57% after the forum.
- Participants in the study consider the lack of transportation choices/options a major problem in the region.

Please refer to Attachment D.

The full draft report is available at:

http://www.mwcog.org/transportation/activities/congestionpricing/default.asp

E. Texas Transportation Institute 2012 Urban Mobility Report

In February 2013, the Texas Transportation Institute (TTI) released the 2012 Urban Mobility Report, an annual publication examining congestion throughout the United States. According to the report, congestion in 2011 was below its 2005 peak; however, as the economy recovers, so too will congestion levels.

This year's report includes two new congestion measures. First, the Planning Time Index (PTI) is a measurement of variability in traffic conditions. PTI refers to the extra time that must be added to a trip in order to assure an on-time arrival in 19 out of 20 trips. For example, a PTI of 3.0 means that a driver must allow 60 minutes for a trip that would normally take 20 minutes in traffic that is not congested (20 min. \times 3.0 = 60 min.). Second, this year's report includes a new air quality measurement of additional carbon dioxide (CO₂) greenhouse gas emissions due to congestion.

In 2011, the Washington, D.C. metropolitan area:

- Ranked #1 nationally in terms of yearly delay per auto commuter (67 hours) and congestion cost per auto commuter (\$1,228).
- Experienced a total cost of congestion—which includes travel delay, excess fuel consumption, and truck congestion costs—of \$3.77B.
- Saved 33.8M hours of delay and congestion worth \$711M as a result of investments in public transportation, including Metro.
- Ranked #1 nationally with the highest peak period travel time of 53 minutes.

- Ranked #3 nationally with a commuter stress index of 1.39 behind Honolulu and New York City.
- Ranked #1 nationally with a PTI of 5.72. This means that 114.4 minutes should be planned for a trip that usually takes 20 minutes in light traffic in order to be late only one day per month (20 min. x 5.72 = 114.4 min.).
- Ranked #4 nationally with a Travel Time Index (TTI) of 1.32 behind Los Angeles, Honolulu, and New York City. TTI is the ratio of travel time in the peak period to the travel time in traffic that is not congested. A TTI of 1.32 means that a 20-minute trip in free-flow traffic takes 26.4 minutes during the peak period (20 min. x 1.32 = 26.4 min.).
- Ranked #1 nationally in terms of pounds of CO₂ per auto commuter produced during congestion at 631 lbs. per year.
- Logged almost 180M hours of travel delay for trucks at a cost of \$656M.

Please refer to Attachment E.

DISPOSITION OF LOCAL GOVERNMENT RECEIPTS FROM STATE AND LOCAL HIGHWAY-USER REVENUES - 2009 1/ 2/

May 2012					(THC	DUSANDS OF DOLLA	RS)					TABLE LDF
,		TOR-FUEL AND MO				OTOR-FUEL AND MO		CEIPTS		LOCAL TOLL	REVENUES	
STATE	TRAN:	SFERRED TO LOCA	L GOVERNMENTS	S 3/	RECEIPTS		1		DECEIDTS		1	
STAIL	AVAILABLE FOR DISTRIBUTION	FOR HIGHWAY PURPOSES	FOR MASS TRANSIT PURPOSES	FOR LOCAL GENERAL PURPOSES	AVAILABLE FOR DISTRIBUTION	FOR HIGHWAY PURPOSES	FOR MASS TRANSIT PURPOSES	FOR LOCAL GENERAL PURPOSES	RECEIPTS AVAILABLE FOR DISTRIBUTION	FOR HIGHWAY PURPOSES	FOR MASS TRANSIT PURPOSES	FOR LOCAL GENERAL PURPOSES
Alabama	281,432	281,432	-	-	131,472	131,472	149	(149)	-	-	-	-
Alaska	1,774	1,774	-	-	3,922	3,922	-	-	-	-	-	-
Arizona	695,849	695,849	-	-	-	-	-	-	-	-	-	-
Arkansas	5,526	5,526	-	-	-	-	-	-	-	-	-	ı
California	8,563,525	8,097,049	466,476	-	-	-	-	-	332,077	290,572	38,481	3,024
Colorado	230,297	230,297	-	-	-	-	-	-	93,913	93,913	-	-
Connecticut	32,117	32,117	-	-	480,468	480,468	-	-	-	-	-	-
Delaware	-	-	-	-	-	-	-	-	-	-	-	-
Florida	389,090	389,090	-	-	774,435	639,229	131,695	3,511	68,291	68,007	-	284
Georgia	1,669	1,669	_	_	-	-	-	-	-	-	_	_
Hawaii	37,297	37,297	_	_	162,839	161,256	1,583	_	-	_	_	_
Idaho	157,717	157,717	_	_	6.967	6.967	,,,,,,,	_	-	_	_	_
Illinois 4/	572,420	572,420	_	_	34,234	34,234	_	_	313	313	_	-
Indiana	1,544	1,544	-	_	43,430	43,430	_		_ 5.5	-	_	_
lowa 4/	661,339	661,339	_	_	118	118	_	_	_	_	_	_
Kansas	145.866	145.866	_	_	23.918	23.918						_
Kentucky	2,439	2,439			15,835	15,835	_	-	-		-	-
•			-	-	13,033	13,033	-	-	-	-	-	-
Louisiana	3,004	3,004	-	-	107.070	407.070	-	-	- 2.200	- 2.000	-	-
Maine	24,807	24,807	-	-	197,270	197,270	-	-	3,368	3,368	-	-
Maryland	465,079	465,079	-	-	-	-	-	-	- 74.000	- 74 000	-	-
Massachusetts	60,792	60,792	-	-	-	-	-	-	71,033	71,033	-	-
Michigan	37,111	37,111	-	-	-	=	-	-	1,551	1,551	-	-
Minnesota	702,518	702,518	-	-	-	-	-	-	-	-	-	-
Mississippi	100,906	100,906	-	-	6,100	6,100	-	-	-	-	-	-
Missouri	248,175	248,175	-	-	-	-	-	-	-	-	-	-
Montana	42,787	40,272	-	2,515	11,749	(8,635)	767	19,617	-	-	-	-
Nebraska	234,891	234,891	-	-	15,130	15,130	-	-	1,747	1,747	-	-
Nevada 4/	5,409	5,409	-	-	97,209	97,209	-	-	-	-	-	-
New Hampshire	31,137	31,137	-	-	118,688	118,688	-	-	-	-	-	-
New Jersey	151,726	151,726	-	-	-	-	-	-	33,665	33,665	-	-
New Mexico	161,948	161,948	-	-	-	-	-	-	-	-	-	-
New York	396,264	396,264	-	-	18,866	18,866	-	-	1,322,188	560,082	762,052	54
North Carolina	147,069	147,069	-	-	18,874	18,874	-	-	-	-	-	-
North Dakota	74,592	74,592	-	-	-	-	-	-	-	-	-	-
Ohio	1,097,774	1,097,774	-	-	-	-	-	-	-	-	-	-
Oklahoma 4/	41,931	41,931	-	-	-	-	-	-	-	-	-	-
Oregon	29,634	29,634	-	-	16,714	16,714	-	-	4,543	4,543	-	-
Pennsylvania 4/	266,148	266,148	-	-	46,109	46,109	-	-	161	161	-	_
Rhode Island 4/	- '	- '	-	-	-	- '	-	-	-	-	-	-
South Carolina 4/	2,266	2,266	-	_	_	_	_	-	l - l	-	-	_
South Dakota 4/	2,697	2,697	_	-	8,215	8,215	-	-	_	-	-	-
Tennessee	280,137	280,137	_	_	22.660	22,660	_	_	_	_	_	_
Texas 4/	463,221	463,221	_	_	195,999	195,999			559,778	439,570	_	120,208
Utah	61,566	61,566	_	_	11,235	11,235		_	-		_	-
Vermont	24,551	24,551	_		- 11,233	- 11,233	_			_	_	_
Virginia	355,134	355,134	-	-	135,866	87,835	48,031	-	40,548	40,200	-	348
•	355,134 480,759	480,759	-	-	2,295	87,835 2,295	40,031	<u>-</u>			-	348
Washington		,	-	-	2,295	2,295] -	<u>-</u> .	4,191	4,191	-	-
West Virginia 4/	10,683	10,683	-	-	- 0.400	- 0.400	-	-	-	-	-	-
Wisconsin	417,105	417,105	-	-	6,462	6,462	-	-	132	132	-	-
Wyoming 4/	4,538	4,538	-	-	-	-	-	-	-	-	-	-
Total	18,206,260	17,737,269	466,476	2,515	2,607,079	2,401,875	182,225	22,979	2,537,499	1,613,048	800,533	123,918

^{1/} This table summarizes local governments' receipts from motor-fuel taxes, motor-vehicle fees, special imposts on motor carriers, and tolls. This table includes receipts from State imposts that are transferred to local governments for distribution. See Tables LGF-21 and LGF-3B for details. Local government reporting is on a biennial basis with even-numbered years optional. This table is compiled from reports of State and local governments.

^{2/} D. C. is excluded as there are no local jurisdictions within the District of Columbia. 3/ Differences between amounts shown here and in the "Highway Statistics, 2008" for Tables DF and SF-5A are caused by State delays in transferring revenues dedicated to local governments, and by local governments' reallocations of State funds. 4/ Estimated by FHWA.

