



**NVTC COMMISSION MEETING**

**THURSDAY, OCTOBER 3, 2013  
MAIN FLOOR CONFERENCE ROOM  
2300 Wilson Blvd  
Arlington, VA 22201  
8:00 P.M.**

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

**AGENDA**

- 1. ACTION ITEM: Approve Minutes of NVTC's Meeting of September 6, 2013**
- 2. NVTC Financial Report for August, 2013**
- 3. Work Session: Regional Planning**
  - A. Route 1 Multimodal Alternatives Analysis**
  - B. Route 7 (Phase I of Alternatives Analysis)**
  - C. Fairfax County Countywide Transit Network Study**
  - D. VRE System Plan**
  - E. Regional Transportation Priorities Plan (RTPP)**

**ACTION ITEM: Authorize the Chair to Send Comments on RTPP to the Transportation Planning Board (TPB) on behalf of the Commission**

- 4. ACTION ITEM: Approval to Forward the Preliminary Projections of NVTC's General & Administrative Direct Contributions for FY 2015**

**5. ACTION ITEM: Approve Letter to Local Jurisdictions Regarding DRPT Grant Revenue Reconciliation**

**6. ACTION ITEM: Authorize NVTC's Chairman to Submit CTB Pre-Allocation Testimony**

**7. Transit Service Delivery Advisory Committee (TSDAC)**

- Review Status of TSDAC Recommendations
  - Operating Allocation
  - Capital Allocation

**ACTION ITEM: Authorize NVTC's Chairman to Submit Comments on the Capital Allocation Proposal**

**8. Vanpool Incentive Program**

**9. VRE**

**A. Report from the VRE Operations Board and VRE Chief Executive Officer**

- CEO September 2013 Report
- Minutes of September 19, 2013 VRE Operations Board Meeting

**B. Auditor of Public Accounts (APA) Report: Establishment of a Joint Audit Committee**

**ACTION ITEM: Resolution #2223:** Establishment of a NVTC/PRTC Joint Audit Committee for VRE

**ACTION ITEM: Authorize NVTC's Chair to send a joint NVTC/PRTC letter responding to DRPT Director Drake's letter.**

**C. Preliminary FY 2015 VRE Operating and Capital Budget**

**ACTION ITEM: Resolution #2224:** Authorization to Forward the Preliminary FY 2015 VRE Operating and Capital Budget to the Local Jurisdictions

**D. Sole Source Contract for Positive Train Control Equipment and Installation Services**

**ACTION ITEM: Resolution#2225:** Authorization for VRE CEO to Execute a Sole Source Contract for Positive Train Control Equipment and Installation Service

**E. VRE and PRTC 2013 Total Compensation Market Study Final Report**

**10.WMATA**

- A. Vital Signs/Dashboard Report**
- B. WMATA Budget Development**
- C. New Electronic Payment Program (NEPP)**

**ACTION ITEM:** Confirm that the New Electronic Payment Program is a Priority Under the 2013 NVTC Work Plan and Request that the Executive Director Report on the Resources Required to Complete this Work

- D. Silver Line**
- E. Metrobus Service Changes**
- F. Rosslyn Station Elevator Opening**

**11.Department of Rail and Public Transportation (DRPT) Report**

**12.Northern Virginia Transportation Authority (NVTA)**

**13.Information Items**

- A. Bus on Shoulder: Final Reports of the I-66 Inside the Beltway Bus on Shoulder Pilot Project and the TPB BOS Task Force**
- B. MWCOC Economy Forward: One Year of Progress**
- C. MAP-21: USDOT's Schedule for Implementing Performance Measures**



AGENDA ITEM #1

MINUTES

NVTC COMMISSION MEETING – SEPTEMBER 6, 2013  
NVTC CONFERENCE ROOM – ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Vice-Chairman Smedberg at 1:09 P.M.

**Members Present**

Sharon Bulova  
Barbara Comstock  
John Cook  
Phil Duncan (alternate, Falls Church)  
James Dyke  
Jay Fisette  
Jeffrey Greenfield  
Catherine Hudgins  
Mary Hynes  
Joe May  
Thomas Rust  
Paul Smedberg  
Christopher Zimmerman

**Members Absent**

Richard Black  
William D. Euille  
John Foust  
Mark R. Herring  
Jeffrey McKay  
David Ramadan  
Ken Reid  
David F. Snyder

**Staff Present**

Doug Allen (VRE)  
Kelley Coyner  
Mariela Garcia-Colberg  
Rhonda Gilchrest  
Claire Gron  
Scott Kalkwarf  
Steve MacIsaac (VRE)  
Colethia Quarles



### Minutes of the July 11, 2013 NVTC Meeting

On a motion by Mrs. Bulova and a second by Mr. Dyke, the Commission unanimously approved the minutes. The vote in favor was cast by Commissioners Bulova, Comstock, Cook, Duncan, Dyke, Fisette, Greenfield, Hudgins, Hynes, Rust, Smedberg and Zimmerman.

### Transit Service Delivery Advisory Committee (TSDAC)

Ms. Coyner reported that the Transit Service Delivery Advisory Committee (TSDAC) has made a recommendation on the performance-based operating assistance allocation. The public comment period is open until October 1, 2013, which includes a public hearing on September 18<sup>th</sup> at VDOT in Richmond. TSDAC is also working on the capital allocation, which would cover old and new funding. TSDAC has agreed to a recommendation of a three-tier approach for operating assistance. Ms. Coyner explained that the TSDAC recommendation for operating calls for a formula that uses three performance metrics to assess a transit system against itself. The relative size of the system is accounted for by a sizing or weighting factor based on 50 percent on operating expenses and 50 percent on ridership.

Delegate May arrived at 1:14 P.M.

Ms. Coyner stated that NVTC and jurisdictional staff have significant concerns about the recommendation, including how the sizing factor is calculated for WMATA. She reported that NVTC, DRPT and WMATA staff met to discuss this issue but have not reached agreement. NVTC and WMATA staff recommended an approach to count trips that begin and end in Virginia, taking into account any double counted trips. DRPT objects to this approach, primarily because if a similar formula is used for Maryland, the District of Columbia, and Virginia then the total trips add up to more trips than the total system trips. NVTC and WMATA staff agree that it does add up to more trips than the system total, but it reflects the total utilization of Virginia trips. It is not suppose to be a measure of total trips of the system. At DRPT's request, NVTC and WMATA staff have done calculations of other approaches that would add up to 100 percent. DRPT selected a measure that counts trips by residents who reside in one of the Virginia Compact jurisdictions irrespective of where the trips take place.

Mr. Zimmerman observed that under the Virginia-only scenario Maryland or D.C. residents who ride the Metrorail system in Virginia will not be counted for the allocation. Mr. Fisette and Mr. Cook observed that tourists as well as those people coming to and from the airports would also not be counted. Mr. Zimmerman then asked who would be paying for these trips and concluded that it would fall to the jurisdictions. Ms. Coyner stated that there are significant implications when the Silver Line Phase II Project begins. Residency surveys are only done every 3-5 years as part of the Metro subsidy allocation process. That means that Virginia riders on Phase II of the Silver Line will not be counted before 2021 (at least three years after the 2018 opening of service). She also stated another issue with the recommendation is that it would only be applied to Northern Virginia and not be consistently applied to other areas of the Commonwealth.

Ms. Coyner clarified that Virginia's share of Metro costs does not change because the WMATA Compact governs how much the Virginia share is. Mr. Zimmerman stated that the recommended new allocation method would just shift the funding burden to Northern Virginia's local jurisdictions. Mr. Fisette stated that it is irrelevant that the trips add up to more than the entire Metro system totals. It is not dividing costs between Virginia, Maryland and DC; the allocation method is for dividing funding between the Commonwealth and the localities.

In response to a question by Mr. Cook, Ms. Gron replied that utilizing FY 2014 data the proposed subsidy formula would reduce the operating allocation to NVTC WMATA jurisdictions between \$1.0 - 1.2 million annually. Mr. Cook stated that this gap would need to be filled by the jurisdictions. Mr. Fisette clarified that the \$1.0 – 1.2 million is for the new money which is a small portion and does not apply to the existing funds. However, over time as it is applied, it will be a much larger amount that will be lost to Northern Virginia.

Ms. Coyner reviewed the capital allocation component. There seems to be a general agreement for the need to restructure the capital tiers. TSDAC approved a new three-tier structure for the allocation of capital funds. NVTC submitted staff comments on August 21<sup>st</sup>. She explained that a number of issues remain unresolved including how major projects would be treated under the proposed tiering structure and if the state share will continue to be based on costs net of federal funding or gross costs without taking into account federal participation. Utilizing FY 2014 data, NVTC staff estimates that the impact of calculating assistance on gross costs versus the present net cost basis, without regard to the tiering of assets, would result in an increase in local contributions for the NVTC WMATA jurisdictions of \$6 million.

Vice-Chairman Smedberg asked about the deadline for the jurisdictions and NVTC to comment on the capital allocation recommendation. Ms. Coyner responded that there is not a proposal to comment from a NVTC perspective at this time, although staff is asking for the authority to submit comments if TSDAC moves forward with a recommendation on capital.

Mrs. Hynes stated that when the Northern Virginia region agreed to tax itself more and invest more in transportation, the Commonwealth gave assurances that they would continue to be a reliable funding partner. She stated that this recommended operating (assistance allocation) approach is an example of them not being a reliable partner in the way they are approaching both operating and capital. At Northern Virginia's expense, the funding burden of much of the rest of the state to put any local money on the table is diminished.

Mrs. Hudgins stated that the state is not taking into account the economic development that is driven in Northern Virginia for this region and the entire state. It's not highlighting residents being counted as they are also paying for Metro service through their fares.

Mrs. Bulova moved to direct the Executive Director to draft a letter to TSDAC capturing comments and concerns that were expressed at this meeting, as well as

comments to the overall recommendation with respect to operating and capital. Ms. Coyner stated that it is her intent to send the letter today so that it will be considered at Monday's TSDAC meeting. Mr. Fisette seconded the motion.

Mr. Cook gave a friendly amendment to give the Executive Director leeway for her to refine the letter. He also suggested that the letter be copied to the Northern Virginia delegation and that the jurisdictions be reminded to also send letters. Mr. Zimmerman agreed that it is important that the Northern Virginia delegation is aware of these issues. He also suggested staff prepare a one-page Information Alert. Mrs. Hynes stated that authorization should also be given for NVTC's Chairman or his designee to provide testimony at the hearing on September 18<sup>th</sup>. Mrs. Bulova and Mr. Fisette agreed to incorporate these friendly amendments into the main motion.

The commission then voted on the motion and it passed. The vote in favor was cast by Commissioners Bulova, Comstock, Cook, Duncan, Fisette, Greenfield, Hudgins, Hynes, May, Rust, Smedberg and Zimmerman. Mr. Dyke abstained.

## VRE

Report from the VRE CEO. Mr. Allen reported that VRE on-time performance (OTP) was at an all time year-end high of 96 percent at the end of FY 2013. On-time performance for the month of August also continued that trend at 97 percent. There were 10 days in August where ridership exceeded 19,000 daily trips. Mr. Allen also noted that he has been doing outreach at the General Assembly level, congressional level and to several members of the Commonwealth Transportation Board (CTB). He reported that he will be giving a presentation to the CTB at its September 17<sup>th</sup> meeting. It is hoped that CTB members will be able to tour and ride a VRE train after the meeting.

Mr. Allen reported that in July VRE was approved for NVTA funding for railcar procurement, the King Street Pedestrian Tunnel at the Alexandria Station, Second platform at Lorton Station, and the Gainesville-Haymarket Extension Study.

Mr. Allen stated that VRE service expansion into Spotsylvania County continues. All agreements should be in place this month and construction of the station should begin in October. Vice-Chairman Smedberg stated that as the VRE Operations Board Chairman, he appreciates all the time and effort staff has put into this project.

Response to the Draft Report of the Auditor of Public Accounts. Mr. Allen reported that last year Governor McDonnell asked for an audit of VRE by the Auditor of Public Accounts (APA). VRE has received the draft report for comment. However, since comments are due on September 17<sup>th</sup>, which is before the next meeting of the Operations Board, NVTC and PRTC have drafted a joint letter to the APA. APA plans to publish its final report on September 19, 2013.

Commissioners were provided with a copy of the draft letter and comments. Mr. Allen stated that PRTC approved the letter at its meeting on September 5, 2013. Ms. Coyner explained that Chairman McKay has reviewed most of these documents. Mr. Allen explained that NVTC, PRTC and VRE have five areas of concerns, including that

APA's deadline for comments is short and does not allow the VRE governance process to work by allowing the VRE Operations Board to take action first. The general tone of the APA report is based on the premise that VRE did something wrong. There were also two models of oversight recommended in the report but VRE questions whether they are appropriate for a government entity like VRE. The report states VRE does not have a strategic plan, but in fact the one done in 2004 is still relevant. Also, VRE has started a new System Plan, which included a Work Shop in July.

Ms. Coyner explained that the draft letter focuses on the inaccurate conclusions reached by APA, including that VRE is an organization in "limbo." She stated that even though the Commissions and VRE take objection to parts of the APA report, there is still value to recognizing some of the recommendations made by the APA that should be taken under consideration.

Delegate Rust left the meeting at 1:45 P.M. and did not return.

Mr. Cook stated that in his opinion the APA report is badly written and VRE should look into filing a public complaint with an audit standards organization. Even though the Commissions and VRE take objection to parts of the report, there are still some good recommendations made that should be considered, including improving new orientation for Board Members and having the Commissions conduct a periodic management audit of VRE.

Vice-Chairman Smedberg agreed that there are several recommendations in the draft report that could be valid and valuable to helping VRE as an organization. Mr. Zimmerman agreed with Mr. Cook and stated that the draft letter should address the omissions, factual errors and procedural problems of the report but should also identify the good recommendations. However, the philosophical argument of the nature of governance included in the APA report needs to be challenged. APA's premise is that VRE should have a governing body of people that don't have a stake in the outcome of the system. Also, the report makes an argument that funding comes from the federal and state governments and therefore they should be involved in the operations of VRE. Mr. Zimmerman stated that if that argument is indeed true then the Governor should be involved in the operations of each of the School Boards across the Commonwealth. A funding entity does not mean that it should be involved in the day-to-day operations of VRE. It takes away from those who actually have a stake in the outcome, and ultimately from the owners of the system—the public. Beyond sending the letter, Mr. Zimmerman stated that he hopes a more deliberate strategy is being developed to respond to the APA.

Delegate Comstock left the meeting at 1:55 P.M. and did not return.

Mrs. Bulova moved, with a second by Mrs. Hynes, to authorize NVTC's Chairman to sign and send the joint NVTC/PRTC letter to the Auditor of Public Accounts. She explained that the letter should be sent "as is" since PRTC approved that version but noted that further comments and concerns can be included in the supplemental documents.

Mrs. Bulova stated that VRE is owned by the two Commissions and that is not a bad thing. VRE service captures a large geographic area (from D.C. to Spotsylvania and Manassas). It's not unreasonable and in fact, it is beneficial to have the two parent organization play a role in VRE. She expressed her opinion that to call VRE an entity in organizational "limbo" is insulting. VRE is an efficient operation and its customers are very satisfied with VRE's service. She stated that it is important that the Commissions weigh in heavily on this issue.

Mr. Cook observed that the recommendation for VRE to have outside Board members may be a good practice for private corporations to avoid shareholder abuse, but it doesn't apply to VRE. It is an "apples to oranges" comparison. Mrs. Hynes noted that the definition of "Board of Directors" in the APA report does not capture the work VRE's Board does, which sets the vision, sets the budget, and hold people accountable.

Delegate May stated that this APA audit reminds him of an International Standards Organization (ISO) quality audit. He suggested VRE invite the APA to come and meet with VRE, NVTC and PRTC staff to discuss these issues. Mrs. Bulova stated that there have been some discussions that have already occurred, but agreed that further discussions between APA, VRE, NVTC and PRTC would be a good idea. Ms. Coyner reported that a meeting is currently being scheduled to review the Commissions' concerns and to try to get corrections made to the report before it is released on September 19th. She also reminded the Commissioners that this is a draft report and the final report will be issued on September 19<sup>th</sup>, so there will be another opportunity to respond. Delegate May suggested having the meeting prior to sending the comments. Mr. Zimmerman expressed his opinion that getting both Commissions on record is important.

The Commission then voted on the motion and it passed. The vote in favor was cast by Commissioners Bulova, Cook, Duncan, Fisette, Greenfield, Hudgins, Hynes, May, Smedberg and Zimmerman. Mr. Dyke abstained.

Report on the VRE System Plan Work Shop. Mrs. Bulova reported that VRE held a System Plan Work Shop on July 19<sup>th</sup> in which the Operations Board discussed short, medium and long-term planning for VRE. Short-term planning would involve increasing capacity with new railcars and locomotives, increasing lengths of platforms, increasing parking and storage capacity. Mr. Allen stated that the Work Shop was beneficial in indentifying VRE's vision for the future.

Award of Contract for Ticket Sales at the Quantico VRE Station. Mrs. Bulova reported that NVTC is being asked to authorize the VRE CEO to execute a contract with Nose to Nose Winery, LLC doing business as Ricks Roasters Coffee Company of Stafford, Virginia for ticket sales and vendor space at the VRE Quantico Station. The contract would be for a base year with four additional one-year options, with the VRE CEO exercising the option years at his discretion. The authorization allows work to begin upon the expiration of the previous contract on September 9, 2013. VRE will receive a monthly fee for the use of the space in the amount of \$300. Resolution #2222 would accomplish this.

Mrs. Bulova moved, with a second by Mr. Zimmerman, to approve Resolution #2222. The vote in favor was cast by Commissioners Bulova, Cook, Duncan, Dyke, Fisette, Greenfield, Hudgins, Hynes, May, Smedberg and Zimmerman.

Update on Caroline County Petition to Join PRTC and VRE. Vice-Chairman Smedberg stated that NVTC will be briefed on this at its October meeting.

### NVTC Financial Reports for June and July 2013

The financial reports were provided to commissioners. Mr. Kalkwarf stated that the reports include some supplemental materials, including a one-page report on motor vehicle fuels sales tax adjustments, NVTC's G&A Budget Variance Report, and DRPT's compliance audit report, which resulted in no findings. Vice-Chairman Smedberg announced that the auditors will be at NVTC's offices for several days next week conducting the NVTC audit. Mr. Cook asked that the financial reports be provided prior to the meetings.