DISPOSITION OF STATE HIGHWAY-USER REVENUES - 2010 1/

January 2012 (THOUSANDS OF DOLLARS) TABLE SDF

January 2012						(THOUSANDS	OF DOLLARS)							TABLE SDF
		STATE M	OTOR-FUEL REC	EIPTS 2/			STATE MC	TOR-VEHICLE RE	CEIPTS 3/			STATE TOLL I	REVENUES 4/	
	RECEIPTS					RECEIPTS					RECEIPTS			
STATE	AVAILABLE	FOR	FOR	FOR MASS	FOR	AVAILABLE	FOR	FOR	FOR MASS	FOR	AVAILABLE	FOR	FOR MASS	FOR
*=	FOR	HIGHWAY	COLLECTION	TRANSIT	GENERAL	FOR	HIGHWAY	COLLECTION	TRANSIT	GENERAL	FOR	HIGHWAY	TRANSIT	GENERAL
	DISTRIBUTION	PURPOSES	EXPENSES	PURPOSES	PURPOSES	DISTRIBUTION	PURPOSES	EXPENSES	PURPOSES	PURPOSES	DISTRIBUTION	PURPOSES	PURPOSES	PURPOSES
Alahama					FUNFOSES					FUNFUGES	DISTRIBUTION	FUNFUGES		FUNFUSES
Alabama	648,071	621,109	19,983	6,979	-	237,272	166,642	68,758	1,872	-	-	-	-	-
Alaska	25,232	33,304	-	(8,072)	-	53,453	49,167	16,201	(11,915)		43,840	43,840	-	-
Arizona	629,134	529,456	-	29,827	69,851	311,143	255,716	7,285	14,406	33,736	-	-	-	-
Arkansas	482,192	427,323	17,737	12,070	25,062	159,370	142,891	4,063	4,036	8,380	-	-	-	-
California	4,958,913	4,545,697	-	353,025	60,191	6,746,721	5,735,272	478,126	455,637	77,686	492,195	317,017	27,380	147,798
Colorado	556,542	444,110	2,656	109,776	-	1,000,237	776,290	32,063	191,884	-	-	-	-	-
Connecticut	624,291	316,212	-	307,424	655	312,590	158,195	-	154,066	329	151	151	-	-
Delaware	114,579	101,030	-	13,549	-	125,693	110,830	-	14,863	-	425,389	351,864	73,525	-
Dist. of Col.	20,568	2,837	-	17,648	83	80,393	11,091	-	68,979	323	-	-	-	-
Florida	2,155,752	1,323,578	_	173,398	658,776	1,705,705	1,047,260	_	137,199	521,246	1,071,978	1,027,955	_	44,023
Georgia	467,037	325,090	6,184	88,859	46,904	123,691	74,291	18,376	20,306	10,718	21,757	5,263	_	16,494
Hawaii	81,027	73,944	0,101	1,524	5,559	103,785	88,882	6,391	1,831	6,681	21,707	0,200		10, 10 1
Idaho	227,159	208,152	3,697	947	14,363	169,716	149,948	8,739	682	10,347	l -	-	-	-
											665 607	665 607	-	-
Illinois 5/	1,231,452	844,383	64,305	322,253	511	1,324,573	857,822	138,850	327,382	519	665,687	665,687	-	-
Indiana	817,024	768,440	-	48,584	-	233,230	219,356	-	13,874	-	165,068	165,068	-	-
lowa	429,227	399,915	1,306	22,330	5,676	519,896	464,184	23,205	25,919	6,588			-	-
Kansas	435,559	402,833	-	3,046	29,680	178,966	105,942	64,418	801	7,805	84,368	84,368	-	-
Kentucky	653,527	564,214	-	59,737	29,576	587,341	485,209	25,325	51,373	25,434	-	-	-	-
Louisiana	595,764	582,496	-	13,268	-	133,871	107,952	23,709	2,210	-	37,030	37,030	-	-
Maine	251,414	242,671	690	8,053	-	73,112	70,720	-	2,392	-	135,507	135,507	-	-
Maryland	707,632	334,308	9,054	234,659	129,611	985,756	198,901	24,451	491,132	271,272	320,946	320,946	-	-
Massachusetts	653,045	335,747	-	317,298	-	305,004	114,079	83,114	107,811	-	319,681	310,232	-	9,449
Michigan	945,741	787,877	7,677	144,666	5,521	1,055,980	804,960	97,577	147,803	5,640	38,831	37,758	-	1,073
Minnesota	827,341	536,310	2,092	288,939	-	656,846	385,207	64,105	207,534	-	-	-	_	-
Mississippi	377,618	339,332	-	12,988	25,298	159,768	143,569	-	5,495	10,704	_	_	_	-
Missouri	683,461	680,095	_	3,366	-	286,490	285,079	_	1,411	-	_	_	_	_
Montana	186,304	105,701	_	7,856	72,747	159,571	90,533	_	6,730	62,308		_	_	-
Nebraska	316,991	307,350	-	2,270	7,371	82,942	80,419	-	594	1,929	-	-	-	-
			- 707					- 00			707	707	-	-
Nevada	266,251	256,710	707	5,902	2,932	206,205	199,283	63	4,582	2,277	797	797	-	-
New Hampshire	143,609	129,663	-	2,232	11,714	238,727	148,658	74,080	2,560	13,429	116,425	116,425	-	-
New Jersey	555,502	333,206	-	149,655	72,641	1,002,601	601,391	-	270,104	131,106	1,153,358	1,146,666	6,692	-
New Mexico	270,445	156,575	-	8,160	105,710	318,244	176,919	12,656	9,222	119,447	-	-	-	-
New York	1,632,193	1,269,074	-	317,982	45,137	1,767,337	1,338,436	45,936	335,361	47,604	1,720,848	1,202,161	518,180	507
North Carolina	1,619,848	1,397,387	27,852	26,525	168,084	647,061	566,770	-	10,944	69,347	2,042	2,042	-	-
North Dakota	147,088	135,158	-]	1,658	10,272	96,427	83,115	5,975	1,021	6,316	-	-	-	-
Ohio	1,728,628	1,677,671	-	21,188	29,769	970,218	762,021	185,020	9,637	13,540	235,957	235,957	-	
Oklahoma	431,177	129,914	-	14,593	286,670	627,794	174,556	48,452	19,607	385,179	228,711	228,711	-	-
Oregon	351,126	289,087	9,486	17,481	35,072	692,890	480,858	124,620	29,075	58,337	- '	- '	-	-
Pennsylvania	2,035,620	1,989,241	45,521	858	- ´	871,536	750,148	121,067	321	- '	938,391	651,696	-	286,695
Rhode Island	138,746	33,449	-	58,336	46,961	68,359	16,480	,	28,742	23,137	18,276	18,276	_	-
South Carolina	517,768	513,378	_	4,390	-	167,543	166,122	_	1,421	-	19,544	19,544	_	-
South Dakota	134,007	112,588	2,722	16,379	2,318	12,307	2,989	8,821	435	62	-	-	_	_
Tennessee	825,448	699,950	11,036	55,513	58,949	352,598	267,919	40,809	21,276	22,594	31	31	-	=
_			11,030					40,009	, , , , , , , , , , , , , , , , , , , ,				-	15 110
Litab	3,036,731	1,511,144	- 0.500	47,874	1,477,713	4,268,153	1,806,890	04.000	75,406	2,385,857	492,412	477,299	-	15,113
Utah	343,705	333,028	2,509	4,565	3,603	204,218	166,136	34,006	2,278	1,798	-	(253)	-	253
Vermont	95,970	69,900		8,667	17,403	158,901	115,735	-	14,351	28,815	-	-	-	
Virginia	860,153	707,405	7,177	113,992	31,579	981,213	640,967	208,348	103,285	28,613		60,116	-	1,294
Washington	1,292,824	1,212,497	9,161	13,935	57,231	538,836	403,273	109,456	5,112	20,995	192,310	176,410	-	15,900
West Virginia	391,570	375,582	542	14,738	708	238,842	229,408	-	9,002	432	79,072	79,072	-	-
Wisconsin	951,750	722,380	1,263	78,462	149,645	611,299	464,593	-	50,462	96,244	-	-	-	-
Wyoming	66,892	33,719	1,588	30,238	1,347	70,007	30,938	10,089	27,744	1,236	-	-	-	-
Total	37,939,648	30,272,220	254,945	3,609,590	3,802,893	32,984,431	22,774,012	2,214,154	3,478,255	4,518,010	9,082,012	7,917,636	625,777	538,599
i Ulai	J1,3J3,0 4 0	50,212,220	204,340	0,000,000	5,002,093	JZ,JU4,4J I	44,014	4,414,104	0,710,200	7,010,010	3,002,012	1,311,030	020,111	JJ0,J99

^{1/} This table summarizes data reported in greater detail in Tables MF-3, MV-3, SF-3B, and SF-4B.

This table is compiled from reports of State authorities.

^{2/} See Table MF-3 for additional information.

^{3/} See Table MV-3 for additional information.

^{4/} See Tables SF-3B and SF-4B for additional information on toll facility funding.

^{5/} Amounts shown represent data reported in 2009.

Transit Agencies Reporting Funds Earned from Tolls NTD 2011

State	UZA	Agency	Funding Source (Federal, State, Local, Direct)	lge, Tunnel and ighway Tolls	Revenues earned / applied from high occupancy / toll (HO / T) lanes
NY	Buffalo, NY	Niagara Frontier Transportation Authority	Local Government	\$ 200,000	
	New York-Newark, NY-NJ-CT	MTA New York City Transit	Direct (Dedicated to Transit at Source)	\$ 201,544,872	
	New York-Newark, NY-NJ-CT	Metro-North Commuter Railroad Company (MTA Metro North Railroad)	Local Government	\$ 59,892,240	
	New York-Newark, NY-NJ-CT	MTA Long Island Rail Road	Local Government	\$ 122,955,506	
PA	Altoona, PA	Altoona Metro Transit	State Government	\$ 2,298,625	
	Johnstown, PA	Cambria County Transit Authority	State Government	\$ 88,855	
	Lancaster, PA	Red Rose Transit Authority	State Government	\$ 6,302,341	
	Philadelphia, PA-NJ-DE-MD	Southeastern Pennsylvania Transportation Authority	State Government	\$ 170,236,022	
	Scranton, PA	County of Lackawanna Transit System	State Government	\$ 6,123,137	
VA	Washington, DC-VA-MD	Loudoun County Commuter Bus Service - Office of Transportation Services	Local Government	\$ 768,882 *	
DC	Washington, DC-VA-MD	Metropolitan Washington Airports Authority	Direct (Dedicated to Transit at Source)	\$ 292,913,229	
NC	Durham, NC	Chapel Hill Transit	Direct (Dedicated to Transit at Source)		\$ 10,632
PR	San Juan, PR	Puerto Rico Highway and Transportation Authority (PRHTA)	State Government	\$ 213,821	
MN	Minneapolis-St. Paul, MN-WI	Metro Transit	Local Government		\$ 179,635
MI	Detroit, MI	City of Detroit Department of Transportation	State Government	\$ 470,520	
LA	New Orleans, LA	Crescent City Connection Division - Louisiana Department of Transportation	Direct (Dedicated to Transit at Source)	\$ 10,185,891	
TX	Dallas-Fort Worth-Arlington, TX	Dallas Area Rapid Transit	State Government	\$ 838,711	
	Dallas-Fort Worth-Arlington, TX	City of Grand Prairie Transportation Services Department	Direct (Dedicated to Transit at Source)		\$ 20,000
	Denton-Lewisville, TX	Denton County Transportation Authority	State Government	\$ 77,661,499	
CA	San Francisco-Oakland, CA	San Francisco Bay Area Rapid Transit District	Local Government	\$ 8,911,308	
	San Francisco-Oakland, CA	San Mateo County Transit District	Local Government	\$ 2,208,878	
	San Jose, CA	Santa Clara Valley Transportation Authority	Local Government	\$ 757,171	
	San Francisco-Oakland, CA	Alameda-Contra Costa Transit District	State Government	\$ 33,218,042	
	San Francisco-Oakland, CA	San Francisco Municipal Railway	Local Government	\$ 5,651,150	
	San Francisco-Oakland, CA	Golden Gate Bridge, Highway and Transportation District	Direct (Dedicated to Transit at Source)	\$ 44,700,191	
	San Diego, CA	San Diego Metropolitan Transit System	Local Government		\$ 1,000,000
	Vallejo, CA	City of Vallejo Transportation Program	State Government	\$ 12,743,485	
	Los Angeles-Long Beach-Anaheim, CA	Orange County Transportation Authority	Direct (Dedicated to Transit at Source)		\$ 6,483,107

			727 570
Concord, CA	Central Contra Costa Transit Authority	State Government	\$ 727,570
Napa, CA	Napa County Transportation Planning Agency	Local Government	\$ 1,141,703
Fairfield, CA	City of Fairfield - Fairfield and Suisun Transit	Local Government	\$ 711,035
San Francisco-Oakland, CA	Peninsula Corridor Joint Powers Board (Caltrain)	Local Government	\$ 794,988
Concord, CA	Livermore / Amador Valley Transit Authority	Local Government	\$ 911,323
San Francisco-Oakland, CA	Western Contra Costa Transit Authority	Local Government	\$ 567,244
Antioch, CA	The Eastern Contra Costa Transit Authority	State Government	\$ 26,286
San Francisco-Oakland, CA	San Francisco Bay Area Water Emergency Transportation Authority	Local Government	\$ 2,796,134

Source: USDOT, Federal Transit Agency (FTA), 2011 National Transit Database (NTD), RY 2011 Database, "Tax Funds"

^{*} The Tysons Express service, which commenced operations in FY10, is funded by the Metropolitan Washington Airports Authority (MWAA) through the Dulles Rail Transportation Management Plan (TMP).

State Funding as a Percentage of Capital Costs HRT The Tide vs. WMATA Silver Line

(in thousands)

WMATA Silver Line										
	Dulles Rail Phase 1				Dulles Rail Phase 2			Dulles Rail Total Project		
			Cumulative			Cumulative			Cumulative	
	Funding	Capital Cost	Funding as a % of	Funding	Capital Cost	Funding as a % of	Funding	Capital Cost	Funding as a % of	
			Capital Cost			Capital Cost			Capital Cost	
Direct State Contribution	\$ 177,000	\$ 2,905,000	6.1%	\$ 173,000	\$ 3,093,000	5.6%	\$ 350,000	\$ 5,998,000	5.8%	
+ Federal Pass-Through Funds *	\$ 75,000	\$ 2,905,000	8.7%		\$ 3,093,000	5.6%	\$ 75,000	\$ 5,998,000	7.1%	
+ Toll Revenues	\$ 1,285,595	\$ 2,905,000	52.9%	\$ 1,995,170	\$ 3,093,000	70.1%	\$ 3,280,765	\$ 5,998,000	61.8%	

HRT The Tide							
					Cumulative		
	F	unding	Ca	pital Cost	Funding as a % of		
					Capital Cost		
Direct State Contribution	\$	61,700	\$	315,000	19.6%		
+ Federal Pass-Through Funds	\$	7,610	\$	315,000	22.0%		

^{*} Includes Commonwealth Interstate Maintenance funds and other Flexible STP Funds allocated to Virginia.

Sources: Phone conversation with HRT, January 23, 2013.

Email correspondence with HRT, February 27, 2013.

Letter from Robert Clarke Brown, MWAA, to Secretary Ray LaHood, U.S. DOT, dated October 2, 2012.

Email correspondence with DRPT, February 14, 2013.

Briefing on the

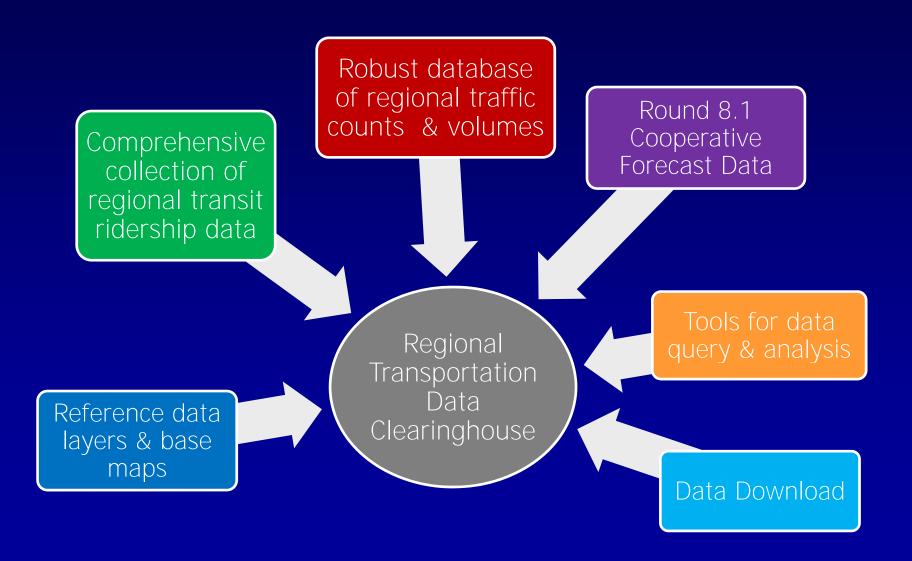
Regional Transportation Data Clearinghouse

Charlene Howard
TPB Staff

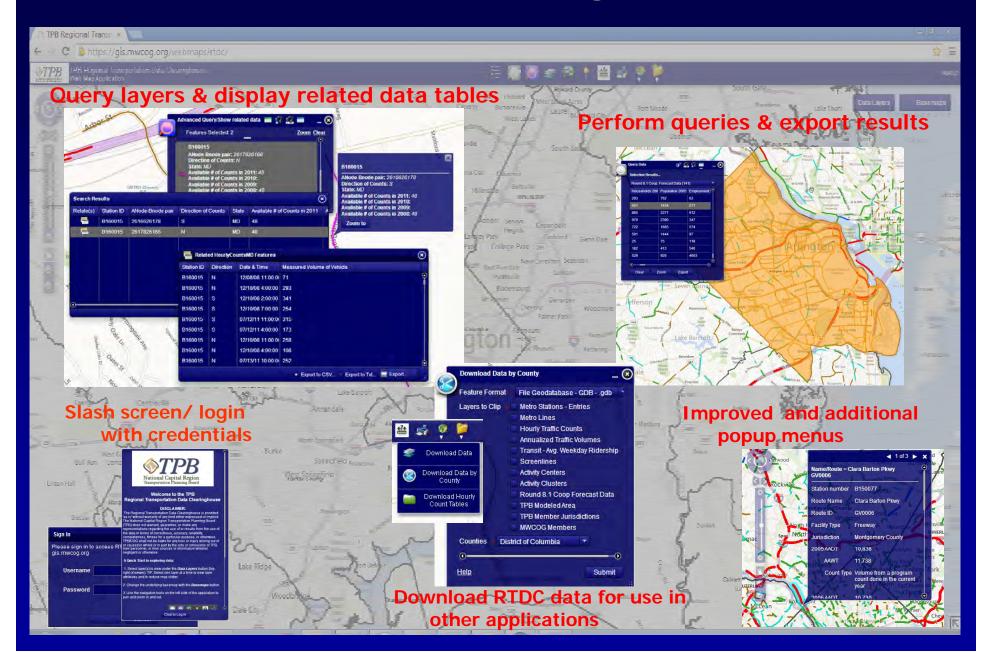
TPB Technical Committee 11 January 2013

What is the RTDC?

A web-based transportation data viewer



The RTDC at a glance



Components of the RTDC

Widgets- the tools that provide application functionality

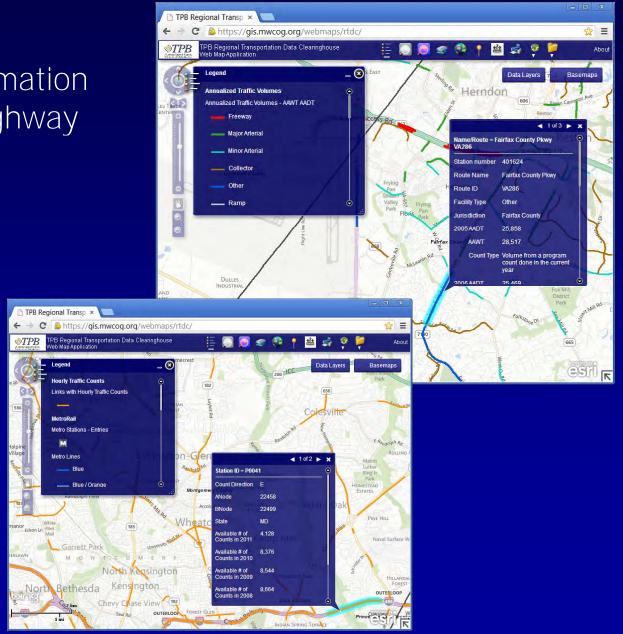
- Query ('select by attribute')
- Advanced Query- show related data tables
- Download Data
- Documents (User's Guide)
- General
 - Legend show symbology for data layers
 - Zoom to Jurisdictions
 - Find an Address
 - Draw and Measure
 - Print

Available data layers

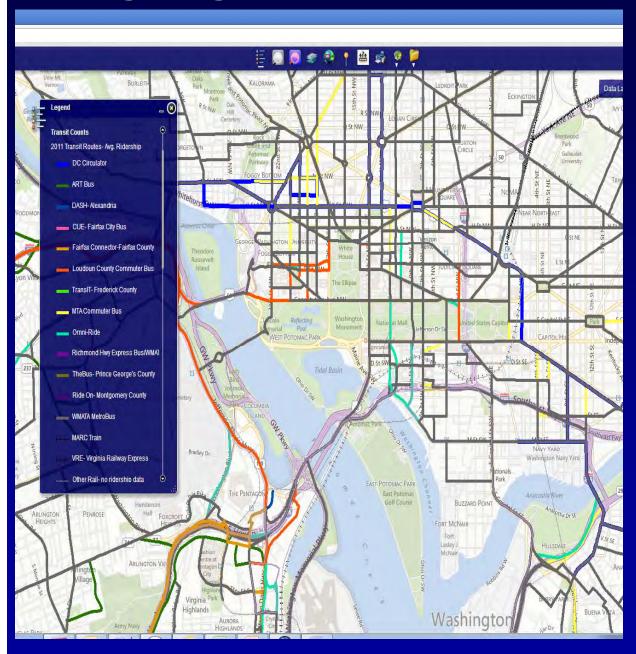
- Highway network (traffic related)
 - Annualized Annual Volumes
 - AADT
 - AAWDT
 - Hourly Traffic Counts
- Transit Routes- Average Ridership
- WMATA
 - Metro Stations
 - Metro Lines
- Round 8.1 Cooperative Forecast by TAZ
- Version 2.3 Screenlines
- Activity Centers & Clusters (Round 7)
- Regional Boundaries