### Follow-Up on NVTC's Work Plan

Vice-Chairman Smedberg reminded the Commission that at the July meeting, Commissioners reviewed and provided guidance on the priority activities under NVTC's Work Plan for the balance of calendar year 2013. At that meeting the Commission confirmed the Work Plan and established four priority areas and identified several specific actions. Ms. Coyner gave an overview of the four priorities:

- Financial management – maintains competence and identifies requirements for additional controls or resources.
- Development and implementation of an outreach plan with state and federal officials (elected and appointed) and business and community organizations.
- Regional support and leadership of regional planning efforts – including Route 1, Route 7, and Super NoVa, Regional Forward, WMATA Momentum implementation.
- NVTC transition and implementation of HB 2313.

Mrs. Hynes moved to confirm the changes to the Work Plan. Mrs. Bulova seconded.

Ms. Coyner announced that the focus for the discussion at NVTC's October 3<sup>rd</sup> meeting will be on regional planning. She also conveyed that Chairman McKay, as well as herself, have been appointed to the Super NoVa Consortium. Commissioners Bulova, Euille and Fisette are also members of the Consortium representing both NVTA and NVTC.

Vice-Chairman Smedberg stated that Chairman McKay communicated that it would be a good idea to get consensus from Commissioners to direct staff to begin drafting a legislative agenda for 2014. Ms. Coyner noted that the intent would be for NVTC to adopt the legislative agenda and priorities at the November meeting with a legislative briefing for Northern Virginia General Assembly members at the December meeting.

Mr. Zimmerman stated that he likes the format of the timeline report staff provided to Commissioners. He asked where the Transportation Planning Board (TPB) activities fit into the timeline. Ms. Coyner replied that NVTC staff comments regarding TPB's Regional Transportation Priorities Plan have been submitted. Ms. Gron stated that there will also be a second opportunity to submit comments to TPB in the future.

Mrs. Hynes announced that the Metropolitan Washington Council of Government (MOWCOG) is conducting an Economy Forward Meeting on September 27<sup>th</sup>, which will include two presentations on the Strategic Activities Center work and TPB's Regional Transportation Priorities Plan.

Vice-Chairman Smedberg reported that the Commission is starting its legislative process and Chairman McKay plans to convene the Legislative Committee in September to start that work. There were no objections. Ms. Coyner thanked the Commission for their involvement and asked for it to continue because it is important to make it a sustainable effort. She stated that there have been some initial indications that it will be a long 2014 General Assembly Session.

Vice-Chairman Smedberg suggested taking Agenda Item #8 and #10 out of order since several members need to leave early. There were no objections.

#### Northern Virginia Transportation Authority (NVTA)

Vice-Chairman Smedberg reported that NVTC's Executive Committee met with NVTA Chairman Marty Nohe and NVTA's Project Implementation Working Group Chairman, Chris Zimmerman on August 27<sup>th</sup>. The meeting highlighted the importance and significance of transit and how NVTC plays an important and possibly expanded role in this effort.

Ms. Coyner stated that the NVTA bond validation suit has been filed and the preliminary hearing is scheduled for September 10<sup>th</sup> and the hearing before the Fairfax Circuit Court is scheduled for September 30<sup>th</sup>. Mr. Zimmerman noted that there are three interveners including Delegate Robert Marshall. Mrs. Bulova stated that Fairfax County and Falls Church are considered friendly interveners.

Mr. Zimmerman reported that it has been a busy summer. The FY 2014 projects have been approved by NVTA and are vetted into the bond validation process. NVTA is now working on the process for FY 2015 and the Six-Year Plan.

Mrs. Bulova stated that she serves as co-chair of the NVTA Operations Working Group and she announced that NVTA has hired John Mason to serve as Interim Executive Director. Mr. Mason is not intending to be a candidate for the permanent position. Currently, NVTA is sharing office space with the Northern Virginia Regional Commission.

#### Executive Director's Performance Objectives

Vice-Chairman Smedberg explained that due to the lateness of the hour, NVTC will not hold a Closed Session to discuss Ms. Coyner's performance objectives. He explained that Chairman McKay wanted the rest of the Commission to know that the Executive Committee reviewed the performance objectives and they have been approved by both the Executive Committee and Ms. Coyner. Vice-Chairman Smedberg stated that a confidential e-mail will be sent to each Commissioner with these documents. Any questions or concerns can be directed to Chairman McKay and can be discussed at a future meeting.

Mrs. Bulova and Mr. Greenfield left the meeting at 2:37 P.M.

#### WMATA

Mr. Dyke reported that the WMATA Board of Directors did not meet in August; the next Board meeting is scheduled for September 12<sup>th</sup>. Mrs. Hynes noted that the WMATA budget process will begin in October.

#### Department of Rail and Public Transportation

Commissioners were provided with a written DRPT report, which included updates on the SuperNoVa Transit and TDM Action Plan, Route 1 Multimodal Alternatives Analysis, I-66 Tier 1 DEIS, TSDAC, and the State Rail Funding Agreement with Amtrak.

#### Information Items

Route 1 Multimodal Alternatives Analysis. The study, initiated by DRPT this summer, will consider alternative strategies for the 14-mile corridor from the Beltway to Route 123, which will include bus rapid transit (PRT), light rail transit (LRT), extended Metrorail service, roadway widening, and restructured pedestrian/bicycle pathways and facilities. Amy Inman from DRPT will brief NVTC at its October 3, 2013 meeting on this project.



Route 7 Study to Present Preliminary Transit Alternatives. NVTC will hold the next public meeting on September 18<sup>th</sup> to discuss the preliminary transit alternatives. NVTC staff and the consultant briefed the Falls Church City Council on September 3, 2013. The Technical Advisory Committee is scheduled to meet on September 10<sup>th</sup> to discuss latest reports and next steps.

Vanpool Incentive Program. The Vanpool Incentive Program requires bridge funding in estimated amounts of \$85,000 for FY 2015 and \$1,350,000 for FY 2016. NVTC's Management Advisory Committee (MAC) will confirm the source of the FY 2015 funds and recommend action by the Commission at a future meeting.

MWCOG Economy Forward: One Year of Progress Event. Key stakeholders from government, business and philanthropy will meet on September 27<sup>th</sup> to discuss Economy Forward, an action plan built on Region Forward focused on projects that strengthen the region's economic competitiveness.

#### Adjournment

Mr. Dyke moved to adjourn and Mr. Cook seconded. There were no objections and Vice-Chairman Smedberg adjourned the meeting at 2:39 P.M.

Approved this 3<sup>rd</sup> day of October, 2013.

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Jeff McKay  
Chairman

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David F. Snyder  
Secretary-Treasurer



## **RESOLUTION #2222**

**SUBJECT:** Authorization to Award a Contract for Ticket Sales and Vendor Space at the Quantico Station.

**WHEREAS:** The current lease at the VRE Quantico Station is set to expire on September 9, 2013;

**WHEREAS:** VRE staff wishes to find a suitable vendor to assume this retail space for rent;

**WHEREAS:** A competitive solicitation was completed in which one potential user of the space submitted a proposal for committee review and recommendation for award to the Operations Board;

**WHEREAS:** The VRE Operations Board meeting scheduled for August 16<sup>th</sup> was cancelled due to an insufficient voting percentage required for action;

**WHEREAS:** The current vendor contract will expire prior to the next scheduled VRE Operations Board Meeting; and

**WHEREAS:** A delay in authorization would cause a disruption in ticket sales at this location.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to execute a contract with Nose to Nose Winery, LLC doing business as Ricks Roasters Coffee Company of Stafford, Virginia for the lease of space at the Quantico VRE station.

Approved this 6<sup>th</sup> day of September 2013.

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Jeffrey McKay  
Chairman

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David Snyder  
Secretary-Treasurer

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AGENDA ITEM #2

**TO:** Chairman McKay and NVTC Commissioners

**FROM:** Scott Kalkwarf and Colethia Quarles

**DATE:** September 25, 2013

**SUBJECT:** NVTC Financial Items for August, 2013.

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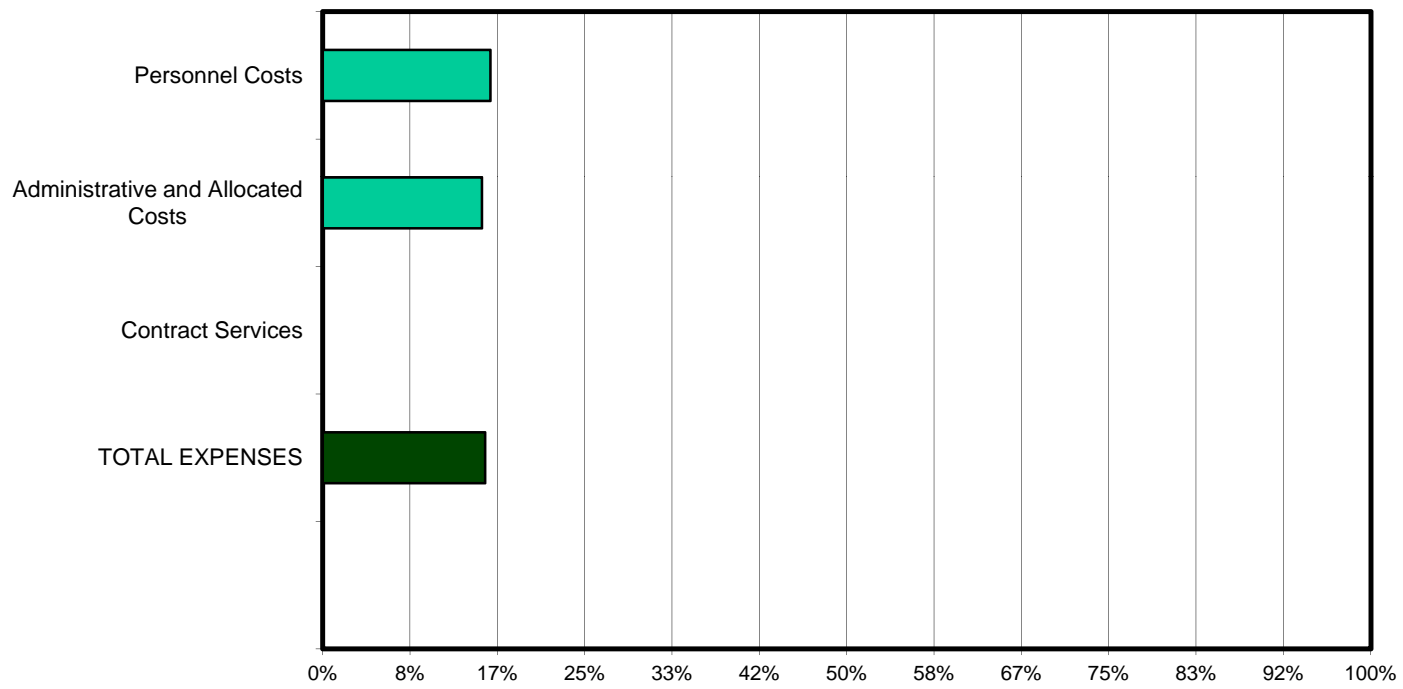
The financial report for August, 2013 is attached for your information.

# Northern Virginia Transportation Commission

Financial Reports

August, 2013

Percentage of FY 2014 NVTC Administrative Budget Used  
August, 2013  
(Target 16.67% or less)



**Note: Refer to pages 2 and 3 for details**

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**G&A BUDGET VARIANCE REPORT**  
**August 2013**

	<b><u>Current Month</u></b>	<b><u>Year To Date</u></b>	<b><u>Annual Budget</u></b>	<b><u>Balance Available</u></b>	<b><u>Balance %</u></b>
<b><u>Personnel Costs</u></b>					
Salaries	\$ 58,104.79	\$ 119,404.22	\$ 706,300.00	\$ 586,895.78	83.1%
Temporary Employee Services	-	-	-	-	
Total Personnel Costs	58,104.79	119,404.22	706,300.00	586,895.78	83.1%
<b><u>Benefits</u></b>					
Employer's Contributions:					
FICA	3,885.87	7,781.44	48,500.00	40,718.56	84.0%
Group Health Insurance	5,084.03	9,927.34	96,800.00	86,872.66	89.7%
Retirement	5,475.00	10,950.00	68,000.00	57,050.00	83.9%
Workmans & Unemployment Compensation	59.50	119.00	3,100.00	2,981.00	96.2%
Life Insurance	134.94	269.88	3,900.00	3,630.12	93.1%
Long Term Disability Insurance	249.54	499.08	3,600.00	3,100.92	86.1%
Total Benefit Costs	14,888.88	29,546.74	223,900.00	194,353.26	86.8%
<b><u>Administrative Costs</u></b>					
Commissioners Per Diem	350.00	1,000.00	11,000.00	10,000.00	90.9%
<i>Rents:</i>	<i>16,573.83</i>	<i>33,326.06</i>	<i>196,500.00</i>	<i>163,173.94</i>	<i>83.0%</i>
Office Rent	15,400.88	30,801.76	186,000.00	155,198.24	83.4%
Parking	1,172.95	2,524.30	10,500.00	7,975.70	76.0%
<i>Insurance:</i>	<i>300.58</i>	<i>601.16</i>	<i>6,100.00</i>	<i>5,498.84</i>	<i>90.1%</i>
Public Official Bonds	-	-	2,300.00	2,300.00	100.0%
Liability and Property	300.58	601.16	3,800.00	3,198.84	84.2%
<i>Travel:</i>	<i>179.89</i>	<i>179.89</i>	<i>5,500.00</i>	<i>5,320.11</i>	<i>96.7%</i>
Conference Registration	-	-	-	-	0.0%
Conference Travel	-	-	1,200.00	1,200.00	100.0%
Local Meetings & Related Expenses	179.89	179.89	4,000.00	3,820.11	95.5%
Training & Professional Development	-	-	300.00	300.00	100.0%
<i>Communication:</i>	<i>609.20</i>	<i>1,078.17</i>	<i>8,500.00</i>	<i>7,421.83</i>	<i>87.3%</i>
Postage	(36.41)	(39.63)	3,100.00	3,139.63	101.3%
Telecommunication	645.61	1,117.80	5,400.00	4,282.20	79.3%
<i>Publications &amp; Supplies</i>	<i>710.71</i>	<i>1,305.36</i>	<i>10,900.00</i>	<i>9,594.64</i>	<i>88.0%</i>
Office Supplies	187.23	268.80	3,000.00	2,731.20	91.0%
Duplication	523.48	1,036.56	7,400.00	6,363.44	86.0%
Public Information	-	-	500.00	500.00	100.0%

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**G&A BUDGET VARIANCE REPORT**  
**August 2013**

	<b><u>Current Month</u></b>	<b><u>Year To Date</u></b>	<b><u>Annual Budget</u></b>	<b><u>Balance Available</u></b>	<b><u>Balance %</u></b>
<i>Operations:</i>	-	387.00	11,000.00	10,613.00	96.5%
Furniture and Equipment	-	-	4,000.00	4,000.00	0.0%
Repairs and Maintenance	-	-	1,000.00	1,000.00	100.0%
Computers	-	387.00	6,000.00	5,613.00	93.6%
<i>Other General and Administrative</i>	531.77	824.81	5,100.00	4,275.19	83.8%
Subscriptions	-	-	-	-	0.0%
Memberships	225.00	225.00	1,200.00	975.00	81.3%
Fees and Miscellaneous	306.77	599.81	3,000.00	2,400.19	80.0%
Advertising (Personnel/Procurement)	-	-	900.00	900.00	100.0%
Total Administrative Costs	19,255.98	38,702.45	254,600.00	215,897.55	84.8%
					15.20%
<u>Contracting Services</u>					
Auditing	-	-	28,500.00	28,500.00	100.0%
Consultants - Technical	-	-	-	-	0.0%
Legal	-	-	-	-	0.0%
Total Contract Services	-	-	28,500.00	28,500.00	100.0%
 Total Gross G&A Expenses	<u>\$ 92,249.65</u>	<u>\$ 187,653.41</u>	<u>\$ 1,213,300.00</u>	<u>\$ 1,025,646.59</u>	<u>84.5%</u>

**NVTC**  
**RECEIPTS and DISBURSEMENTS**  
**August, 2013**

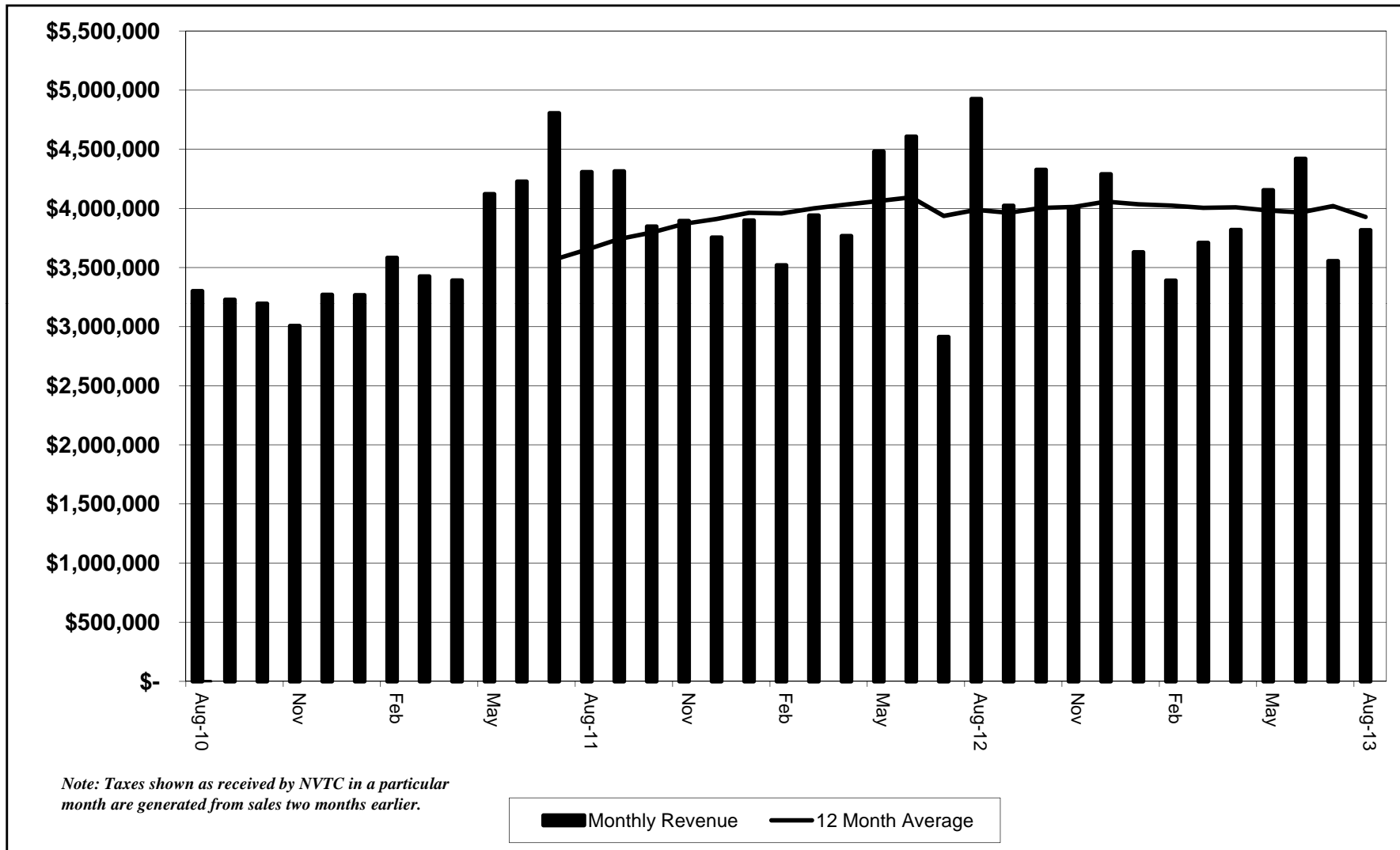
Date	Payer/ Payee	Purpose	Wells Fargo	Wells Fargo	VA LGIP	
			(Checking)	(Savings)	G&A / Project	Trusts
RECEIPTS						
9	VRE	Reimbursement for staff support		\$ 6,306.14		
9	USPS	Expense reimbursement		36.41		
16	DRPT	Operating assistance receipt - VRE			2,029,050.00	
20	DMV	Motor Vehicle Fuels Sales tax receipt				3,814,930.48
21	DRPT	Route 7 grant receipt			3,044.00	
22	DRPT	Capital grants receipts - VRE			389,259.00	
22	DRPT	Capital grants receipts				143,531.00
23	FTA	Route 7 grant receipt			24,350.00	
23	DRPT	Capital grants receipts - VRE			4,719.00	
23	DRPT	Capital grants receipts			11,175.00	
29	DRPT	Capital grants receipts			20,005.00	
29	DRPT	Capital grant receipt - VRE			7,869.00	
31	Banks	Interest income		3.15	7.54	10,358.04
			-	6,345.70	2,489,478.54	3,968,819.52
DISBURSEMENTS						
1-31	Various	G&A expenses	(79,799.02)			
9	Stantec	NTD project	(13,678.94)			
16	VRE	Grant revenue			(2,029,050.00)	
16	City of Fairfax	Other capital				(5,255.00)
21	Parsons	Consulting - Route 7 project	(30,437.99)			
22	VRE	Grant revenue			(389,259.00)	
23	VRE	Grant revenue			(4,719.00)	
23	Fairfax County	Other capital				(108,181.66)
29	VRE	Grant revenue			(7,869.00)	
31	Banks	Service fees	(66.67)	(60.54)		
			(123,982.62)	(60.54)	(2,430,897.00)	(113,436.66)
TRANSFERS						
16	Transfer	From LGIP to LGIP (NTD project)			13,678.94	(13,678.94)
23	Transfer	From savings to checking	100,000.00	(100,000.00)		
			100,000.00	(100,000.00)	13,678.94	(13,678.94)
NET INCREASE (DECREASE) FOR MONTH			\$ (23,982.62)	\$ (93,714.84)	\$ 72,260.48	\$ 3,841,703.92



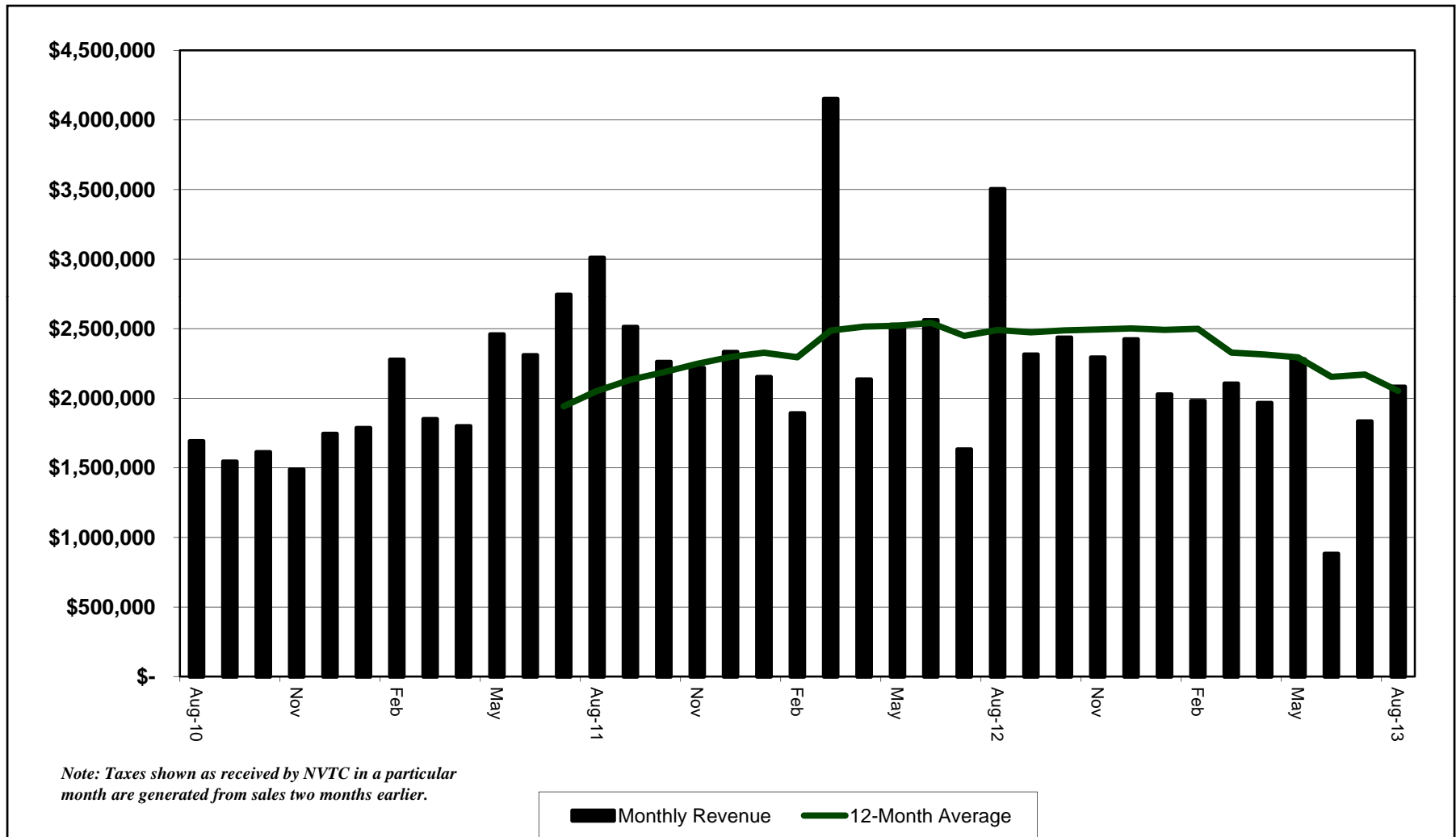
**NVTC  
INVESTMENT REPORT  
August, 2013**

<b>Type</b>	<b>Rate</b>	<b>Balance 7/31/2013</b>	<b>Increase (Decrease)</b>	<b>Balance 8/31/2013</b>	<b>NVTC G&amp;A/Project</b>	<b>Jurisdictions Trust Fund</b>	<b>Loudoun Trust Fund</b>
<b><u>Cash Deposits</u></b>							
Wells Fargo: NVTC Checking	N/A	\$ 109,124.07	\$ (23,982.62)	\$ 85,141.45	\$ 85,141.45	\$ -	\$ -
Wells Fargo: NVTC Savings	0.200%	210,034.10	(93,714.84)	116,319.26	116,319.26	-	-
<b><u>Investments - State Pool</u></b>							
Bank of America - LGIP	0.112%	107,302,316.24	3,913,964.40	111,216,280.64	105,624.83	89,069,087.94	22,041,567.87
		<u>\$ 107,621,474.41</u>	<u>\$ 3,886,691.17</u>	<u>\$ 111,417,741.35</u>	<u>\$ 307,085.54</u>	<u>\$ 89,069,087.94</u>	<u>\$ 22,041,567.87</u>

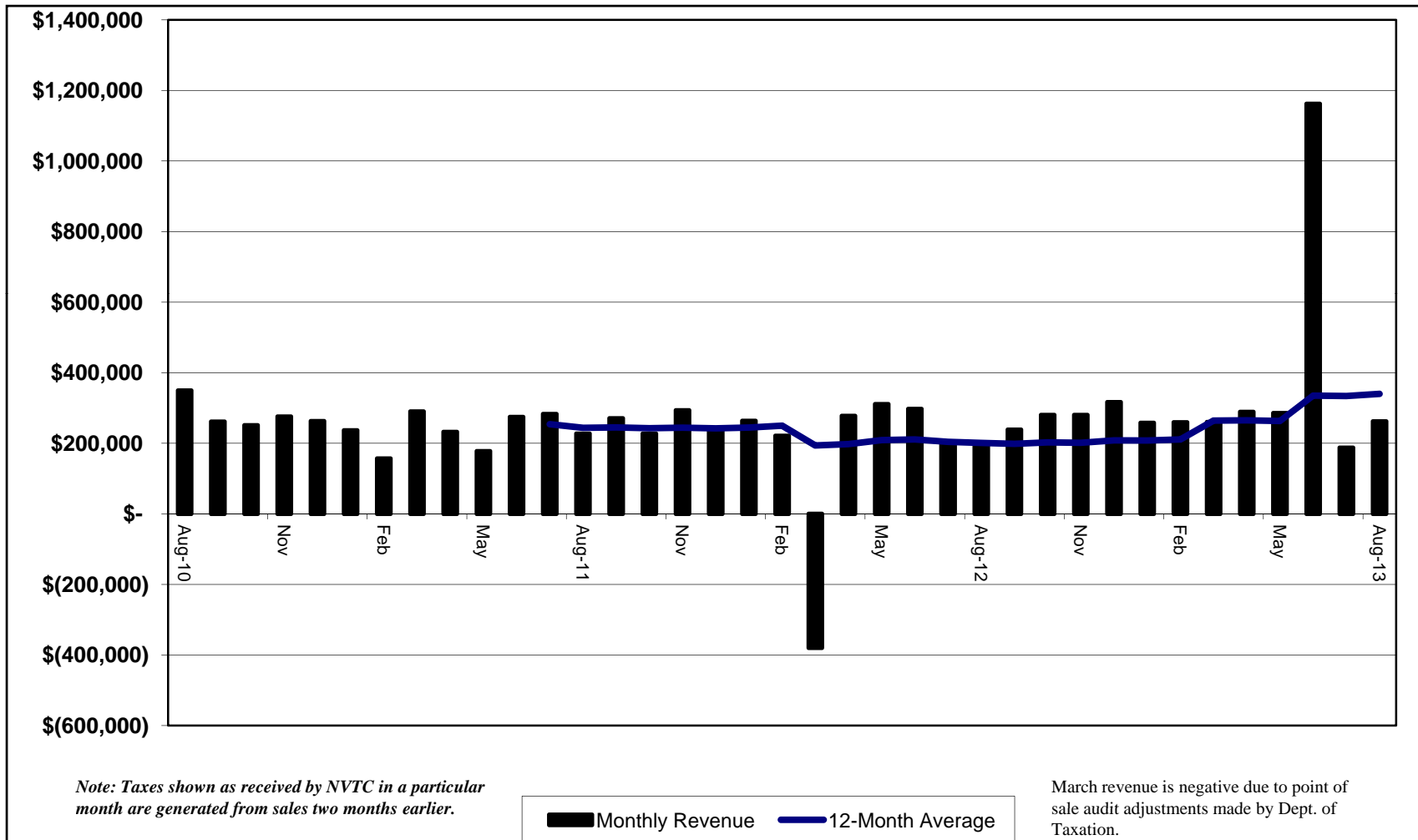
**NVTC MONTHLY GAS TAX REVENUE**  
**ALL JURISDICTIONS**  
**FISCAL YEARS 2011-2014**



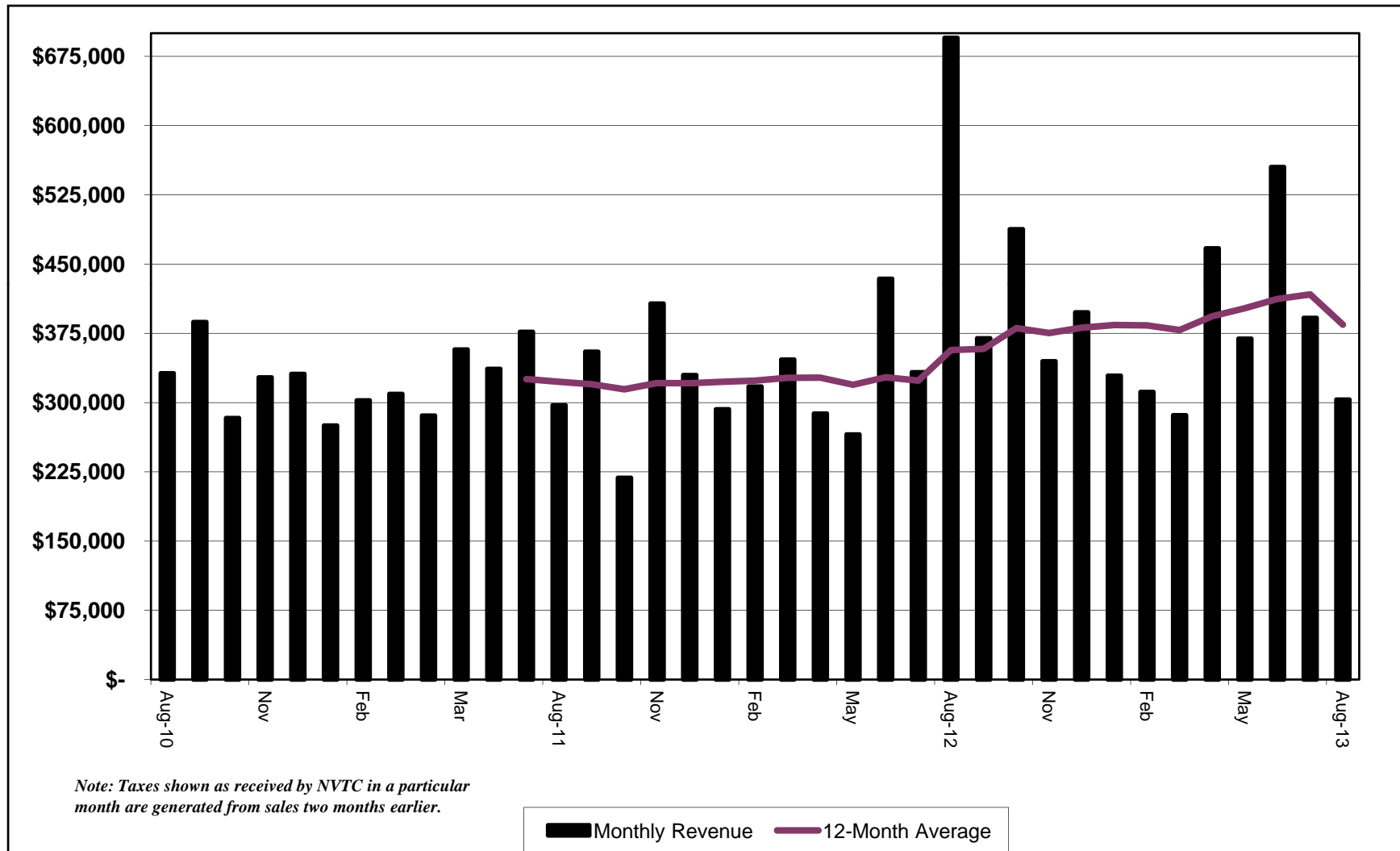
# NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2011-2014