Highlights- Traffic Counts/Volumes

- Improved traffic count/volume information for TPB regional highway network links
- Updated Annualized |
 Traffic Volumes layer
 to include 2005-2011
 data
- Updated Hourly Traffic
 Counts layer to include
 2008-2011 data
- Utilized TPB highway network (dual link) for counts layers
- Added 2.3 version traffic screenlines



Highlights- Transit ridership data

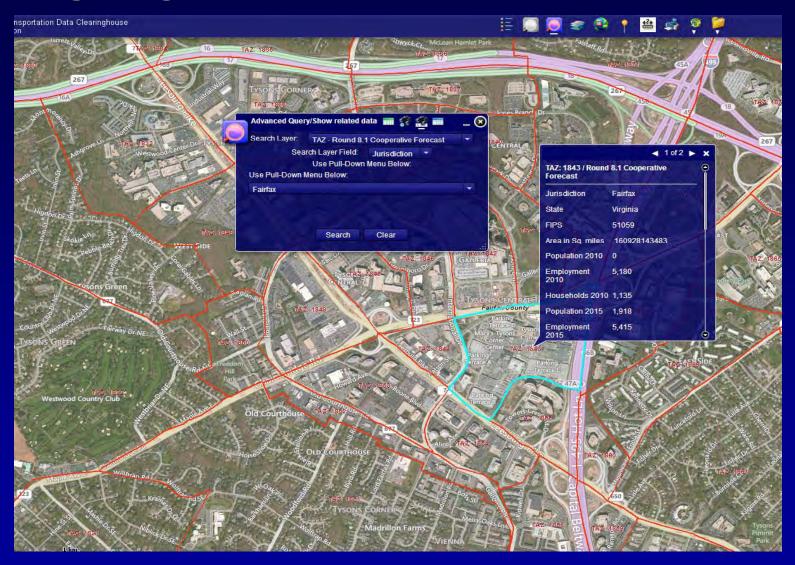


New & existing transit ridership data joined to the 2011 year TPB regional transit network.

Improvements include

- Added DC Circulator routes and ridership data
- Added CUE ridership data
- Added REX routes and ridership data
- Monthly ridership totals through September 2012 (where available)

Highlights- Cooperative Forecast



 Round 8.1 Cooperative Forecast land use data by Transportation Analysis Zone (TAZ)

Demonstration

Looking ahead

- Currently the RTDC team is focusing on application improvements and refinements
- Longer term improvements
 - Data: additional datasets- what can we add to the RTDC?
 - Capital Bikeshare Stations
 - Metro Station entry/exit data
 - Other WMATA survey data
 - Data: update current RTDC layers with current data as it becomes available
 - Application: additional ways to access the data via the interface

The RTDC team

Charlene Howard
John Kent
Martha Kile
Nicole McCall
Yew Yuan

For more questions or comments regarding data, please contact

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charlene@mwcoq.org

https://gis.mwcog.org/webmaps/rtdc

What Do People Think About Congestion Pricing?

A Deliberative Dialogue with Residents of Metropolitan Washington

Presentation on the TPB's Study on the Public Acceptability of Congestion Pricing

John Swanson, Principal Transportation Planner
Transportation Planning Board
January 23, 2013

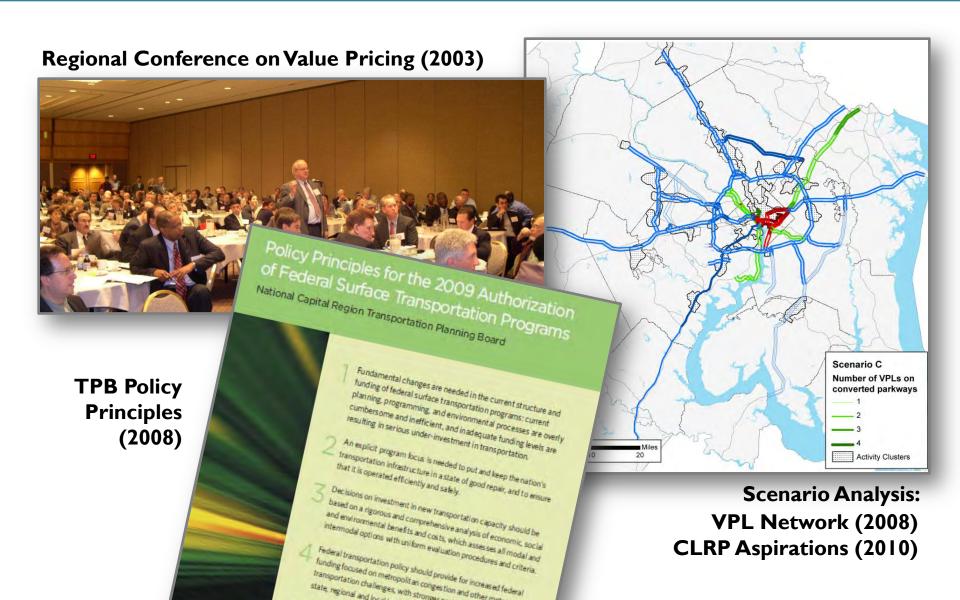


What is Congestion Pricing?

Tolling and pricing systems that charge travelers more to use transportation facilities when there is more congestion



A decade of work on pricing at the TPB



Value pricing projects in the region

Intercounty Connector (ICC)

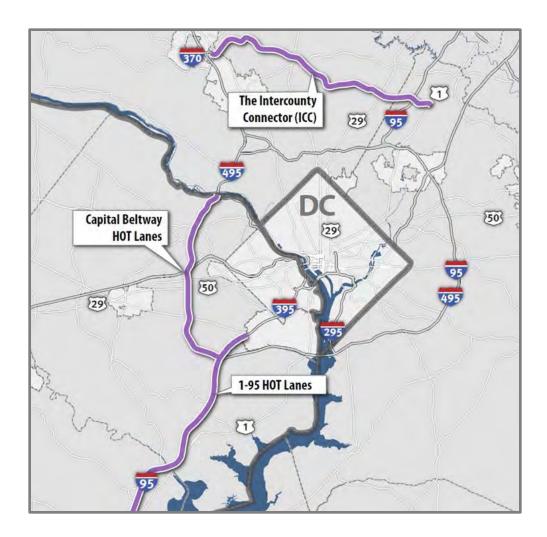
- Added to CLRP in 2004
- Majority opened 2011

Beltway HOT Lanes

- Added to CLRP in 2005
- Opened 2012

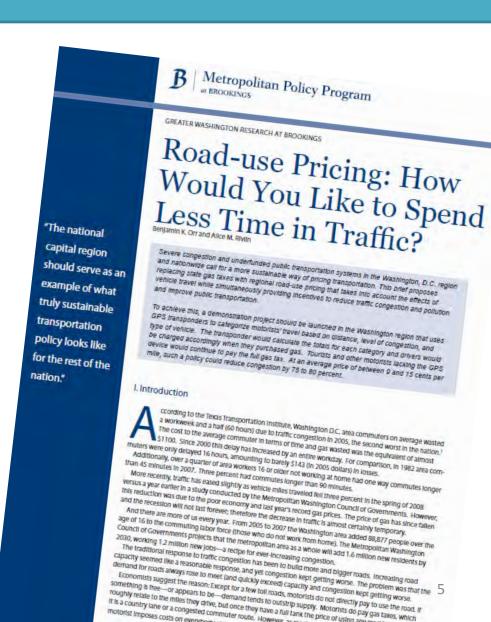
• I-95/I-395 HOT Lanes

- Added to CLRP in 2007
- Under construction (I-95)



Brookings Institution proposal

- Authored by Alice Rivlin& Benjamin Orr in 2009
- "proposes replacing state gas taxes with regional road-use pricing"
- "A demonstration project should be launched in the Washington region that uses GPS transponders to categorize motorists' travel"



Joint research project

- Grant awarded in 2011 from the FHWA's Value Pricing Pilot Program
- Research partners:
 - TPB & the Brookings Institution
- Public engagement consultant:
 - AmericaSpeaks

Research Problem

- Transportation revenues are decreasing and congestion is increasing
- Congestion pricing is a tool that could partially solve these twin challenges
- But officials assume that support for congestion pricing is very low.

Research Questions

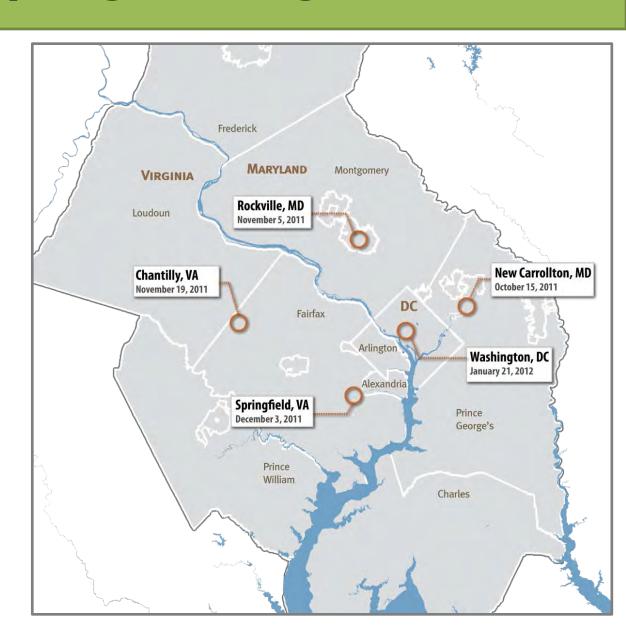
- As people learn more about congestion pricing, will their attitudes about it change?
- Upon which factors (costs and benefits) does their acceptance hinge?
 - What factors matter to people?
 - How strongly do people feel about those factors?
 - What factors cause people to change their minds?

Deliberative Forums



Sampling the region

- Five forums
- October 2011-January 2012
- Each forum lasted
 4½ hours
- More than 300 paid participants
- Broadly representative of the region



"Why are you here?"

How we explained the forums to participants:

- Congestion pricing is a type of road tolling that <u>could</u> help solve our funding and congestion problems.
- But, do you believe the benefits are worth the costs?

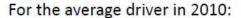
Let's talk about it...

Baseline Information

Big challenges ahead

- Severe congestion
- Funding shortfalls

What are the costs of congestion?



- · Time: More than 100 hours of delay
- Money: Value of lost time is more than \$2,000





Gas taxes haven't been increased in years

	Tax Per Gallon	Year of Last Increase
Federal	18.4 cents	1993
Virginia	17.5 cents	1986
Maryland	23.5 cents	1992
D.C.	23.5 cents	2009







Scenario I: Priced Lanes on All Major Highways

What if...

All major highways had at least one tolled lane with freeflowing traffic?