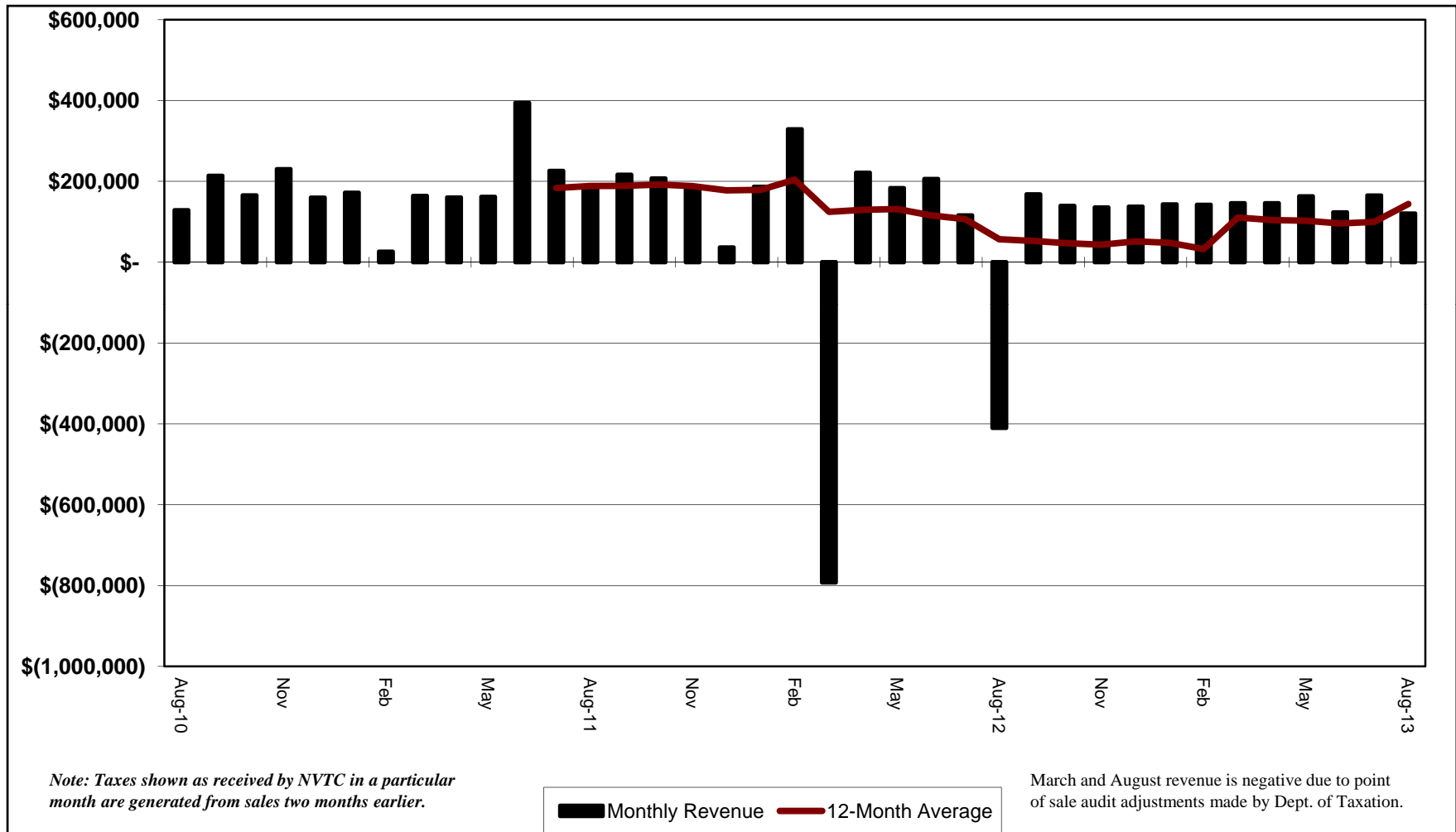
# NVTC MONTHLY GAS TAX REVENUE CITY OF ALEXANDRIA FISCAL YEARS 2011-2014



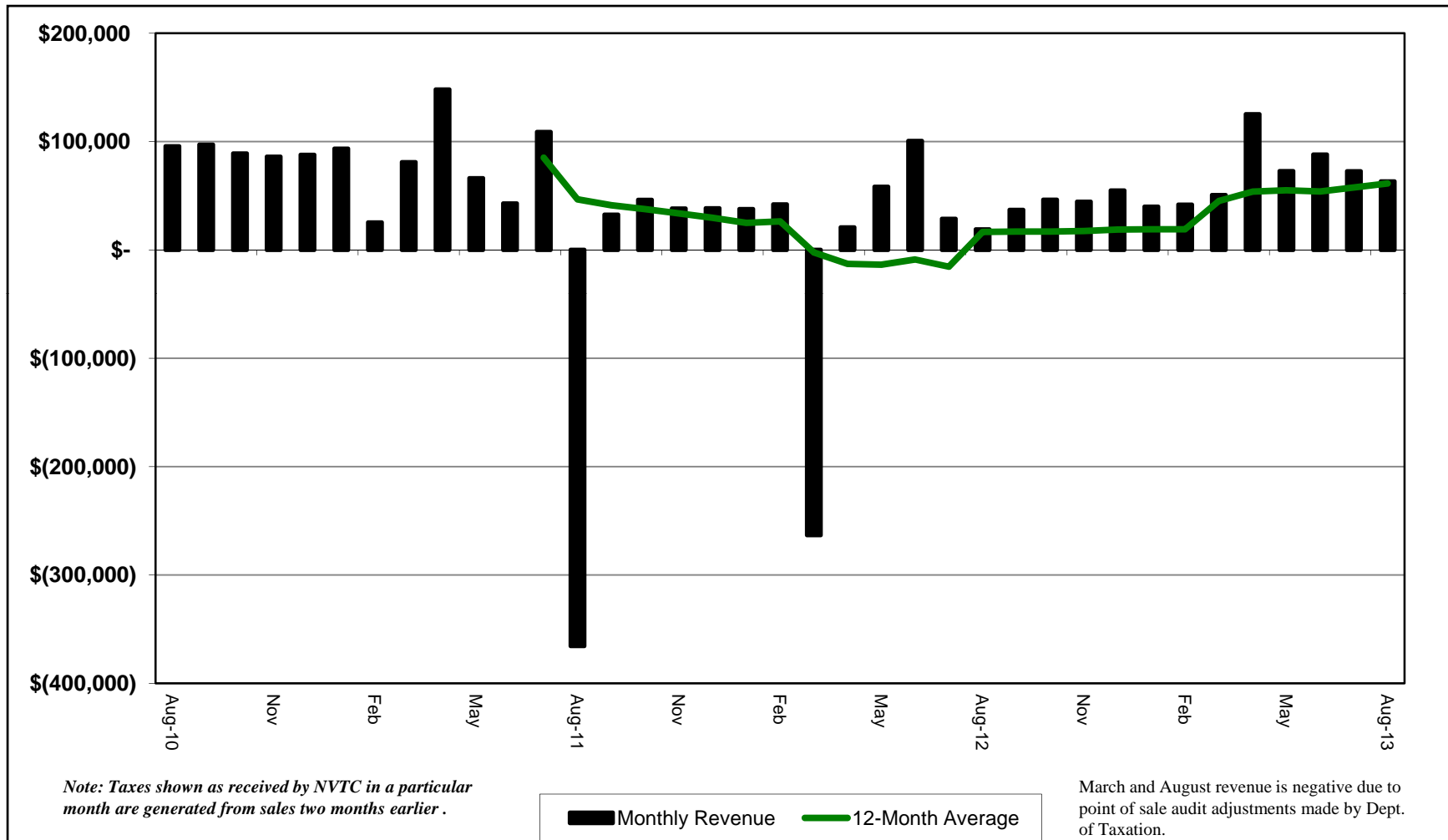
# NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2011-2014



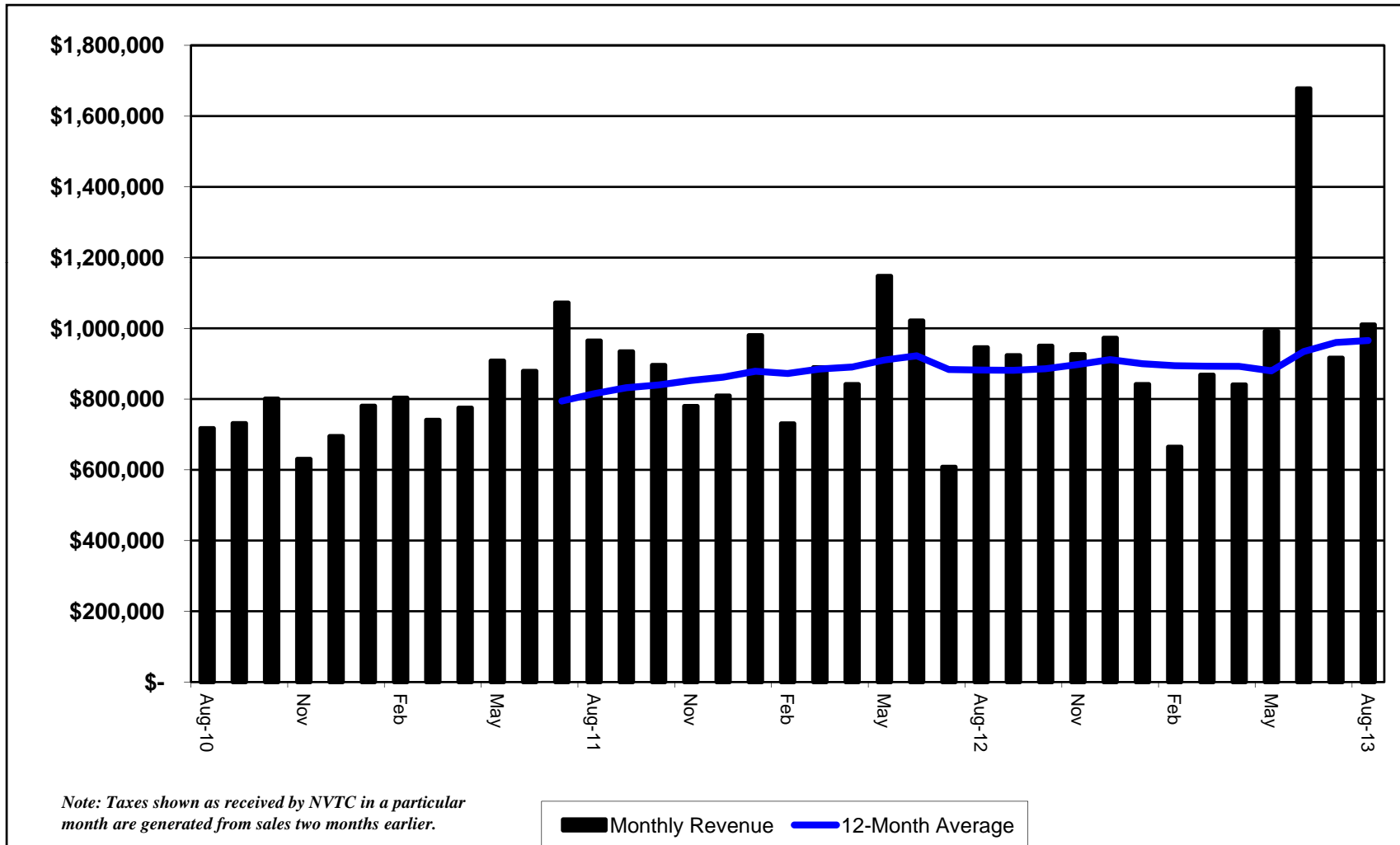
# NVTC MONTHLY GAS TAX REVENUE CITY OF FAIRFAX FISCAL YEARS 2011-2014



# NVTC MONTHLY GAS TAX REVENUE CITY OF FALLS CHURCH FISCAL YEARS 2011-2014



NVTC MONTHLY GAS TAX REVENUE  
LOUDOUN COUNTY  
FISCAL YEARS 2011-2014





NVTC  
Motor Vehicle Fuels Sales Tax Adjustments

	Period Posted	Adjustment From							Total
		Alexandria	Arlington	Fairfax City	Fairfax County	Falls Church	Loudoun	PRTC	
ADJ #2	11-10, received 1-11	-	-	(110,276.05)	-	(1,093.49)	-	-	(111,369.54)
ADJ #1	12-10, received 2-11	(104,038.35)	-	(170,435.39)	(22,069.72)	(42,087.14)	-	-	(338,630.60)
ADJ #3	2-11, received 4-11	(3,601.08)	(1,851.63)	(70,768.68)	(123,449.59)	(6,856.63)	(1,018.24)	-	(207,545.85)
ADJ #4	3-11, received 5-11	(108,726.85)	-	(25,427.74)	-	-	-	-	(134,154.59)
ADJ #5	4-11, received 6-11	-	(12,240.65)	-	-	-	(1,345.23)	-	(13,585.88)
ADJ #6	6-11, received 8-11	(88,014.78)	(68,006.86)	(2,756.38)	(46,756.33)	(448,661.57)	(1,541.68)	-	(655,737.60)
ADJ #7	10-11, received 12-1	-	(154.91)	(173,102.39)	(7,542.20)	(873.29)	-	-	(181,672.79)
ADJ #8	1-12, received 3-12	(609,893.53)	(59.45)	(1,107,487.84)	(21,072.45)	(301,982.53)	(4,438.04)	-	(2,044,933.84)
ADJ #9	3-12, received 5-12	-	-	-	(5,809.80)	-	(4.65)	(290,691.77)	(296,506.22)
ADJ #10	6-12, received 8-12	(21,110.31)	(57,679.83)	(174,833.31)	(177,189.19)	(14,683.08)	-	-	(445,495.72)
ADJ #11	6-12, received 8-12	(170,420.87)	(6,560.15)	(561,327.78)	-	(17,216.42)	-	-	(755,525.22)
ADJ #12-14	4-13, received 6-13	(136,299.01)	(427.91)	(20,918.89)	(1,576,200.70)	(19.51)	(749.26)	-	(1,734,615.27)
ADJ #15	5-13, received 7-13	(109,010.12)	(6,812.99)	(16,088.06)	(641,754.78)	(2,432.89)	(156,788.53)	(239,792.18)	(1,172,679.55)
ADJ #16	6-13, received 8-13	-	-	(45,341.15)	-	-	-	-	(45,341.15) August
		(1,351,114.90)	(153,794.38)	(2,478,763.66)	(2,621,844.76)	(835,906.55)	(165,885.63)	(530,483.95)	(8,137,793.83)

		Adjustment To							Total
		Alexandria	Arlington	Fairfax City	Fairfax County	Falls Church	Loudoun	PRTC	
ADJ #2	11-10, received 1-11	11,948.00	-	-	-	-	29,077.00	70,344.54	111,369.54
ADJ #1	12-10, received 2-11	-	-	-	316,560.87	-	22,069.73	-	338,630.60
ADJ #3	2-11, received 4-11	6,843.00	-	-	83,224.94	67,729.89	49,748.02	-	207,545.85
ADJ #4	3-11, received 5-11	-	-	-	134,154.59	-	-	-	134,154.59
ADJ #5	4-11, received 6-11	-	-	-	12,024.17	-	-	1,561.71	13,585.88
ADJ #6	6-11, received 8-11	56,176.76	5,904.21	-	551,750.18	41,888.26	18.19	-	655,737.60
ADJ #7	10-11, received 12-1	7,542.20	-	-	174,130.59	-	-	-	181,672.79
ADJ #8	1-12, received 3-12	2,587.52	59.18	31.81	2,023,861.38	624.78	17,769.17	-	2,044,933.84
ADJ #9	3-12, received 5-12	362.78	40.54	-	125,176.77	969.74	164,141.94	5,814.45	296,506.22
ADJ #10	6-12, received 8-12	80,150.95	131,191.46	118,681.48	115,471.83	-	-	-	445,495.72
ADJ #11	6-12, received 8-12	6,560.15	170,420.87	-	578,544.20	-	-	-	755,525.22
ADJ #12-14	4-13, received 6-13	990,758.47	59,205.81	5,617.09	158,403.36	-	520,630.55	-	1,734,615.27
ADJ #15	5-13, received 7-13	-	8,799.57	30,965.61	213,434.01	-	56,523.98	862,956.36	1,172,679.53
ADJ #16	6-13, received 8-13	-	-	-	45,341.15	-	-	-	45,341.15 August
		1,162,929.83	375,621.64	155,295.99	4,532,078.04	111,212.67	859,978.59	940,677.06	8,137,793.81

Net Transfers to Date - (From) To							
Alexandria	Arlington	Fairfax City	Fairfax County	Falls Church	Loudoun	PRTC	Total
(188,185.07)	221,827.27	(2,323,467.67)	1,910,233.28	(724,693.88)	694,092.96	410,193.11	(0.02)

## CURRENT TRANSIT-RELATED STUDIES/PROJECTS

Author/Agency	Target Completion Date	Title	Location	Corridor	Notes	Website
<b>Long Range Planning</b>						
DRPT	October 2013	<u>Super NoVa Action Plan</u>	Northern Virginia / Statewide			<a href="http://www.supernovatransitvision.com">www.supernovatransitvision.com</a>
WMATA	2014	<u>Regional Transit System Plan (RTSP)</u>	DC Metro			<a href="http://www.wmata.com">www.wmata.com</a>
MWCOG	Ongoing	<u>Region Forward</u>	DC Metro			<a href="http://www.regionforward.org">www.regionforward.org</a>
MWCOG	September 2013	<u>Region Forward Strategic Investment Plan</u>	DC Metro			<a href="http://www.mwcog.org">www.mwcog.org</a>
Fairfax County	November 2013	<u>Countywide Transit Network Study</u>	Fairfax County			<a href="http://www.fairfaxcounty.gov/fcdot/2050transitstudy">www.fairfaxcounty.gov/fcdot/2050transitstudy</a>
MWCOG	Summer 2013	<u>Regional Transportation Priorities Plan (RTPP) for the National Capital Region</u>	DC Metro			<a href="http://www.mwcog.org">www.mwcog.org</a>
MWCOG	October 2013	<u>Transportation Planning Board (TPB) Bus on Shoulder Task Force</u>	DC Metro			<a href="http://www.mwcog.org">www.mwcog.org</a>
WMATA	Winter 2013	<u>Metrobus Effectiveness Study</u>	DC Metro			<a href="http://www.wmata.com">www.wmata.com</a>
<b>Corridor Planning</b>						
DRPT	May 2014	<u>Route 1 Multimodal Alternatives Analysis</u>	Northern Virginia	Route 1		<a href="http://www.route1multimodalaa.com">www.route1multimodalaa.com</a>
City of Alexandria	January 2015	<u>Van Dorn/Beauregard Corridor Alternatives Analysis/Environmental Assessment</u>	City of Alexandria	Van Dorn Street, Beauregard Street		<a href="http://www.alexandriava.gov">www.alexandriava.gov</a>
VDOT	Ongoing	<u>Interstate 95 Corridor Improvement Program</u>	Statewide	I-95	Through FHWA's Interstate System Reconstruction and Rehabilitation Pilot Program (ISRRPP).	<a href="http://www.virginiadot.org/projects/i-95_corridor_improvement.asp">www.virginiadot.org/projects/i-95_corridor_improvement.asp</a>
Arlington County via WMATA	2017: Est. start of service	<u>Pike Transit Initiative</u>	Arlington County, Fairfax County	Columbia Pike	Arlington County Board and Fairfax County Board of Supervisors approved the Streetcar as the Locally Preferred Alternative in July 2012.	<a href="http://www.piketransit.com">www.piketransit.com</a>
WMATA, City of Alexandria	Winter 2013	<u>Potomac Yard Metrorail Station EIS</u>	City of Alexandria			<a href="http://www.potomacyardmetro.com">www.potomacyardmetro.com</a>
NVTC	October 2013	<u>Route 7 Alternatives Analysis</u>	Northern Virginia	Route 7		<a href="http://www.thinkoutsidethecar.org">www.thinkoutsidethecar.org</a>
City of Falls Church	June 2013	<u>South Washington Street Transportation Study</u>	City of Falls Church	Washington Street	Through MWCOG's Transportation/Land-Use Connections (TLC) Program.	<a href="http://www.fallschurchva.gov">www.fallschurchva.gov</a>
VDOT	Fall 2014: Est. start of service	<u>I-66 Inside the Beltway Bus on Shoulder Pilot Program</u>	Northern Virginia	1-66		<a href="http://www.virginiadot.org">www.virginiadot.org</a>
District Department of Transportation (DDOT)	Fall/Winter 2013	<u>Long Bridge Study</u>	DC Metro	CSX Long Bridge / I-395	To study improvements to the Long Bridge across the Potomac River used by CSX, Amtrak, and VRE	<a href="http://www.longbridgeproject.com">www.longbridgeproject.com</a>
<b>Transportation/Transit Improvement Projects</b>						
WMATA, City of Alexandria, Arlington County	2013/2014: Phased start of service	<u>Crystal City - Potomac Yard Transit Improvements Project</u>	Arlington County, City of Alexandria			<a href="http://www.ccpytransit.com">www.ccpytransit.com</a>
VDOT	Ongoing	<u>Regional Transportation Management Plan (TMP)</u>	Northern Virginia	I-495, I-95/I-395	To mitigate impacts during the construction of Megaprojects.	<a href="http://www.virginiadot.org">www.virginiadot.org</a>
VDOT, DRPT, FHWA, Fluor, Transurban	2015	<u>95 Express Lanes Project</u>	Northern Virginia	I-95/I-395		<a href="http://www.vahotlanes.com/i95/project-info/">http://www.vahotlanes.com/i95/project-info/</a>
VDOT	2015	<u>95 Express Lanes Transportation Management Plan (TMP)</u>	Northern Virginia	I-95/I-395	To mitigate impacts during the construction of I-95 Express Lanes.	<a href="http://www.virginiadot.org">www.virginiadot.org</a>