Scenario 2: Pricing on All Streets and Roads

What if...

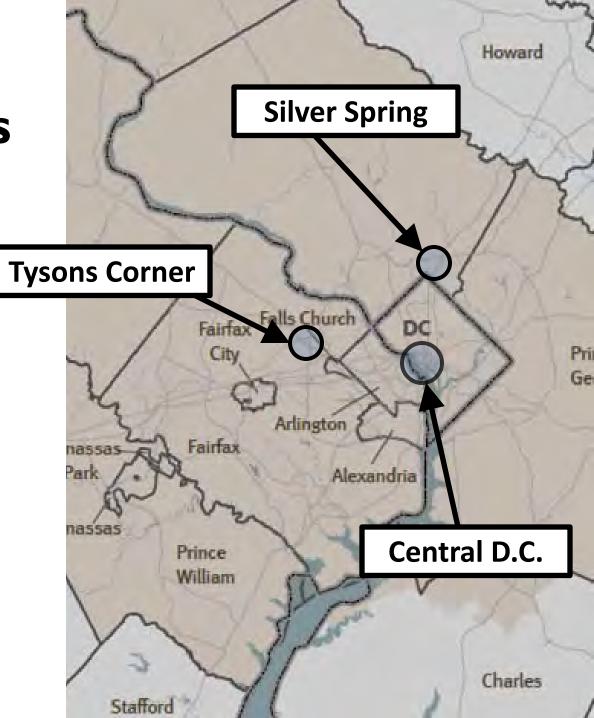
Instead of paying gas taxes, drivers paid per-mile fees calculated by GPS?



Scenario 3: Priced Zones

What if...

Drivers had to pay to enter central Washington, DC, Silver Spring, or Tysons Corner?



Data Sources

- A combination of qualitative and quantitative data:
 - -Keypad poll questions (including demographics)
 - -Scribe notes
 - –Paper surveys

Small groups discuss benefits and costs



Scribes record discussions



Theme teams summarize comments



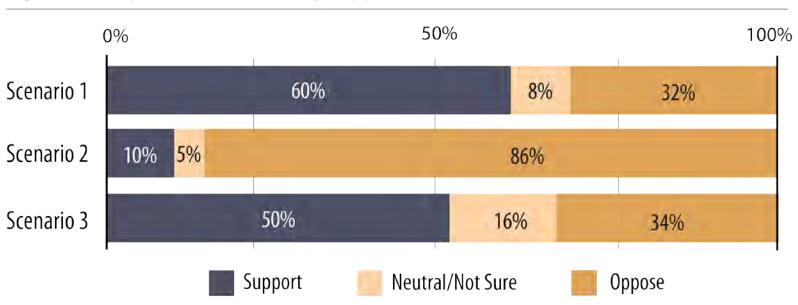
Polling questions throughout the day



How do people see the region's transportation problems?

- Congestion has deep personal impacts
- Funding shortfalls do not resonate
- Many people are unaware of how transportation is currently funded or that gas taxes haven't been raised in 20 years
- People lack confidence in government to solve transportation problems.

Figure 1: Comparison of End-of-Day Support for the Three Scenarios



Scenario I: Priced Lanes on All Major Highways

- Garnered the most support
- Offers choice and predictability

• Scenario 2: Pricing on All Streets and Roads

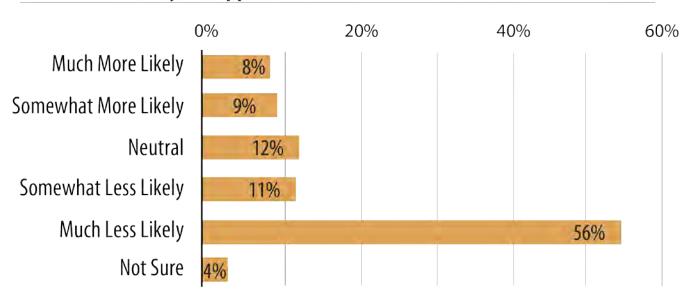
- Strong negative reactions
- Concerns about privacy, complications, impracticality

Scenario 3: Priced Zones

- Seemed logical and straightforward to participants
- Was not seen as regional

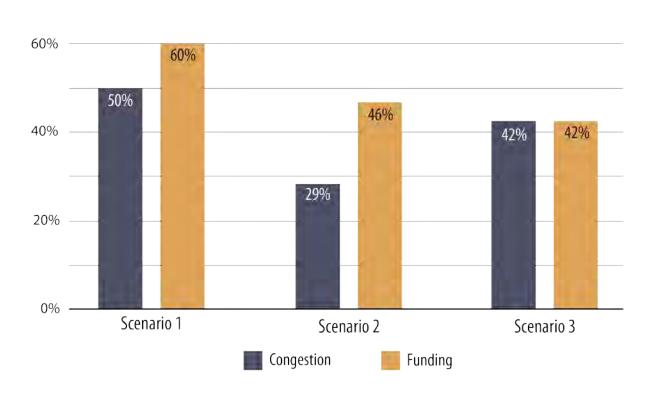
• Scenario 2: People did not support replacing gax taxes.

Figure 9: "Scenario 2 Would Entirely Replace Gas Taxes. Does This Make You More or Less Likely to Support it?"



 Overall: People were skeptical about the effectiveness of the scenarios, particularly in reducing congestion.

Figure 6: Perceptions of Effectiveness at Addressing Congestion and Funding Shortfalls



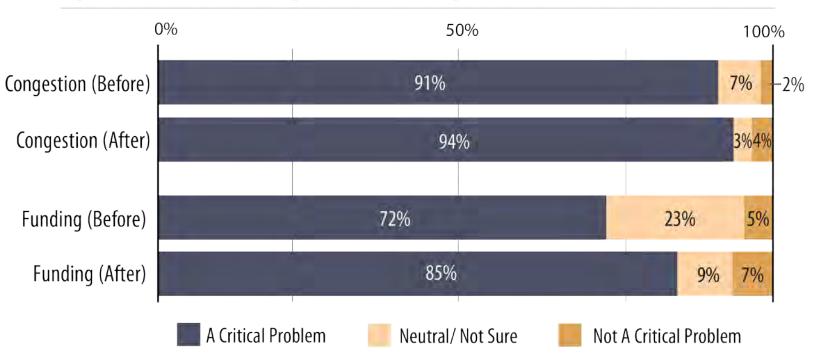
What's the basis for people's opinions?

- Choice: Pricing must provide options.
- **Privacy:** Significant concerns. People are worried about government overreach and a loss of control.
- **Effectiveness:** Doubts about whether pricing will actually work.
- **Use of revenues:** Guarantee transparency and accountability.
- Fairness: Not pivotal.

At the end of the forums, what did people think?

Positions hardened.

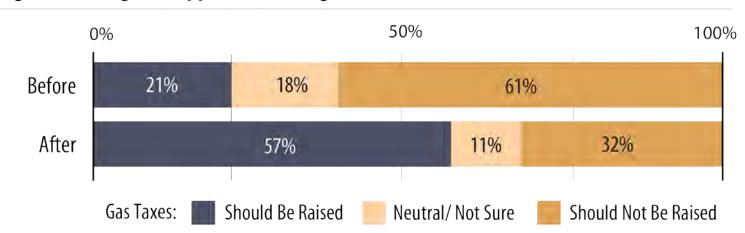
Figure 2: Perceptions of Congestion and Funding Shortfalls as Critical Problems



At the end of the forums, what did people think?

Support for raising gas taxes tripled.

Figure 3: Change in Support for Raising Gas Taxes



At the end of the forums, what did people think?

- Cautious openness to pricing.
- If implemented, pricing must be integrated with wider strategies and existing systems.
- First things first: Make common sense improvements, including road and Metro maintenance.

What does it mean?

- People are skeptical of pricing as an overall solution, but they may support specific proposals if they see direct benefits in their daily lives.
- People are more concerned about government overreach than they are about "Lexus Lanes."
- People are more likely to support more obvious solutions – such as increasing gas taxes – than more radical approaches like congestion pricing.
- People want to know that congestion pricing is part of a wider strategic vision.

For more information

www.mwcog.org/CongestionPricing/PublicAcceptability

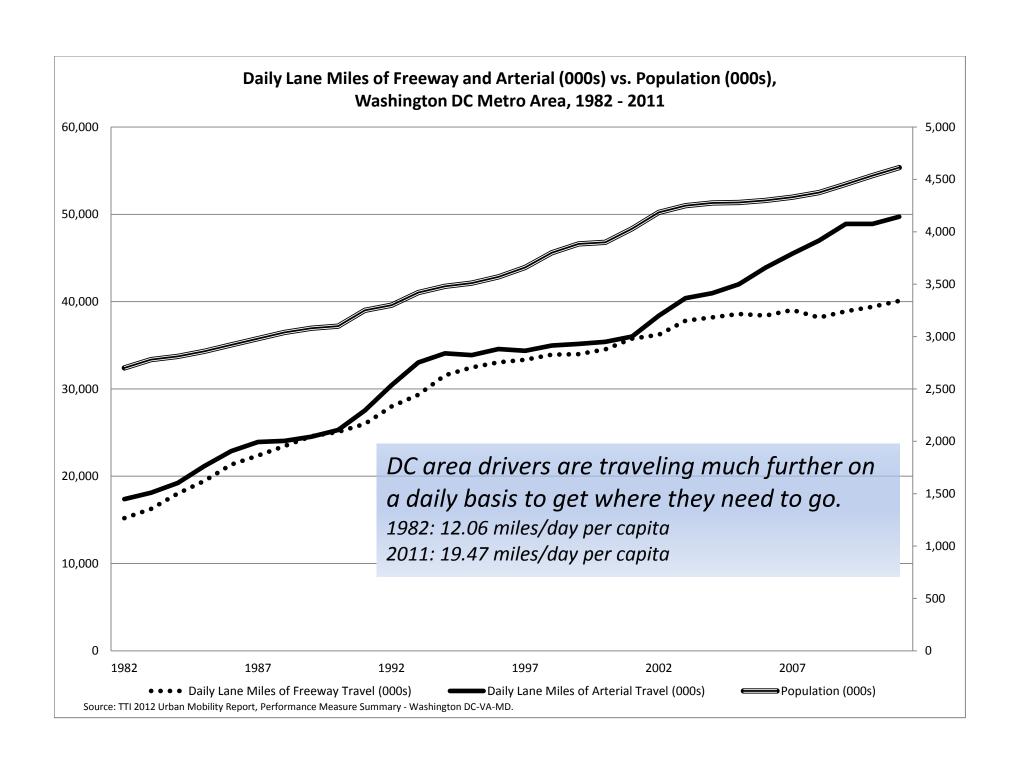
John Swanson

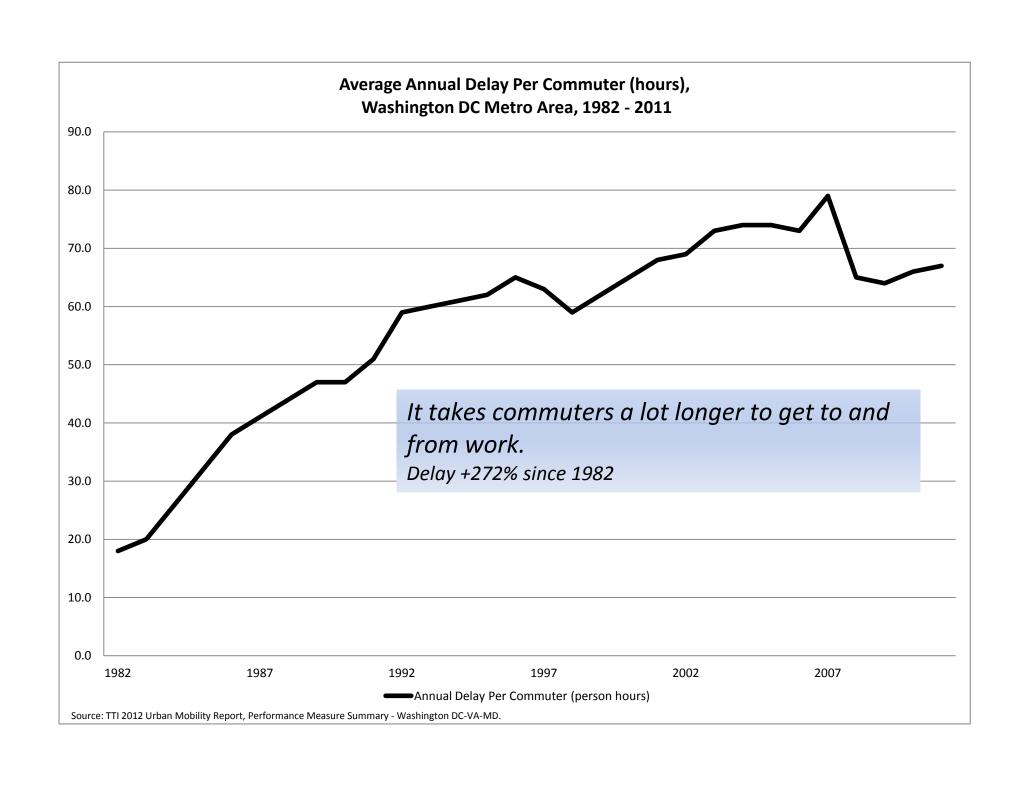
jswanson@mwcog.org

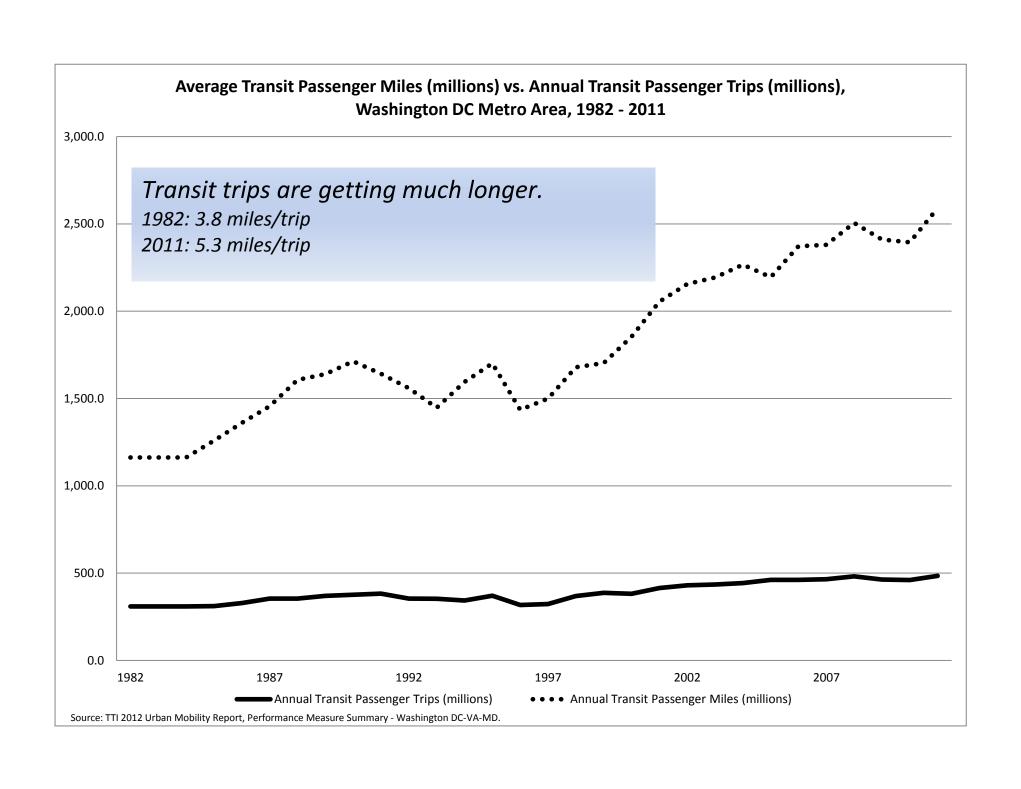
Benjamin Hampton

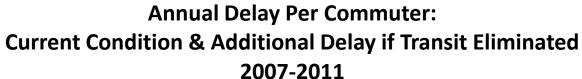
bhampton@mwcog.org

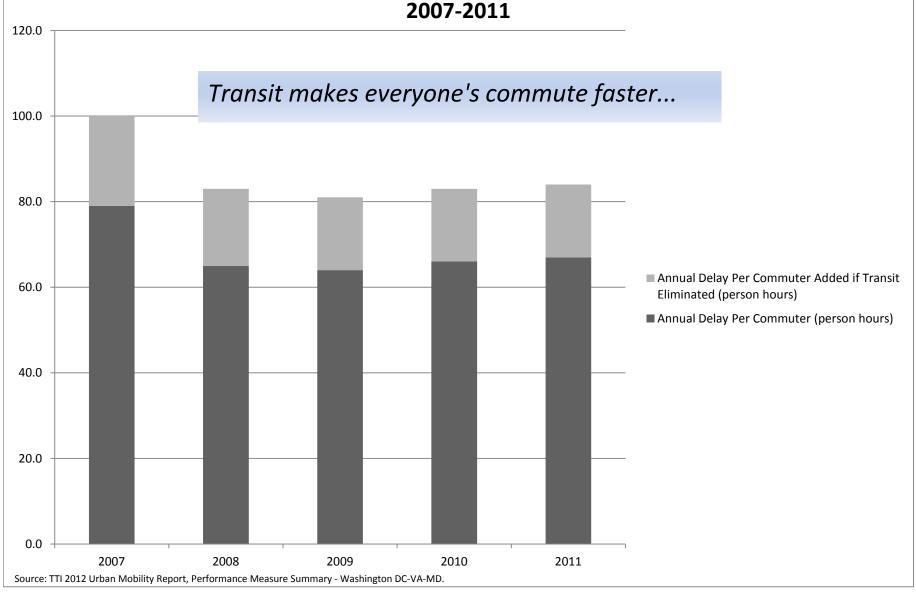
Thank you!



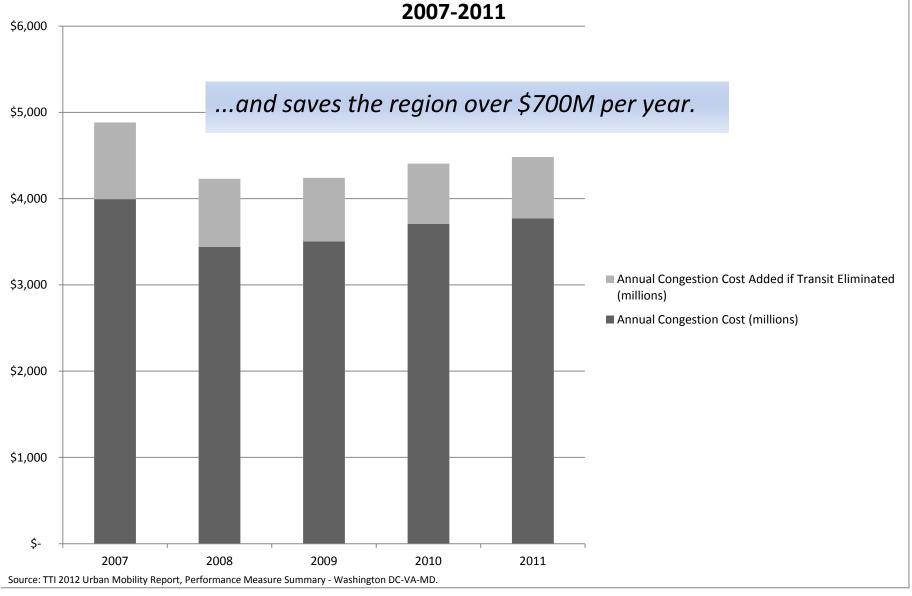








Annual Congestion Cost: Current Condition & Added Cost if Transit Eliminated (\$millions) 2007-2011





AGENDA ITEM #9

TO: Chairman McKay and NVTC Commissioners

FROM: Scott Kalkwarf and Colethia Quarles

DATE: February 28, 2012

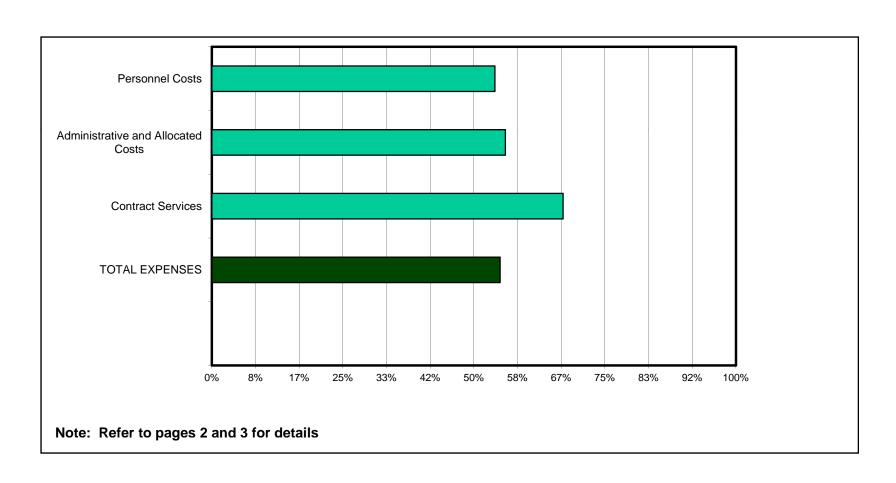
SUBJECT: NVTC Financial Items for December, 2012 and January, 2013.