## CURRENT TRANSIT-RELATED STUDIES/PROJECTS

MWAA, WMATA, VDOT, Fairfax County	December 2013: Est. start of Phase 1 service	<u>Dulles Corridor Metrorail Project</u>	Northern Virginia			<a href="http://www.dullesmetro.com">www.dullesmetro.com</a>
NVTC, PRTC, GWRC	January 2013: Est. program launch	<u>Virginia Vanpool Incentive Program</u>	Northern Virginia	I-95/I-395		<a href="http://www.thinkoutsidethecar.org">www.thinkoutsidethecar.org</a>
MWCOG	June 2014	<u>Regional Bus Staging, Layover, and Parking Location Study</u>	DC Metro, Arlington County		To analyze the need for bus staging, layover, and parking locations in DC and Arlington County.	<a href="http://www.mwcog.org">www.mwcog.org</a>
<b>Other</b>						
Arlington County Mobility Lab	Ongoing	<u>Return on Investment of Transportation Demand Management</u>	Arlington County			<a href="http://www.mobilitylab.org">www.mobilitylab.org</a>
WMATA	Ongoing	<u>New Electronic Payment Plan (NEPP) Project</u>	DC Metro			<a href="http://www.wmata.com">www.wmata.com</a>
WMATA	2013	<u>2013 Metrobus Fleet Management Plan Update</u>	DC Metro			<a href="http://www.wmata.com">www.wmata.com</a>
WMWTA	Ongoing	<u>LRT and Streetcar Interoperability Study Project</u>	DC Metro			<a href="http://www.wmata.com">www.wmata.com</a>

Updated September 2013.



AGENDA ITEM #3

**TO:** Chairman McKay and NVTC Commissioners

**FROM:** Kelley Coyner, Mariela Garcia-Colberg, and Claire Gron

**DATE:** September 25, 2013

**SUBJECT:** Work Session: Update on Key Planning Activities

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The Northern Virginia Transportation Commission staff monitors or participates in more than 30 regional transportation studies and planning activities. We are leading the Rt. 7 Alternatives Analysis; we participate in Technical Advisory Committees, stakeholder groups, and committees; we monitor many studies through participation in various staff coordinating bodies. The principal objective of this work session is to provide brief updates on five planning activities highlighting key issues and progress to date. Commissioners will be asked whether there are particular items that merit comment by the Commission. In particular, the Commission will be asked to authorize the Chair to submit comments on the Regional Transportation Priorities Plan. NVTC's List of Current Regional Studies and Projects is attached.

- **Route 1 Multimodal Alternatives Analysis: DRPT presentation**  
*Amy Inman, Acting Planning & Mobility Programs Administrator*

This summer the Virginia Department of Rail and Public Transportation (DRPT) initiated the Route 1 Multimodal Alternatives Analysis for the 14-mile corridor from the Beltway to Route 123. The study will consider alternative strategies for the corridor to include bus rapid transit (BRT), light rail transit (LRT), extended Metrorail service, roadway widening, and restructured pedestrian/bicycle pathways and facilities. The study will result in a recommended program of transportation improvements, including the selection of a Locally Preferred Alternative (LPA) and a determination of the required level of environmental documentation.

The study will continue through June 2014. DRPT plans to meet with the Executive Steering and Technical Advisory Committees throughout the process. The first of three public meetings will be held in October. The presentation from the July 17, 2013 Technical Advisory Committee meeting is attached (Attachment A).

- **Route 7 (Phase I of Alternatives Analysis)**

*Mariela Garcia-Colberg, Public Transit Projects and Grants Specialist*

The Phase 1 of the Route 7 Alternatives Analysis (AA) study will be completed in the next several weeks. On September 10, 2013, the technical advisory committee (TAC) of the AA study discussed preliminary findings and alignment and modal options. The modal options for consideration in Phase II are Bus Rapid Transit and Light Rail; the termini are still up for discussion. NVTC presented the alignments and modal options moving forward for further study to the general public during its Route 7 second open house meeting. The meeting was held September 18, 2013 at the Skyline 7 building in Falls Church.

Of note, staff identified the following studies and activities as relevant to the Route 7 AA: the Fairfax County-Wide Transit Network Study; the City of Alexandria Van Dorn/Beauregard Corridor Alternatives Analysis Study; Arlington-Fairfax County Columbia Pike Streetcar Project and COG's Transit Signal Priority Procurement.

- **Fairfax County Countywide Transit Network Study**

*Thomas Burke, Senior Transportation Planner*

Fairfax County initiated the Countywide Transit Network Study in July 2012 to develop a long-range 2050 plan to accommodate growth in Fairfax County by improving transit usage. Goals of the plan include: providing transportation choices and regional connectivity, supporting local and regional economic development, and strengthening quality of life through transit-friendly, sustainable investments. The draft plan identifies eight corridors where enhanced public transportation—such as Metrorail extensions, Light Rail Transit (LRT), Bus Rapid Transit (BRT), or express bus in managed lanes—is appropriate.

- **VRE System Plan**

*Christine Hoeffner, Planning Manager*

VRE is developing a long-range system plan to guide system investments through 2040. As part of this process, VRE will consider different alternative scenarios based on future ridership and capacity needs. Three alternative “packages” are currently under evaluation and which include projects ranging from modest service increases to significant capital investments. VRE will formulate recommendations this fall before finalizing the plan in January 2014.

- **MWCOG Regional Transportation Priorities Plan (RTPP)**

The TPB's RTPP identifies and prioritizes strategies for addressing transportation challenges in the region. The RTPP is intended to inform what projects should be funded and included in the Constrained Long-Range Transportation Plan (CLRP). TPB staff is revising the draft plan in response to comments received during the August public comment period. The revised plan will be presented to the TPB in

October and released for a second public comment period. Outstanding issues include:

- What is the purpose of the plan, and how will it inform the CLRP?
- What is the role of commuter rail and other transit modes (besides Metrorail) in the plan?
- How might additional strategies for addressing regional transportation challenges be incorporated into the plan?
- What is the relationship between the RTPP and Region Forward, and other regional planning efforts?





# Route 1 Multimodal Alternatives Analysis: Technical Advisory Committee Meeting

July 17, 2013



# Agenda

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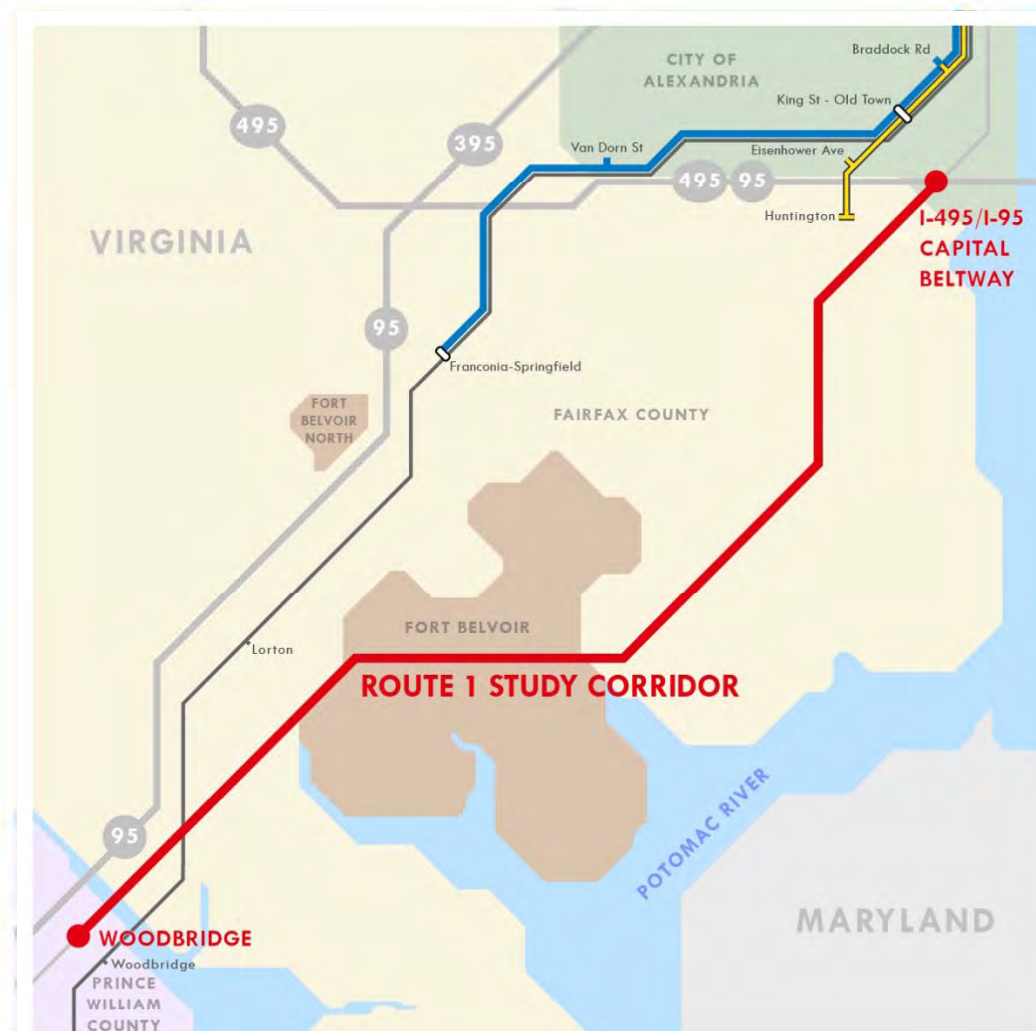
1. Introductions
2. Study background and overview
3. Public and community involvement
4. Project purpose and need
5. Discussion: stakeholder considerations
6. Upcoming meetings





# Study Area

- 14- mile section of Route 1
- Extends from I-95/I-495 **Beltway**, through Fairfax County, to **Route 123** at **Woodbridge** in Prince William County



# Background

- Route 1 has been the **subject of numerous roadway and transit-related studies and efforts** of over 8 different sponsors since 1998
- **Senate Joint Resolution (SJ 292) – 2011:**
  - Instructed DRPT to review and evaluate all previous studies
  - Determine feasibility of transit improvements in a long segment of Route 1



# Previous Studies

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## **Planning Studies**

- Northern Virginia North-South Corridor of Statewide Significance – Corridor Master Plan
- Route 1 Improvements at Fort Belvoir
- Fairfax County Capital Improvements Plan
- Fairfax Comprehensive Plan
- Prince William County 2008 Comprehensive Transportation Plan
- Virginia Railway Express Strategic Plan
- Bicycle and Pedestrian Plan for the National Capital Region
- Fort Belvoir Support Area Development Plan
- Fort Belvoir Town Center Area Development Plan ADP

## **Transportation Studies (TDM, TDP, ITS)**

- I-95 Corridor Transit and TDM Plan
- Super NoVa Transit & TDM Vision Plan Study
- National Geospatial Intelligence Agency Transportation Management Plan TMP
- Fairfax County Transit Development Plan
- Northern Virginia 2020 Transportation Plan
- Fairfax Long-Range Transportation Demand Management Plan
- I-95 Corridor Transit and TDM Plan
- Super NoVa Transit & TDM Vision Plan Study
- Intelligent Transportation Systems ITS Strategic Plan

# Route 1 Transit Study: SJ292

## Transit Recommendations

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- Implement **enhanced transit service** along Richmond Highway (e.g. Metro, LRT, BRT) and establish new transit stations
- Enhance and **improve Metrobus** 11Y Express and REX and **Fairfax Connector** service
- Develop **alternative transit alternatives** (e.g. Metro, LRT, BRT, Potomac ferry)
- **Extend** and **improve** connections of **OmniLink** Route to existing transit centers and improve local service
- Implement **two local BRT** routes to service the PRTC Transit Center and the Route 1 123 Commuter Lot , and **queue jump lanes** and **transit signal priority**
- Implement a **peak period HOV/bus lane** on Richmond Highway
- **Increase service frequency** of **OmniLink**-Route 1 Extension to Ft Belvoir

# Route 1 Transit Study: SJ292

## Infrastructure Recommendations

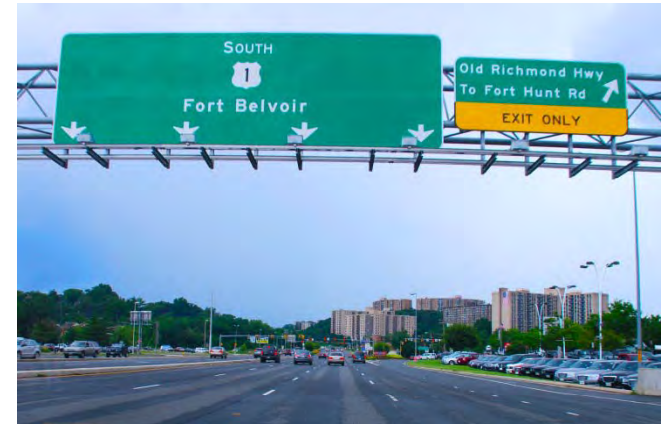
- **Widen Route 1** from the Capital Beltway to the Stafford County line with accommodations for trails, right shoulder bus lane pull-offs and shelters at high-demand stops
- Encourage VDOT to install **traffic responsive technology** on all of traffic signals in the Mount Vernon District
- Procure and Deploy **Traffic Signal Priority** on Richmond Highway
- **Improve pedestrian network** along the corridor and passenger experience at bus stops (e.g., shelters)





# Study Background

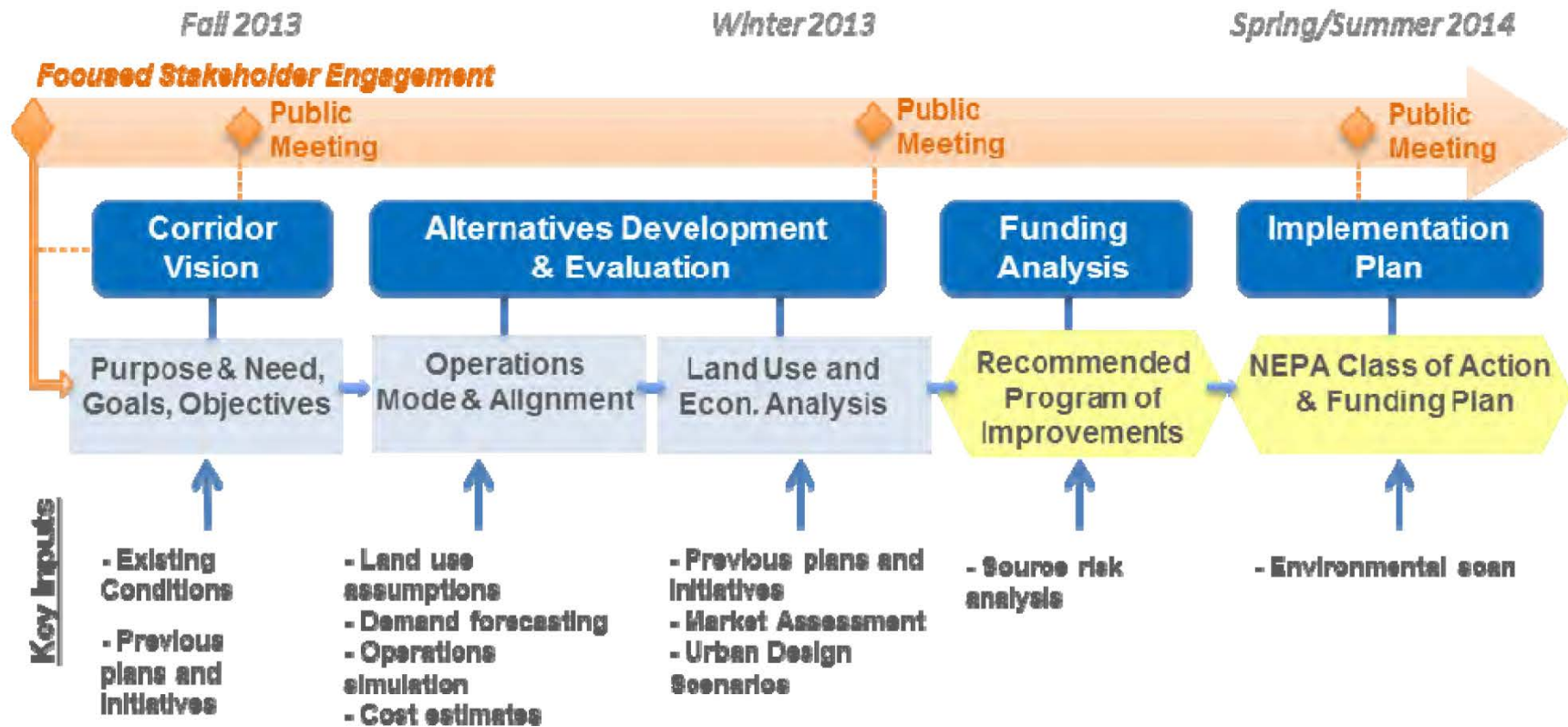
- Corridor residents, businesses, and travelers seek improvements to transportation infrastructure and services
- Recent planning efforts have identified needs for transit and roadway improvements
- Planners recognize the need for mixed land use and local connectivity
- Decision makers have called for an alternatives analysis to test the viability of specific transportation and land use alternatives