The financial reports for December, 2012 and January, 2013 are attached for your information.

Northern Virginia Transportation Commission

Financial Reports January, 2013

Percentage of FY 2013 NVTC Administrative Budget Used January, 2013 (Target 58.34% or less)



NORTHERN VIRGINIA TRANSPORTATION COMMISSION G&A BUDGET VARIANCE REPORT January 2013

	Current <u>Month</u>	Year <u>To Date</u>	Annual <u>Budget</u>	Balance <u>Available</u>	Balance <u>%</u>	
Personnel Costs	¢ (0.522.22	¢ 205 007 02	¢ (07.050.00	¢ 212.052.17	44.70/	
Salaries	\$ 60,533.32	\$ 385,897.83	\$ 697,950.00	\$ 312,052.17	44.7%	
Temporary Employee Services	60,533.32	205 007 02		212.052.17	44.7%	
Total Personnel Costs	60,533.32	385,897.83	697,950.00	312,052.17	44.7%	
Benefits						
Employer's Contributions:						
FICA	3,883.12	24,695.65	48,100.00	23,404.35	48.7%	
Group Health Insurance	7,462.09	40,159.95	103,500.00	63,340.05	61.2%	
Retirement	5,745.00	40,215.00	64,900.00	24,685.00	38.0%	
Workmans & Unemployment Compensation	989.64	2,361.38	3,300.00	938.62	28.4%	
Life Insurance	257.76	1,908.97	4,000.00	2,091.03	52.3%	
Long Term Disability Insurance	249.54	1,724.54	3,700.00	1,975.46	53.4%	
Total Benefit Costs	18,587.15	111,065.49	227,500.00	116,434.51	51.2%	
Administrative Costs						
Commissioners Per Diem	900.00	6,150.00	10,000.00	3,850.00	38.5%	
Rents:	16.105.94	109.943.85	189.500.00	79.556.15	42.0%	
Office Rent	15,260.94	104,748.85	177,700.00	72,951.15	41.1%	
Parking	845.00	5,195.00	11,800.00	6,605.00	56.0%	
- willing	0.5.00	2,1>2.00	11,000.00	0,000.00	20.070	
Insurance:	300.58	3,132.03	6,400.00	3,267.97	51.1%	
Public Official Bonds	-	1,170.00	2,300.00	1,130.00	49.1%	
Liability and Property	300.58	1,962.03	4,100.00	2,137.97	52.1%	
Travel:	122.19	2,200.59	5,800.00	3,599.41	62.1%	
Conference Registration	-	2,200.57	-	5,5>>.11	0.0%	
Conference Travel	_	388.55	1,500.00	1,111.45	74.1%	
Local Meetings & Related Expenses	122.19	1,812.04	4,000.00	2,187.96	54.7%	
Training & Professional Development	-	-	300.00	300.00	100.0%	
Training of Trotosofoliai Development			500.00	200.00	100.070	
Communication:	398.66	4,413.64	8,740.00	4,326.36	49.5%	
Postage	(30.88)	1,405.98	3,400.00	1,994.02	58.6%	
Telecommunication	429.54	3,007.66	5,340.00	2,332.34	43.7%	
Publications & Supplies	704.72	5,304.84	10,600.00	5,295.16	50.0%	
Publications & Supplies	179.60	650.90	3,200.00	2,549.10	30.0% 79.7%	
Office Supplies						
Duplication Public Information	525.12	4,130.04	6,900.00	2,769.96	40.1%	
Public Information	-	523.90	500.00	(23.90)	-4.8%	

NORTHERN VIRGINIA TRANSPORTATION COMMISSION G&A BUDGET VARIANCE REPORT January 2013

	Current <u>Month</u>	Year <u>To Date</u>	Annual <u>Budget</u>	Balance <u>Available</u>	Balance <u>%</u>
Operations:	492.00	1,340.99	11,500.00	10,159.01	88.3%
Furniture and Equipment	-	-	4,000.00	4,000.00	0.0%
Repairs and Maintenance	-	-	1,000.00	1,000.00	100.0%
Computers	492.00	1,340.99	6,500.00	5,159.01	79.4%
Other General and Administrative	1,612.35	4,593.12	5,100.00	720.60	14.1%
Subscriptions	-	213.72	-	-	0.0%
Memberships	-	1,176.03	1,200.00	23.97	2.0%
Fees and Miscellaneous	481.13	2,072.15	3,000.00	927.85	30.9%
Advertising (Personnel/Procurement)	1,131.22	1,131.22	900.00	(231.22)	-25.7%
Total Administrative Costs	20,636.44	137,079.06	247,640.00	110,774.66	44.7%
Contracting Services					
Auditing	-	14,230.00	21,250.00	7,020.00	33.0%
Consultants - Technical	-	-	-	-	0.0%
Legal	-	-	-	-	0.0%
Total Contract Services	-	14,230.00	21,250.00	7,020.00	33.0%
Total Gross G&A Expenses	\$ 99,756.91	\$ 648,272.38	\$1,194,340.00	\$ 546,281.34	45.7%

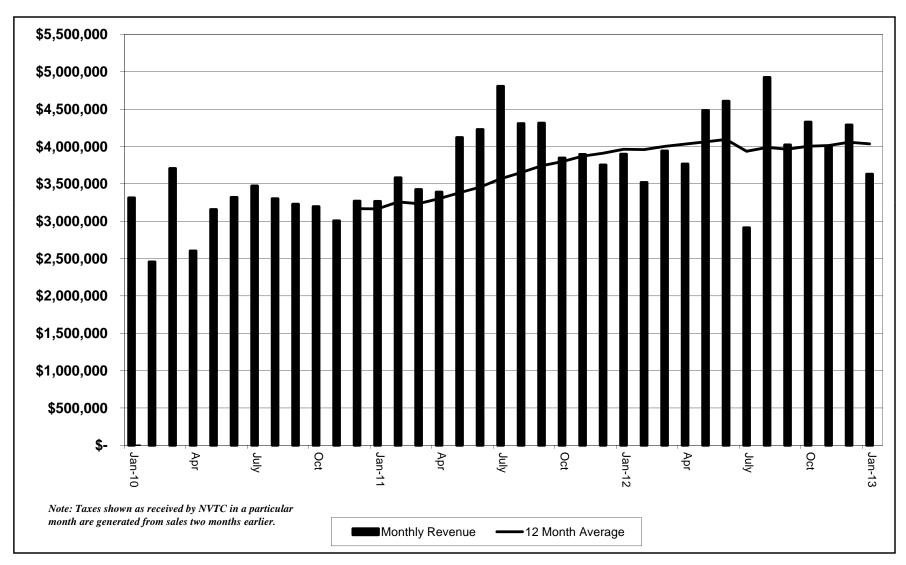
NVTC RECEIPTS and DISBURSEMENTS January, 2013

	Payer/		Wells Fargo	W	ells Fargo	VA	LGIP
ate	Payee	Purpose	(Checking)	(Savings)	G&A / Project	Trusts
	DECEMBE						
2	RECEIPTS	G&A contribution		\$	8,064.75		
2 9	City of Alexandria DRPT			Ф	8,064.75	22 201 00	
9	City of Fairfax	NVTA update grant receipt G&A contribution			3,842.00	23,281.00	
9	Staff	Postage reimbursement			30.88		
	Loudoun	G&A contribution			9,996.50		
11	DRPT	Capital grants receipts - Arlington			9,996.50		3,787,372.00
11	DRPT						2,207,310.00
	DRPT	Capital grants receipts - Alexandria Capital grants receipts - City of Fairfax					131,673.00
11	DRPT	Capital grants receipts - City of Fairfax Capital grants receipts - Falls Church					
	DRPT						149,783.00
	DRPT	Capital grants receipts - Fairfax County					11,255,482.00
	DRPT	Operating assistance receipts - City Fairfax					176,862.00
		Operating assistance receipt - Falls Church					71,568.00
	DRPT	Operating assistance receipts - Fairfax Co.					5,972,357.00
	DRPT	Operating assistance receipts - Arlington					2,028,046.00
	DRPT	Operating assistance receipts - Alexandria				0.000 500 00	1,566,377.00
	DRPT	Operating assistance receipt - VRE				2,090,566.00	0.40.000.00
	DRPT	Capital grant receipt - Arlington					649,609.00
	DRPT	Capital grant receipt			05.007.00		232,580.00
	Arlington County	G&A contribution			25,997.00		
	Dept. of Taxation	Motor Vehicle Fuels sales tax receipt				7.507.00	3,629,074.01
23	FTA	Capital grant receipt				7,507.00	
	VRE	Staff support			13,152.90		
29	DRPT	Capital grant receipt					64,000.00
	DRPT	Capital grants receipts					86,738.00
31	Banks	Interest income			1.83	66.98	14,935.36
			-		61,085.86	2,121,420.98	32,023,766.37
	DISBURSEMENT	rs					
1-31	Various	G&A expenses	(83,673.04)				
2	WMATA	Metrobus operating					(16,316,401.00
2	WMATA	Metrorail operating					(9,543,494.00
2	WMATA	Metroaccess operating					(3,117,345.00
2	WMATA	WMATA debt service					(1,092,145.00
2	WMATA	WMATA CIP					(877,251.00
2	WMATA	WMATA program development					(206,250.00
8	Cambridge	Consulting - NVTA update	(23,280.93)				
16	VRE	Grant revenue				(2,090,566.00)	
31	Banks	Service fees	(120.85)		(9.83)		
			(107,074.82)		(9.83)	(2,090,566.00)	(31,152,886.00
	TRANSFERS						
	NET INCREASE	(DECREASE) FOR MONTH	\$ (107,074.82)	\$	61,076.03	\$ 30,854.98	\$ 870,880.37