# Study Overview

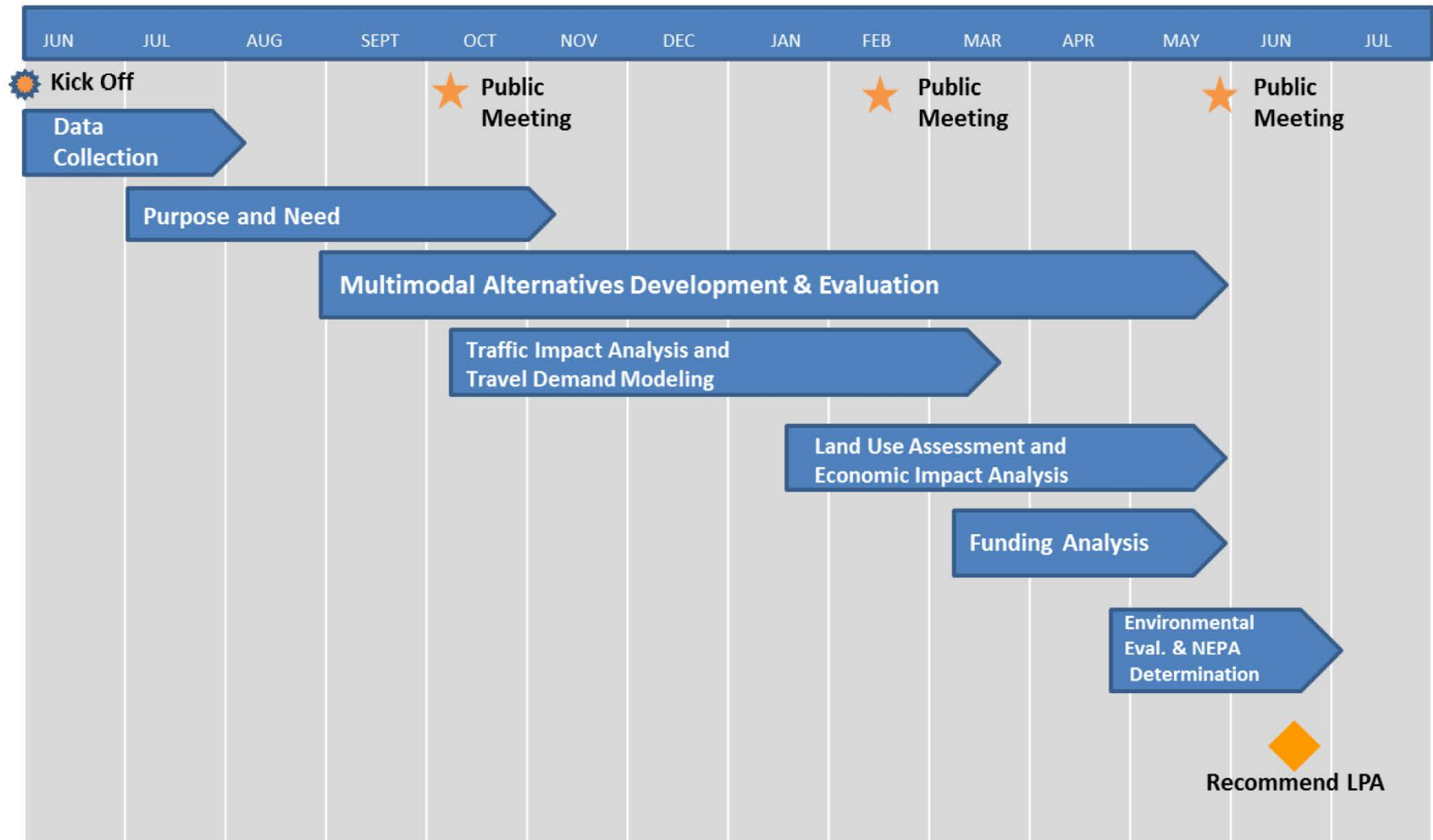
- **Define** the key **mobility issues** and establish a “**needs statement**”
- Consider a **range of multimodal** transportation **solutions** to address the needs
- Conduct **transportation analysis** for the alternatives
- Conduct **land use analysis** to support the alternatives
- Perform **financial analysis** to test viability of the alternatives
- Recommend a **Locally Preferred Alternative (LPA)** and determine required level of **environmental documentation**

# Study Process

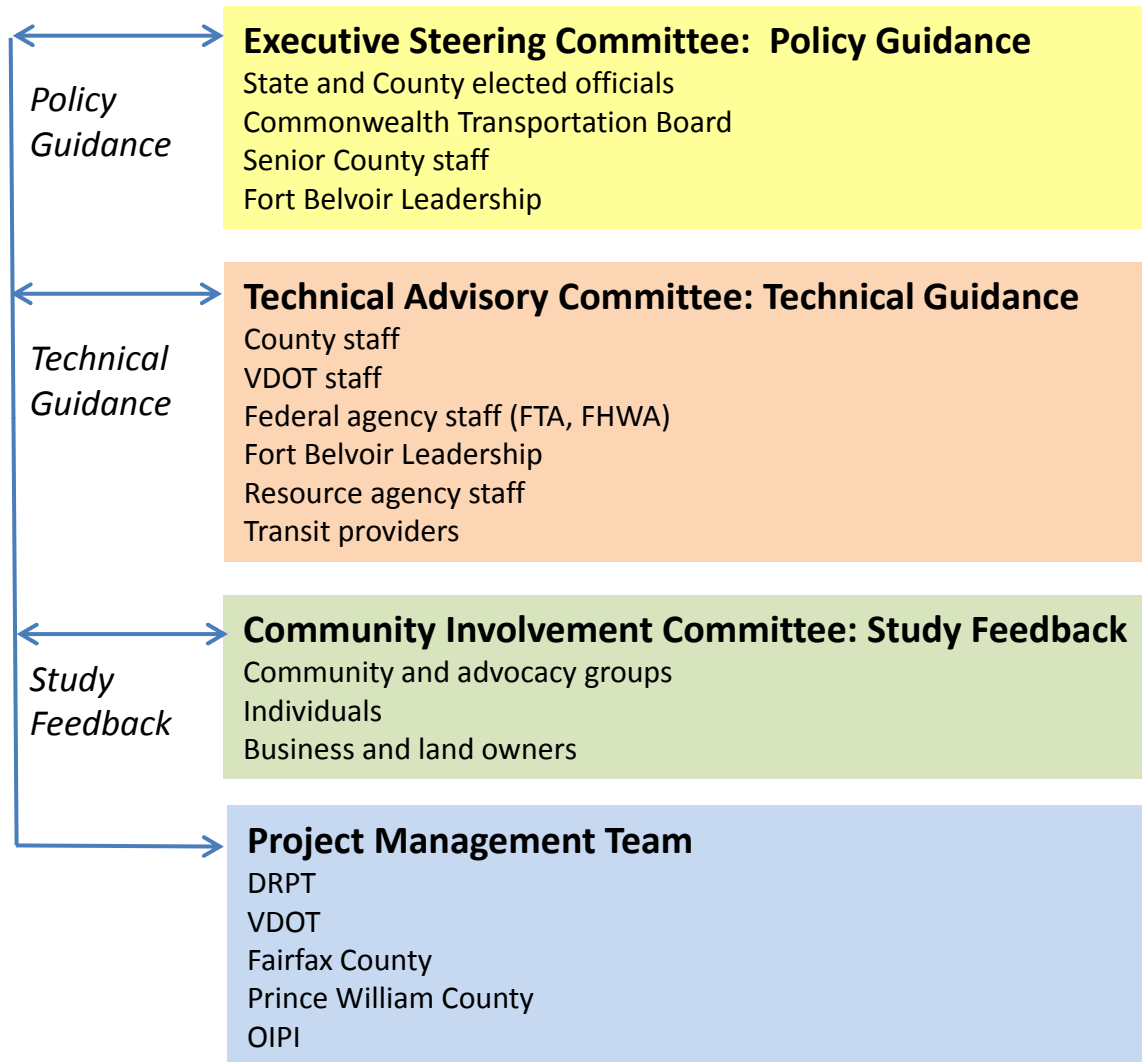




# Project Schedule



# Project Organization: Committee Roles



# Public and Stakeholder Involvement

- **Establish committees** to provide policy, technical, and stakeholder input
- Hold **interviews** and **small group discussions**
- Facilitate **3 public meetings**
- Participate in **community events** (festivals, schools, organizational meetings, etc.)
- Provide project updates through the **project website, social media, newsletters, flyers, and emails**



# Public Meetings

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## Tentative Date

1 **Early  
October 2013**

## Tentative Agenda:

- Purpose and need, goals and objectives
- Initial set of alternatives
- Alternatives screening process

2 **February 2014**

- Refined alternatives
- Forecasting results
- Land use assessment

3 **May 2014**

- Environmental scan
- Financial analysis
- Evaluation of alternatives
- Recommendation for Locally Preferred Alternative



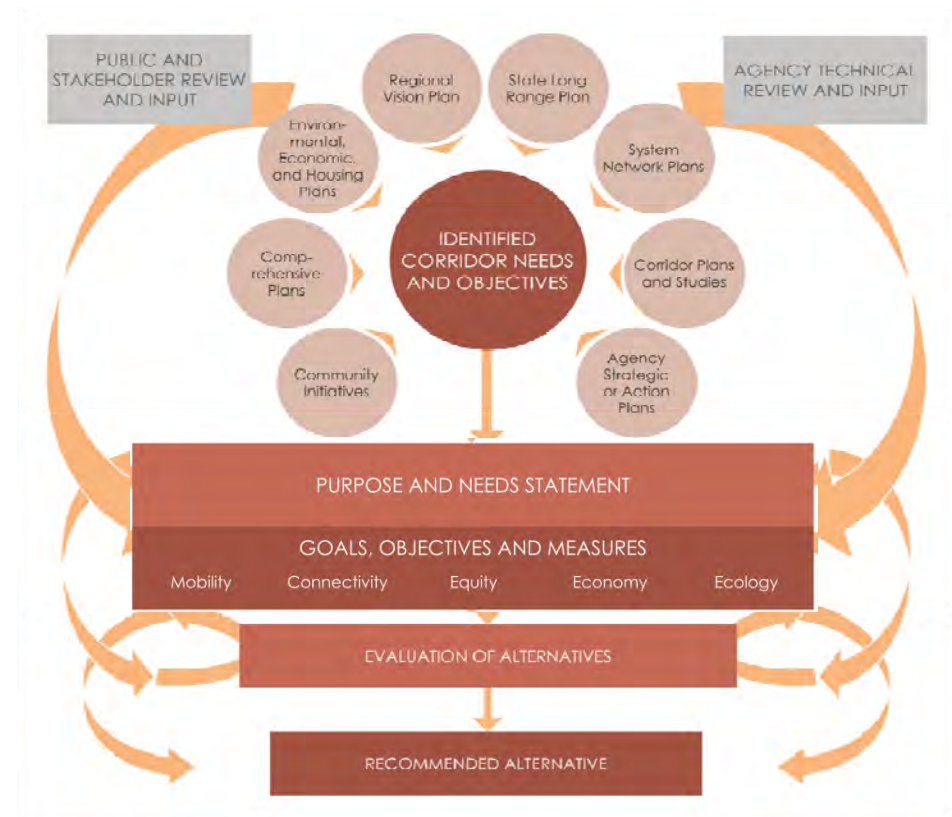
# Upcoming Project Milestone: Develop Project Purpose & Need





# Stakeholder Priorities: Discussion

- What are the most **critical needs** in the study area?
- What are the **key technical considerations** for your agency?
- What are the most important **outcomes** of the Multimodal Alternatives Analysis?



# Upcoming Meetings and Updates

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## August

Project Management Team Meeting (8/12)

## September

Project Management Team Meeting (9/9)

Community Involvement Committee Meeting (9-24/25)

## Sept/Oct

Technical Advisory Committee Meeting (TBD)

## October

Public Meeting (Mid-Late October)

Executive Steering Committee Update



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# QUESTIONS?

Route 1   
Multimodal Alternatives Analysis

[www.Route1MultimodalAA.com](http://www.Route1MultimodalAA.com)



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# Appendix



# Committee Lists: Executive Steering Committee

Name	Organization/Agency	Role/Title
<b>ELECTED OFFICIALS: FEDERAL</b>		
Congressman Gerry Connolly	U.S. House of Representatives	11th District of VA, Representative
Congressman Jim Moran	U.S. House of Representatives	8th District of VA, Representative
<b>ELECTED OFFICIALS: STATE</b>		
Senator Adam Ebbin	Virginia Senate	30th District, Senator
Senator Toddy Puller	Virginia Senate	36th District, Senator (Fairfax, Prince William, Stafford)
Senator George Barker	Virginia Senate	39th District, Senator
Senator Charles Colgan	Virginia Senate	29th District, Senator
Delegate Mark Sickles	Virginia House of Delegates	43rd District, Delegate
Delegate Scott Surovell	Virginia House of Delegates	44th District, Delegate
Delegate David Albo	Virginia House of Delegates	42nd District, Delegate
Delegate Luke Torian	Virginia House of Delegates	52nd District, Delegate
Delegate L. Mark Dudenhefer	Virginia House of Delegates	2nd District, Delegate
Delegate Rob Krupicka	Virginia House of Delegates	45th District, Delegate
<b>ELECTED OFFICIALS: LOCAL</b>		
Supervisor Gerald Hyland	Fairfax County	Mt. Vernon District Supervisor
Supervisor Jeff McKay	Fairfax County	Lee District Supervisor
Catherine Hudgins	WMATA Board of Directors	Board Member (Also Fairfax County Supervisor, Hunter Mill District)
Supervisor Frank Principi	Prince William County	Woodbridge District Supervisor
Supervisor John Jenkins	Prince William County	Neabsco District Supervisor
<b>APPOINTED OFFICIALS</b>		
Fran Fisher	Commonwealth Transportation Board	Member (Also President of Revenue Recovery Consultants, Inc.)
Thelma Drake	DRPT	Director
Helen Cuervo	Virginia Department of Transportation	Northern Virginia VDOT Administrator
Renee Hamilton	Virginia Department of Transportation	Northern Virginia VDOT Deputy Administrator
<b>STAFF</b>		
Ryan Kelly	Secretary's Office	Special Assistant, VDOT
Tom Biesiadny	Fairfax County	Director, Department of Transportation
Tom Blaser	Prince William County	Director, Department of Transportation
Christopher Landgraf	Fort Belvoir	Chief Facility Planning Garrison Commander



# Committee Lists: Technical Advisory Committee

Name	Jurisdiction
Jim Maslanka	City of Alexandria
Marti Reinfeld	City of Alexandria
Joe Swartz	DRPT
Randy White	Fairfax Connector
Leonard Wolfenstein	Fairfax County
Liz Hagg	Fairfax County
Marianne Gardner	Fairfax County
Barbara Byron	Fairfax County
Noelle Dominguez	Fairfax County
Daniel Rathbone	Fairfax County
Thomas Burke	Fairfax County
Mark Canale	Fairfax County, Special Projects Division (BRAC and Dulles Rail)
John Simkins	FHWA
Irené Rico	FHWA, Division Administrator
Christopher Landgraf	Fort Belvoir
Staci Hill-Good	Fort Belvoir
Melissa Barlow	FTA
Dan Koenig	FTA
Ryan Long	FTA, Community Planner
Claire Gron	NVTC
Tom Blaser	Prince William County
George Philips	Prince William County
Ray Utz	Prince William County
Tracy Gordon	Prince William County

Name	Jurisdiction
Eric Marx	PRTC
Alfred Harf	PRTC
Betsy Massie	PRTC
Nick Alexandrow	PRTC
Ryan Kelly	Secretary's Office
Edythe Kelleher	Southeast Fairfax Development Corporation, Executive Director
Thomas Faha	VDEQ (Regional Director, Northern VA)
Randy Chapman	VDEQ
Andrea Kampinen	VDHR
Marc Holma	VDHR
Angel Deem	VDOT Central Office
Kanti Srikanth	VDOT NOVA
Bud Siegel	VDOT NOVA
Maria Sinner	VDOT, NOVA District, Transportation and Land Use Director (PWC)
Dironna Belton	Virginia OIPI
Christine Hoeffner	VRE
Greg Potts	WMATA
Allison Davis	WMATA
Brooke Fossey	WMATA

# Committee Lists: Project Management Team

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Name	Jurisdiction/Agency
Amy Inman	DRPT
Tim Roseboom	DRPT
Joe Swartz	DRPT
Leonard Wolfenstein	Fairfax County
Thomas Burke	Fairfax County
George Phillips	Prince William County
Dironna Belton	Virginia OIPI
Kanti Srikanth	VDOT NOVA
Bud Siegel	VDOT NOVA
Ryan Kelly	Secretary's Office