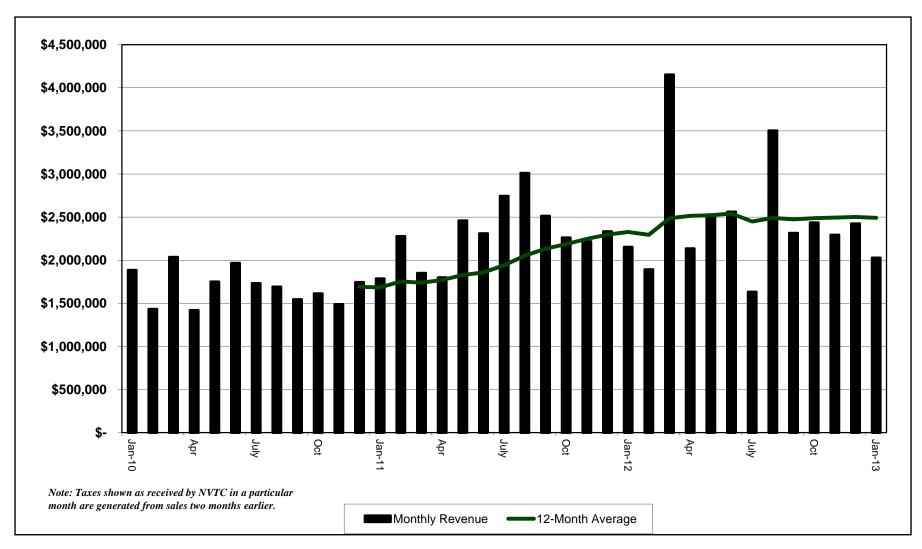
NVTC INVESTMENT REPORT January, 2013

Туре	Rate	Balance 12/31/2012	Increase (Decrease)	Balance 1/31/2013	NVTC G&A/Project	Jurisdictions Trust Fund	Loudoun Trust Fund
Cash Deposits							
Wells Fargo: NVTC Checking	N/A	\$ 128,025.25	\$ (107,074.82)	\$ 20,950.43	\$ 20,950.43	\$ -	\$ -
Wells Fargo: NVTC Savings	0.200%	77,058.06	61,076.03	138,134.09	138,134.09	-	-
Investments - State Pool							
Bank of America - LGIP	0.153%	127,076,950.52	901,735.35	127,978,685.87	526,973.45	107,196,753.53	20,254,958.89
		\$ 127,282,033.83	\$ 946,160.79	\$ 128,137,770.39	\$ 686,057.97	\$ 107,196,753.53	\$ 20,254,958.89

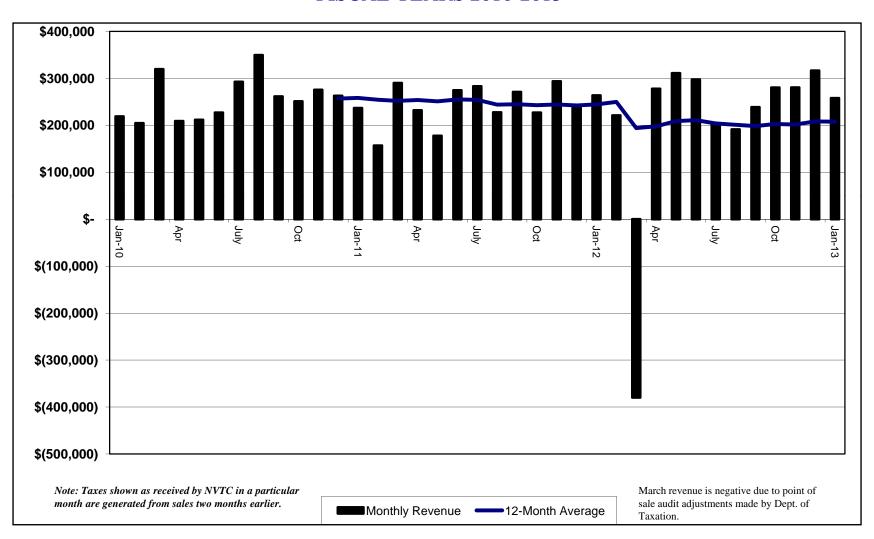
NVTC MONTHLY GAS TAX REVENUE ALL JURISDICTIONS FISCAL YEARS 2010-2013



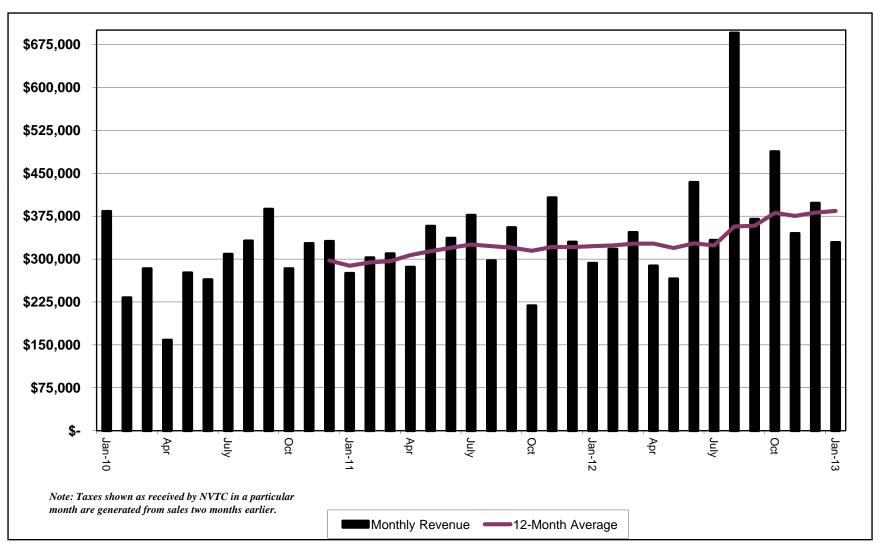
NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2010-2013



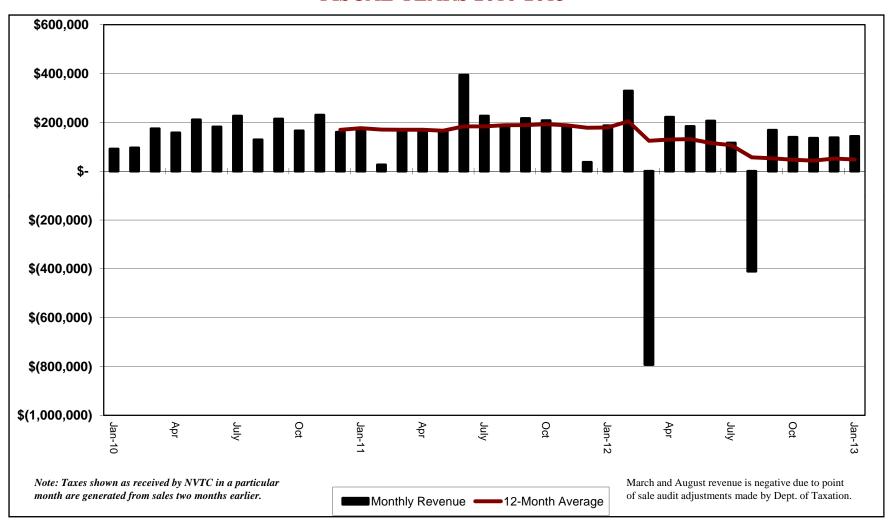
NVTC MONTHLY GAS TAX REVENUE CITY OF ALEXANDRIA FISCAL YEARS 2010-2013



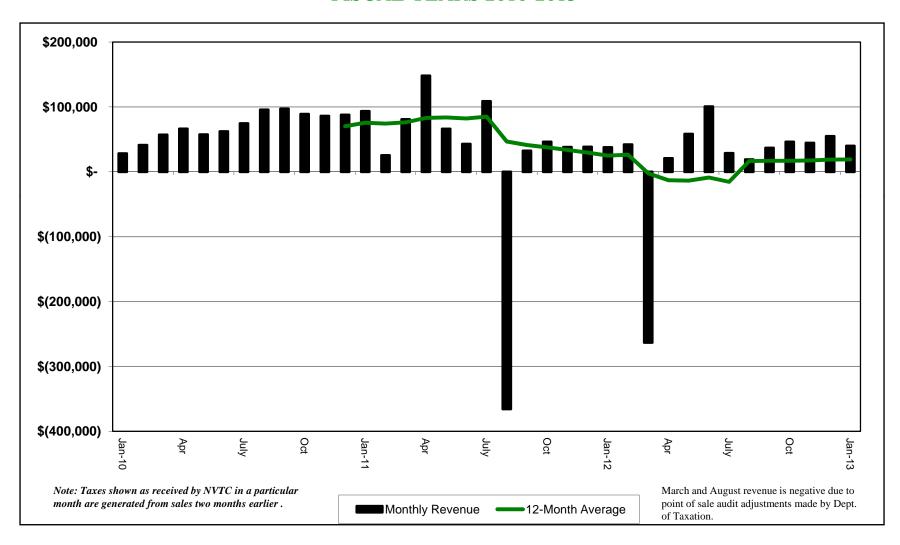
NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2010-2013



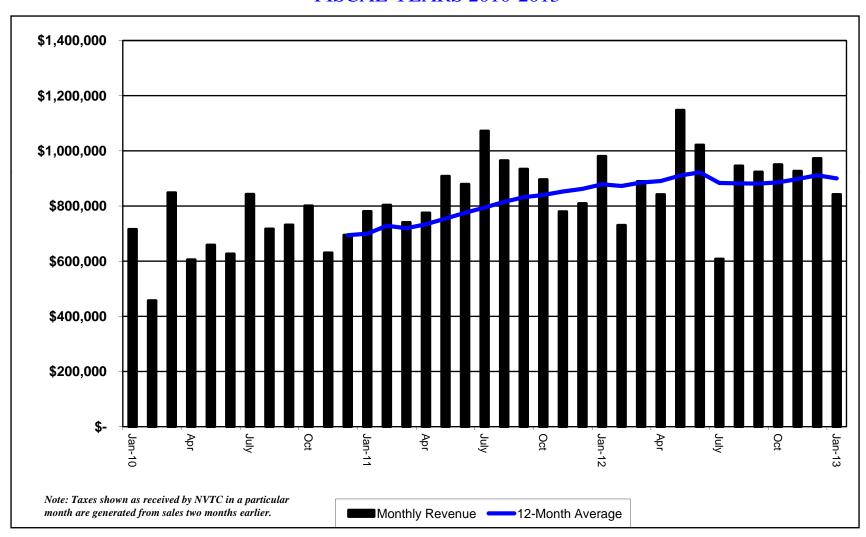
NVTC MONTHLY GAS TAX REVENUE CITY OF FAIRFAX FISCAL YEARS 2010-2013



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



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





AGENDA ITEM #10

TO: Chairman McKay and NVTC Commissioners

FROM: Rick Taube

DATE: February 28, 2013

SUBJECT: Closed Session for Personnel Item.

I. <u>To Convene a Closed Meeting</u>

Make the following motion and take an affirmative recorded vote in an open meeting:

I move that the Northern Virginia Transportation Commission convene a closed meeting, as authorized by Virginia Code sections 2.2-3711.A. 1, for the purpose of considering a candidate for the position of NVTC Executive Director.

II. <u>To Reconvene in an Open Meeting</u>

Make the following motion and take a roll call or other recorded vote immediately after the closed meeting, upon reconvening in an open meeting:

I move that the members of the Northern Virginia Transportation Commission certify: (1) that only public business matters lawfully exempted from open meeting requirements under Chapter 37, Title 2.2 of the Code of Virginia; and (2) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered by the Commission.