# Community Involvement Committee

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- Signatories of the June 12, 2013 letter to Thelma Drake, Jeff McKay and Gerald Hyland:
  - The Coalition for Smarter Growth
  - Sierra Club, Virginia Chapter
  - Fairfax Advocates for Better Bicycling
  - Northern Virginia Affordable Housing Alliance
  - Community Preservation and Development Corporation
  - Spring Bank Community Association
  - Friends of Quander Brook
  - United Community Ministries
  - Audubon Naturalist Society
  - Wesley Housing Development Corp. of Northern Virginia
  - Friends of Dyke Marsh
  - Good Shepherd Housing & Family Services
- Planning Commissioners (Fairfax County and Prince William County)
- Transportation Commissioners (Fairfax County)
- Fairfax County Federation of Citizens Organizations
- Mount Vernon Council of Citizens' Associations
- Lee District Association of Civic Organizations
- Lee Land Use Committee
- South County Federation
- Mount Vernon-Lee Chamber of Commerce
- South Fairfax Chamber of Commerce
- Alexandria Economic Development Partnership
- Other key community interest groups and community leaders
- Business and real estate leaders
- Major property owners along the corridor
- Neighborhood associations in the study area



# VRE System Plan

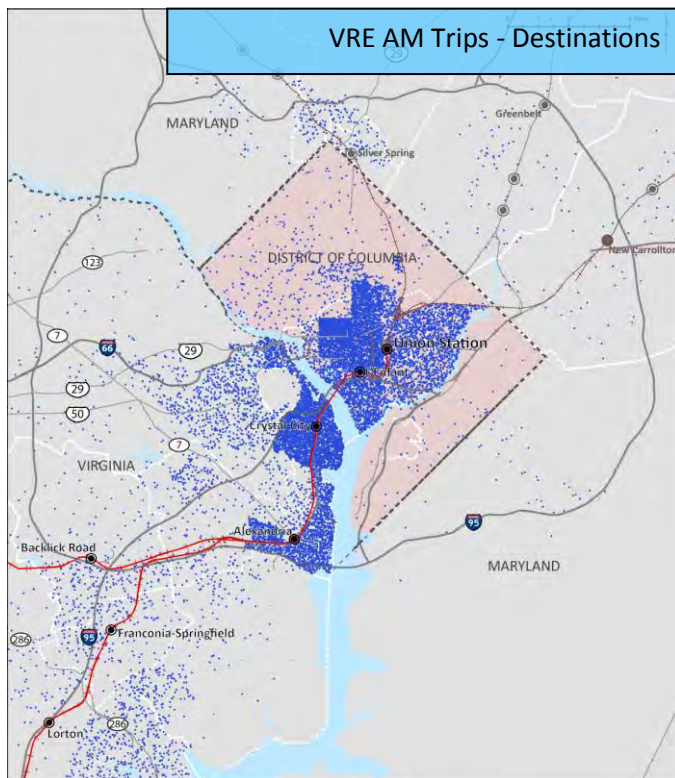
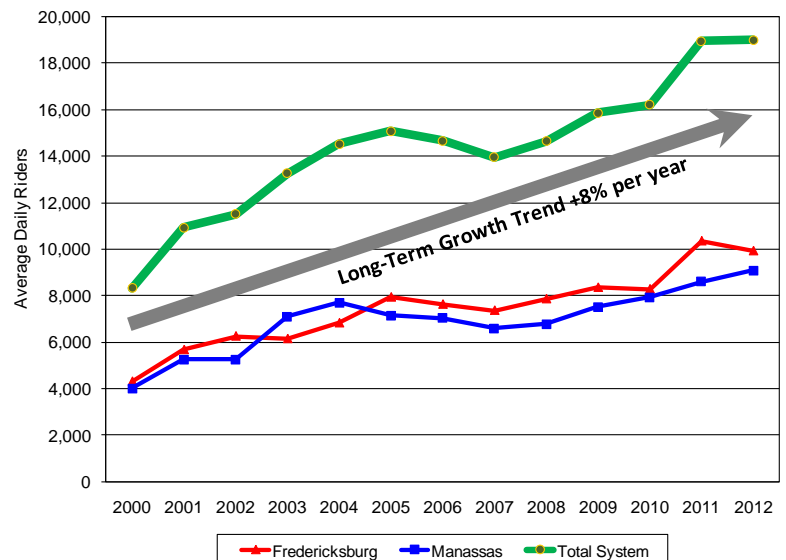
## Overview

VRE prepared its Strategic Plan, a long-range vision for future growth and development, nearly a decade ago. Since then, VRE has followed the path laid out by the 2004 Plan in responding to demand for transportation options within the communities it serves and has nearly doubled its ridership, modernized its fleet, expanded station and railroad infrastructure capacity, and raised passenger satisfaction and service performance to record high levels.

VRE has accomplished all of this within a very constrained financial environment, remaining one of the most cost-effective transit operations in the Washington D.C. region, and is on a par with other commuter rail operations in the U.S.

VRE is now preparing a System Plan to provide a framework for growing the system and responding to current and future travel needs in the northern Virginia and Washington, DC regions. The plan will evaluate potential service improvement and system expansion initiatives to determine the relative magnitude of benefits and costs they would generate, identify potential funding opportunities, and determine needed coordination and cooperation with regional transportation partners and stakeholders.

**VRE Historical Ridership**



**VRE Origins and Destinations (2012) - Destinations Focus Map**

Legend:

- District of Columbia
- VRE District Boundary
- State Boundary
- Major Roadways
- VRE Network
- AMTRAK Network
- Other Railroad
- Interstate
- U.S. Route
- State Route
- Train Station
- VRE
- Future VRE
- MARC
- AMTRAK
- One Dot = One Trip
- Destination

## VRE Service Patterns

VRE's major travel market today is longer-distance commute trips from the middle and outer Virginia suburbs beyond Metro's reach to employment centers in Alexandria, Crystal City, Rosslyn, and downtown DC. The Franconia Springfield, Fort Belvoir and Quantico areas attract trips as well, while Metro distributes commuters well into other parts of the District and suburban Maryland. VRE has a significant share of total regional trips to the core employment centers: 10% to 14% of all trips to DC / Arlington / Alexandria from the communities around its stations. The share in specific markets (such as Broad Run to L'Enfant) can be over 50%, where:

- Drives are long, traffic routes are congested and good transit alternatives are not available
- Jobs are within walking distance of VRE station
- Destination connections to Metro/other transit are good

VRE service in the rail corridors parallel to I-95/395 and I-66 provides the equivalent of 150 lane miles of highway capacity, which is equal to an additional travel lane in each direction on both I-95/395 and I-66.





## VRE System Plan

### Regional Growth

The VRE service area is forecast to grow substantially in the next 20 years. Nearly a million new residents are expected in the Virginia portion of the service area, with places such as Woodbridge and Gainesville in Prince William County, Stafford County and Spotsylvania Counties continuing to grow at a fast pace. While reverse direction travel flows are roughly half the size of peak direction flows to the DC core, military (DOD/BRAC) and other government agency relocations in proximity to the VRE service corridors will likely increase opportunities for VRE to attract reverse commuting travel in addition to feeding traditional commuting patterns from the outlying parts of the region.

VRE service growth is limited by the current operating agreement with its host railroad, CSX, which entitles VRE to operate up to 40 trains per day. VRE currently operates 32 daily trains while the Virginia Division of Rail Passenger Transportation (DRPT) utilizes operates 4 a day using VRE capacity (i.e., VRE train "slots"). Gaining the authority to exceed that cap on daily trains is a critical consideration relative to VRE system growth.

### System Plan Preliminary Initiatives

A day-long workshop with the VRE Operations Board was held in July 2013, where a wide range of VRE service improvements, extensions, and initiatives that might be included in the 2013 System Plan were reviewed. The following initiatives are being analyzed further as the basis for the System Plan and will be reviewed with the VRE Operations Board to seek their consensus and prioritize those ideas that support VRE's mission and best position VRE to respond to current and future mobility needs in the region.

- A near-term focus to achieve service increases within the envelope of existing railroad operating agreements such as adding and lengthening trains. This will also build on existing VRE efforts to expand station platforms and other facilities to ease capacity constraints.
- A medium-term focus to expand service and operations, within the existing VRE core territory, to take advantage of new markets and potential operating efficiencies. This may include extensions to Gainesville-Haymarket and reverse- or off-peak trains. Expansion of railroad capacity including potential Long Bridge expansion or other infrastructure improvements will likely be needed to support this level of growth as well as VRE station improvements such as second platforms.
- A long-term focus on more complex projects that could build off of investments recommended in earlier stages of the System Plan and begins to form the foundation for a Washington, DC regional commuter rail network. VRE-MARC through-running services would be an initial step towards such a network.





AGENDA ITEM # 4

**TO:** Chairman McKay and NVTC Commissioners

**FROM:** Kelley Coyner and Scott Kalkwarf

**DATE:** September 17, 2013

**SUBJECT:** Preliminary Projections of NVTC's General & Administrative Direct Contributions for FY 2015

---

Each fall, NVTC staff proposes a preliminary budget for the next fiscal year to be used by its member jurisdictions in planning their own budgets. While the FY 2015 budget is still under development, the need to notify the jurisdictions of their expected direct local contributions still exists.

NVTC funds its G&A budget through direct payments from the member jurisdictions, as well as an amount taken off the top of state aid. The direct payment amount in total has been constant with, while the amount derived from state aid has varied subject to the review and approval of the Commission. Using this approach for the FY 2015 budget, staff is able to determine the direct payments due in total and from each jurisdiction even though the FY 2015 budget is still being developed.

NVTC staff seeks authorization to forward the preliminary FY 2015 direct contribution requirements to the NVTC's member jurisdictions for planning purposes.



**NORTHERN VIRGINIA TRANSPORTATION COMMISSION  
PRELIMINARY FY 2015 DIRECT G&A JURISDICTON CONTRIBUTIONS**

	<b>FY 2013 <u>Actual</u></b>	<b>Approved Budget <u>FY 2014</u></b>	<b>Preliminary Budget <u>FY 2015</u></b>	<b>FY 2015-2014 Budget Increase <u>(Decrease)</u></b>
Alexandria	\$ 32,259	\$ 32,218	\$ 35,246	\$ 3,028
Arlington	51,994	52,226	55,685	3,459
City of Fairfax	7,684	6,751	5,212	(1,539)
Fairfax County	169,504	173,465	167,903	(5,562)
Falls Church	2,813	2,328	2,549	221
Loudoun	19,993	17,259	17,652	393
	<u>\$ 284,247</u>	<u>\$ 284,247</u>	<u>\$ 284,247</u>	<u>\$ -</u>



AGENDA ITEM #5

**TO:** Chairman McKay and NVTC Commissioners

**FROM:** Kelley Coyner and Scott Kalkwarf

**DATE:** September 25, 2013

**SUBJECT:** DRPT Grant Revenue Reconciliation

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NVTC staff seeks authorization to provide a letter showing the net impact of the reallocation of State assistance by NVTC's SAM to the NVTC WMATA jurisdictions' Boards and their individual board members. The fiscal year 2013 grant agreements between the NVTC WMATA jurisdictions and DRPT includes the following requirement:

*In the event that the Grantee designates NVTC as their authorized agent to perform administrative activities as required by this Agreement, and the Department concurs with the terms, powers, and duties of NVTC in this relationship, and the Grantee joins the other WMATA service jurisdictions within NVTC to pool state transit funding provided for the provision of local transit operations and/or to also pool its state transit funding provided as the payment of state contribution subsidy to WMATA for transit services provided to the WMATA Compact member jurisdictions to meet the WMATA service jurisdictions' obligations of the WMATA Compact, the Grantee must ensure that NVTC provides a statement letter showing the net impact of the reallocation of the State assistance by NVTC's Subsidy Allocation Model ("SAM") between the WMATA Compact jurisdictions, and send such letter to both the Grantee's Governing Board and its individual membership and the Department within 120 days after the end of the Fiscal Year 2013. If an audit of NVTC or its member jurisdictions reveals that the net impact of reallocation is changed, and adjusted letter showing the net impact must be submitted to the Department and the Grantee's Governing Board by December 31 of each year.*

Attached is a schedule showing the net impact of SAM on the FY13 Commonwealth Transportation Funds for the revenue recognized by NVTC during the fiscal year, and the funds contracted during the fiscal year. As explained on the schedule, the difference between the two tables is attributable to timing of the receipt of the revenue.

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**NET IMPACT OF SAM ALLOCATIONS ON FISCAL YEAR 2013 COMMONWEALTH TRANSPORTATION FUNDS**  
**FISCAL YEAR ENDING JUNE 30, 2013**

**Net Impact of SAM Allocation on FY13 Commonwealth Transportation Funds Recognized as Revenue by NVTC During Fiscal Year 2013:**

	<u>City of Alexandria</u>	<u>Arlington County</u>	<u>City of Fairfax</u>	<u>Fairfax County</u>	<u>City of Falls Church</u>	<u>Total</u>
Revenue as Allocated by the Commonwealth Transportation Board	\$ 18,786,608	\$ 29,813,074	\$ 1,463,451	\$ 78,940,236	\$ 1,153,435	\$ 130,156,804
Revenue as Allocated by NVTC Subsidy Allocation Model	<u>17,482,590</u>	<u>29,709,924</u>	<u>1,590,114</u>	<u>80,460,781</u>	<u>913,395</u>	<u>130,156,804</u>
Net Impact of SAM Allocation	<u>\$ (1,304,018)</u>	<u>\$ (103,150)</u>	<u>\$ 126,663</u>	<u>\$ 1,520,545</u>	<u>\$ (240,040)</u>	<u>\$ -</u>

**Net Impact of SAM Allocation on FY13 Commonwealth Transportation Funds Contracted for Fiscal Year 2013 (see note):**

	<u>City of Alexandria</u>	<u>Arlington County</u>	<u>City of Fairfax</u>	<u>Fairfax County</u>	<u>City of Falls Church</u>	<u>Total</u>
Revenue as Allocated by the Commonwealth Transportation Board	\$ 18,786,608	\$ 32,423,760	\$ 1,471,517	\$ 86,807,014	\$ 1,153,435	\$ 140,642,334
Revenue as Allocated by NVTC Subsidy Allocation Model	<u>18,926,762</u>	<u>32,172,698</u>	<u>1,714,455</u>	<u>86,842,299</u>	<u>986,120</u>	<u>140,642,334</u>
Net Impact of SAM Allocation	<u>\$ 140,154</u>	<u>\$ (251,062)</u>	<u>\$ 242,938</u>	<u>\$ 35,285</u>	<u>\$ (167,315)</u>	<u>\$ -</u>

NOTE: The differences between the two tables is attributable to timing. The first table shows the net impact of SAM on all FY13 Commonwealth Transportation Funds received and recorded as revenue by NVTC during FY13, while the second table shows the net impact of SAM on the FY13 funds assuming all FY13 contracted funds were received in FY13. Since not all capital expenditures were incurred in FY13, not all capital assistance was received in FY13. When that assistance is received, it will be allocated by the SAM percentages in effect during the year of receipt. The net impact of SAM on all FY13 funds will vary slightly from the second table due to the slight fluctuation in the SAM percentages between years.



AGENDA ITEM #6

**TO:** Chairman McKay and NVTC Commissioners  
**FROM:** Kala Quintana  
**DATE:** September 19, 2013  
**SUBJECT:** CTB Fall 2013 Pre-Allocation Hearing

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The Commonwealth Transportation Board's (CTB) fall 2013 Pre-Allocation hearing date for Northern Virginia has yet to be announced. However the anticipated date is October 22, 2013 at the Northern Virginia VDOT offices in Fairfax, VA. The purpose of the hearing is to allow jurisdictions and the public to provide additional comments on the Current FY2014 – FY2019 Six Year Program and the development of the FY 2015 – FY2020 Six Year Program. This is also an opportunity to remind the CTB of the important role of NVTC and transit in Northern Virginia.

Action: Authorize NVTC's Chairman or his designee to testify at the CTB Preallocation Hearing.



## AGENDA ITEM #7

**TO:** Chairman McKay and NVTC Commissioners

**FROM:** Kelley Coyner, Claire Gron, and Scott Kalkwarf

**DATE:** September 25, 2013

**SUBJECT:** TSDAC Update

---

Since the September Commission meeting, DRPT has moved forward with public review of its Performance-Based Operating Assistance Allocation Plan. In addition, DRPT has briefed the House Appropriations and Senate Finance Committees as well as the Commonwealth Transportation Board on both the operating assistance allocation and proposed changes to the capital tiers and overhaul of the way that DRPT calculates state share. On behalf of NVTC, Chairman McKay forwarded a letter outlining NVTC's concerns with DRPT's implementation of each proposal (see attached). In addition, Chairman McKay will submit comments for the public record on the Performance-Based Operating Allocation no later than October 1<sup>st</sup>.

### Operating Allocation

The Transit Service Delivery Advisory Committee (TSDAC) last met on September 9, 2013. At this meeting, TSDAC discussed DRPT's decision to use jurisdiction of residence for determining Virginia unlinked trips for WMATA Metrorail for the FY14 supplemental allocation. Director Drake characterized this decision as a compromise between DRPT and NVTC. TSDAC acknowledged that unlinked trips for WMATA Metrorail are being treated differently than unlinked trips for other agencies throughout the Commonwealth.

In September, NVTC attended presentations to the House Appropriations Committee, Senate Finance Committee, and Commonwealth Transportation Board on TSDAC. At those meetings, DRPT/TSDAC committed to create a working group to: 1) create methods and standards to review and analyze data, and research possible processes to reward exceptional behavior; and 2) study indirect input vs. direct output metrics for

sizing transit systems. The working group will produce reports on these two issues by March 31, 2014.

A 45-day public comment period for the operating allocation began on August 16<sup>th</sup> and will conclude on October 1<sup>st</sup>. CTB is scheduled to take action on TSDAC's operating recommendations on October 16<sup>th</sup>.

### **Capital Allocation**

Although TSDAC was scheduled to review and finalize plans for the capital funding allocation at the September 9<sup>th</sup> TSDAC meeting, this has been postponed until the next meeting of the TSDAC on October 11<sup>th</sup>. TSDAC also discussed additional details concerning the proposed three-tier approach for capital funding allocations: Tier 1 (Replacement and Expansion Vehicles), Tier 2 (Infrastructure/Facilities), and Tier 3 (Other). The group agreed that different elements of major capital projects would fall into each of the three tiers.

The main issue that remains unresolved concerns DRPT's proposal to change the state contribution to net instead of gross of federal share, which is of particular concern for NVTC jurisdictions, because they do not accept federal formula funds for transit. NVTC submitted staff comments to DRPT/TSDAC concerning the capital allocation on August 2<sup>nd</sup>.

Based on the most recent DRPT model, NVTC estimates that the shift from net to gross costs alone would result in an increase in local contributions for NVTC jurisdictions of \$6M in FY14.

A 45-day public comment period for the capital allocation is set to begin October 11<sup>th</sup> and end November 24<sup>th</sup>. CTB will take action on TSDAC's capital recommendations on December 4, 2013.

Based on DRPT's operating funding allocation model, FY14 supplemental allocations for Northern Virginia transit providers will be as follows:

- WMATA: \$27.75M to \$30.24M
- VRE: \$2.28M to 2.48M
- Fairfax County Connector: \$3.91M to \$4.26M
- Alexandria DASH: \$1.04M to \$1.13M
- Arlington Transit: \$666K to \$726K
- Loudoun County Transit: \$663K to \$723K
- City of Fairfax CUE: \$208K to \$227K



**Chairman**  
Hon. Jeff McKay

**Vice Chairman**  
Hon. Paul Smedberg

**Secretary/Treasurer**  
Hon. David Snyder

**Commissioners:**

**City of Alexandria**  
Hon. William D. Euille  
Hon. Paul Smedberg

**Arlington County**  
Hon. Mary Hynes  
Hon. Jay Fisette  
Hon. Christopher Zimmerman

**Fairfax County**  
Hon. Sharon Bulova  
Hon. John Cook  
Hon. John Foust  
Hon. Catherine M. Hudgins  
Hon. Jeffrey McKay

**City of Fairfax**  
Hon. Jeffrey C. Greenfield

**City of Falls Church**  
Hon. David Snyder

**Loudoun County**  
Hon. Kenneth Reid

**Commonwealth of Virginia**  
Hon. James Dyke

**Virginia General Assembly**  
Sen. Richard Black  
Sen. Mark Herring  
Del. Barbara Comstock  
Del. Joe T. May  
Del. David Ramadan  
Del. Thomas D. Rust

**Executive Director**  
Kelley Coyner

September 17, 2013

The Honorable Walter A. Stosch  
Chairman  
Senate Finance Committee  
Virginia General Assembly  
P.O. Box 396  
Richmond, VA 23218

Dear Chairman Stosch:

Let me begin by expressing appreciation for the nonstop work of the Transit Service Delivery Advisory Committee (TSDAC) and the Department of Rail and Public Transportation (DRPT) to develop a performance-based operating assistance allocation formula and a new tiering structure for capital assistance for the Commonwealth as called for in SB 1140. As I expect you will hear from DRPT Director Thelma Drake and TSDAC Chairman John McGlennon, TSDAC has finalized recommendations on the operating assistance formula and implementation plan. This will allow for a transition to the new approach as required by SB 1140. TSDAC has also developed a much improved tiering structure for the state's capital allocation as called for by SB 1140. NVTC believes that operating and capital recommendations made to date by TSDAC will allow funds to be distributed in a timely manner—but the way in which DRPT proposes to implement them are contrary to the legislation.

Performance-Based Operating Assistance Allocation Implementation

TSDAC has recommended an operating assistance formula that will allocate new funds based on how systems perform from year to year. This formula takes into account the relative size of systems by accounting for operating costs and ridership.



As implemented, the proposed operating assistance formula should measure the performance and size of all systems in the state in a consistent manner using timely and complete data. DRPT has decided to only count trips made by Virginians living in a limited part of the Commonwealth. As a result, the size of Metrorail ridership will be severely undercounted. We are pleased that the TSDAC chair recommends that this issue be revisited and we ask that this happen next year rather than waiting two more years.

In determining the size of Metrorail, DRPT's plan is to count only trips that are taken by Virginians who reside in Virginia jurisdictions that are a part of the WMATA Compact. (Residency of riders is determined by surveys conducted every three to five years.) DRPT would not count:

- Trips taken by employees of Virginia businesses who are not Virginia residents.
- Trips by out-of-state travelers to and from Virginia's airports.
- Trips by Virginians from places like Prince William, Loudoun, Spotsylvania, and Stafford Counties who travel on Metro whether they are travelling within Virginia or travelling to the District or Maryland as a part of their commute.
- Trips taken by Virginians on the new Dulles Silver Line until survey data is updated.

NVTC has proposed a formula that is based on standardized, verifiable data. This would count all trips that either end or begin in Virginia and has no double counting. This issue is discussed in detail as part of our comments submitted to TSDAC. We believe that this is the best way to get an apples-to-apples comparison between the ridership of WMATA Metrorail and ridership of other systems in the state. The only purpose for this ridership calculation is to measure the trips attributable to Virginia. It will not impact the total amount of the subsidy to WMATA.

### Capital Tiering

The legislation also charged TSDAC with advising DRPT on how capital assistance is prioritized. As noted in the legislation, this means revising the "tiers for the capital allocation." TSDAC and DRPT have carefully worked through a way that meets this legislative requirement and defines the tiers to clarify the Commonwealth's priorities.

In addition to what is called for in the legislation, DRPT proposes overhauling the way state share is calculated. The proposal to flip how state share is calculated will:

- Negate the purpose of SB 1140's requirement to establish a new tiering structure; and
- Undermine the landmark transportation funding legislation passed by the General Assembly by penalizing jurisdictions that already devote substantial local funds to transit projects.

There are so many unanswered questions — some of which cannot be answered in the next few weeks. I urge that consideration of changing the way state share is calculated be revisited by TSDAC next year and in the context of how best to meet transit funding needs across the Commonwealth. It is critical that the Commonwealth get this right before unintentionally harming our already financially challenged transit systems.

We recognize that these are complex issues and would welcome the opportunity to discuss them directly with you or members of your committee. I have attached our August 21, 2013 and September 6, 2013 letters to TSDAC Chair John McGlennon which addresses more fully the issue of fairly calculating the size of the trips that belong to Virginia. A staff paper is included which provides real examples of the impact of DRPT's proposal to overhaul the way state share of capital is calculated.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeff', with a long horizontal stroke extending to the right.

Jeffrey McKay  
Chairman

cc: Betsey Daley, Staff Director

Attachments:

August 21, 2013 Letter to Hon. John McGlennon, Chairman TSDAC (with attachments)

September 6, 2013 Letter to Hon. John McGlennon, Chairman TSDAC (with attachments)



September 6, 2013

**Chairman**

Hon. Jeff McKay

**Vice Chairman**

Hon. Paul Smedberg

**Secretary/Treasurer**

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**Commonwealth of Virginia**

Hon. James Dyke

**Virginia General Assembly**

Sen. Richard Black

Sen. Mark Herring

Del. Barbara Comstock

Del. Joe T. May

Del. David Ramadan

Del. Thomas D. Rust

**Executive Director**

Kelley Coyner

The Honorable John McGlennon

Chairman

Transit Service Delivery Advisory Committee

c/o DRPT

600 East Main Street, Suite #2102

Richmond, Virginia 23219

Dear Chairman McGlennon:

At its last meeting on August 22, the Transit Service Delivery Advisory Committee (TSDAC) adopted a final white paper containing its recommendations on the Virginia Department of Rail and Public Transportation's (DRPT's) *Performance-Based Operating Assistance Allocation Implementation Plan* ("Operating Assistance Proposal"). It left one issue open and requested that DRPT, Northern Virginia Transportation Commission (NVTC) and WMATA staff meet again in an effort to work to reach consensus on the issue.

This group: 1) reviewed the formula that NVTC proposed for calculating unlinked passenger trips (for the purposes of the 50% ridership sizing component) for a system that serves a locality outside of Virginia; 2) analyzed whether alternative approaches suggested by DRPT reflect what TSDAC intended by using unlinked trips as a measure of ridership; and 3) considered whether DRPT's suggestion that unlinked trips equal 100% of total systemwide ridership could be accomplished consistent with TSDAC's intent. Unfortunately after two additional meetings, we were not able to reach a common view of how ridership data should be used to show the Virginia utilization of the system.

DRPT opted for a calculation which considers only those trips made by Virginia residents as attributable to Virginia for sizing purposes. NVTC complied with DRPT's request for this data on Thursday, September 5.

I appreciate the public comment opportunity, afforded by TSDAC, to explain why NVTC staff believes that its proposed approach best reflects TSDAC's intentions in including the industry standard of unlinked passenger trips as the measure of ridership for purposes of accounting for differences in the sizes of different systems. Before summarizing our principal concerns, I would like to describe how unlinked trips data is collected and reported to the Federal Transit Administration (FTA) and then describe the calculation for Virginia unlinked trips that NVTC, with WMATA's assistance, proposes.

In general, an unlinked trip is the boarding of any vehicle whether it is a bus or a railcar. So, for example, a bus rider boards the Fairfax Connector and then transfers to another Fairfax Connector bus—each is an unlinked trip. Similarly, if a passenger boards an Orange Line train at the West Falls Church station, exits that train at the Rosslyn station and boards a Blue Line train, and exits at Franconia-Springfield station—each is an unlinked trip.

On Metrorail, the physical monitoring of trip-making occurs at the fare gate, both on entrance and exit. Because passengers may board multiple trains or vehicles within the system without fare gate access, WMATA has—in accordance with industry practice and with FTA’s approval—calculated an average transfer rate.

The basis for the NVTC/WMATA approach is that any trip that either originates or ends in Virginia should be attributed to Virginia for purposes of sizing the level of system utilization. In non-technical terms this calculation would be based on:

All trips beginning in Virginia plus  
 All trips ending in Virginia minus  
 Trips beginning and ending in Virginia in order to avoid double-counting  
 Multiplied by a verified transfer rate  
 Equals unlinked trips attributed to Virginia

After considering several other options for how ridership data should be used to show the Virginia utilization of the system, DRPT selected an option that counts trips for Virginia residents irrespective of where they board or exit the system. Other approaches included counting only trips with Virginia entries or applying the subsidy allocation to systemwide Metrorail trips. The following summarizes NVTC’s key concerns. (These are elaborated on in a policy memo that is attached with the percentages and numbers of trips different approaches yield shown.)

- TSDAC’s recommended operating assistance formula includes two elements of how differences in relative system sizes are accounted: ridership and operating costs. The basis for determining ridership is a known, verified, universally-collected set of data called unlinked trips. Unlinked trips count each boarding of a vehicle as a trip and it is a measure of system utilization; it is not a measure of miles travelled or a number of passengers served. It is an output measure – a measure of what localities get from the system.
- How unlinked trips are used to measure any given system’s utilization should be consistent across all systems whether it is other systems in Northern Virginia or other parts of the state. If trips beginning in DC and ending in Virginia are not credited to WMATA, similar trips from DC or Maryland or Tennessee or West Virginia or North Carolina should not be counted for other systems. If only trips by Virginia residents are counted for WMATA sizing, the same should be true for other systems. Using the subsidy allocation percentages as a proxy for Virginia’s ridership share at best mixes apples and oranges. It uses a funding allocation formula to calculate utilization levels.

- Limiting trips to only those taken by Virginia residents excludes workers travelling to Virginia-based jobs, excludes many trips to and from National Airport, and bases the calculation on stale data. Residency data is collected through a survey undertaken every three to five years. As a result, it may be three to five years before Virginia residents' trips on Phase I of the Silver Line are accounted for and the data will lag actual performance. For Phase II of the Silver Line, this would mean that Virginia residence ridership would not be accounted for until at least 2021. Fare gate data is available monthly in a raw form; WMATA produces adjusted data annually for submission to NTD, and the FTA produces an audited number for inclusion in the National Transit Data Base.
- We take exception to DRPT's contention that the number of unlinked trips assigned to Virginia for sizing purposes plus the number of DC unlinked linked trips plus the number of Maryland unlinked trips should sum to 100 percent of the total WMATA trips. DRPT suggests that whatever approach that is applied to a calculation of the number of trips attributed to Virginia should be applied to DC and to Maryland and that the sum of those numbers should equal the sum of trips for the entire WMATA system. A calculation for sizing should be the same as a calculation for the subsidy. The calculation of the subsidy for Maryland and Virginia and DC is a result of a negotiated agreement that does not turn on utilization. A trip that originates in DC or Maryland but which continues into Virginia represents a utilization of the service in both DC or Maryland *and* Virginia. To disallow an unlinked trip that originates in Maryland or DC and ends in Virginia results in discounting the very performance that should be encouraged, namely increased use of transit.
- Assigning trips for Metrorail that begin or end in the Commonwealth for the purpose of the 50% sizing factor does not have a bearing on the subsidy allocation formula. The NVTC jurisdiction's share of the subsidy subject to agreement between parties to the WMATA compact. At issue is what portion of that operating assistance should be provided by the Commonwealth. The total subsidy should remain constant.

Thank you once again for the opportunity to submit comments. Please feel free to contact me if you have any questions.

Sincerely,



Kelley Coyner

Enclosure

# TSDAC Adopted Unlinked Passenger Trips as the Metric for Ridership

TSDAC chose a sizing factor split equally (50-50) between two elements: ridership and operating costs. Ridership measures the utilization of the service while operating costs measure the costs of the service. In considering different alternative approaches to calculating ridership for WMATA, the focus should be on the utilization of the service in Virginia, and not on its cost. Cost is reflected in the second part of the sizing factor. Unlinked trips measures utilization; transit systems collect the data routinely using standardized methodologies, and the data are consistently verified.

In practical terms we tend to think of ridership as “the number of passengers transported,”<sup>1</sup> in other words, how many people are being moved. The output sought is more than just the number of passengers—it is the number of trips taken. To put it another way, the output is the measure of utilization, not the number of passengers. The industry standard for measuring this output in the United States the Unlinked Passenger Trip (UPT).<sup>2</sup>

Unlinked passenger trips are defined as, “the number of passengers who board public transportation vehicles. Passengers are counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination.”<sup>3</sup> The definition of unlinked trips does not speak to the geographic location of boarding or transfer, jurisdictional boundaries, or length of the trip.

Unlinked trips differ from linked trips as follows: a one-way trip from point A to point B is counted as one linked trip. If the one-way trip requires a transfer between vehicles, it is counted as two unlinked trips. As noted by the Transit Research Cooperative Program, ridership is an economic measure of resource utilization.<sup>4</sup> In July, when TSDAC was considering possible sizing factors, DRPT acknowledged that all possible sizing factor options measure “outputs, not inputs” and “agencies with higher ridership per operating unit have potential for higher funding.”<sup>5</sup>

To calculate the unlinked trips WMATA trips appropriately attributed to Virginia for purposes of the sizing factor, NVTC/WMATA’s approach is that any trip that either originates or ends in Virginia should be attributed to Virginia for purposes of sizing the level of system utilization. In non-technical terms this calculation would be based on:

All trips beginning in Virginia **plus**

All trips ending in Virginia **minus**

Trips beginning and ending in Virginia in order to avoid double-counting

**Multiplied** by a verified transfer rate

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<sup>1</sup> TCRP Report 88: A Guidebook for Developing a Transit Performance-Measurement System, p. 301.

<sup>2</sup> TCRP Report 88: A Guidebook for Developing a Transit Performance-Measurement System, p.126-7, 167, and 301.

<sup>3</sup> NTD Glossary, available at <http://www.ntdprogram.gov>. DRPT/TSDAC has adopted the FTA’s definition of Unlinked Passenger Trips in the *Performance-Based Operating Assistance Allocation Implementation Plan*.

<sup>4</sup> TCRP Report 88: A Guidebook for Developing a Transit Performance-Measurement System, p.126-7, 167, and 301.

<sup>5</sup> DRPT July 1, 2013 presentation to TSDAC, “Funding allocation concepts and items.”

## TSDAC Adopted Unlinked Passenger Trips as the Metric for Ridership

In order to identify the number of Virginia unlinked trips for WMATA Metrorail, NVTC and WMATA updated a long-standing NVTC formula for estimating Virginia's share of unlinked trips. The formula in more technical terms is summarized as follows:

$$\begin{aligned} & \text{VA station entries} \\ + & \text{VA station exits}^6 \\ - & \frac{(\text{Systemwide entries} * 0.0789) (\text{VA-VA})}{\text{Total Linked Trips taken w/ Virginia origin or destination}} \\ = & \frac{1.33}{\text{Total Unlinked Trips taken w/ Virginia origin or destination}} \end{aligned}$$

The formula includes both Virginia station entries and Virginia station exits, because in both instances, a trip is being provided in Virginia. On Metrorail, the physical monitoring of boarding occurs at the fare gate. Riders are “captured” taking a trip in Virginia by means of Virginia station entries/exits. For example, the formula takes into account trips that start at Foggy Bottom station in DC and end at Vienna station in Virginia and trips that start at Vienna station and end at Foggy Bottom station.

The formula also addresses trips that both start and end in Virginia. An examination of WMATA origin/destination data (see chart, below), reveals that 23.2% of the total number of systemwide Metrorail trips originate and 23.3% end in Virginia. The intersection of these trips, 7.89%, represents the total number of trips with a Virginia origin and destination; the formula subtracts 7.89% of system wide trips in order to avoid double-counting.

Finally, the WMATA system wide transfer rate is 1.33. Because passengers may board multiple trains (vehicles), WMATA calculated an average transfer rate. The transfer rate represents the percentage of transfers in the system per linked trip; it is used to identify the total number of unlinked trips for WMATA Metrorail. This ratio is derived annually by WMATA, and has been approved by the Federal Transit Administration (FTA) for the purposes of calculating and reporting unlinked trips to the FTA through the National Transit Database (NTD) in order to meet federal requirements.

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<sup>6</sup> Virginia station entries are being used as a proxy for station exits. WMATA data indicate that entry and exit data are almost identical, although entry data are more accurate.

## TSDAC Adopted Unlinked Passenger Trips as the Metric for Ridership

		Destination			
		District of Columbia	Maryland	Virginia	TOTAL
Origin	District of Columbia	29.4%	14.0%	13.7%	57.2%
	Maryland	14.0%	4.0%	1.6%	19.6%
	Virginia	13.6%	1.7%	7.89%	23.2%
	TOTAL	57.0%	19.7%	23.3%	100.0%

FY2011 Linked Trips	
17,414,434	51,050,703
50,463,226	220,715,259

As discussed above, an examination of WMATA origin/destination data reveals that 23.2% of the total number of system wide Metrorail linked trips originate and 23.3% end in Virginia. After removing the intersection of these trips to avoid double-counting 7.89% and applying the transfer rate, we find that 38.6% of the total number of systemwide Metrorail trips originates or concludes in Virginia. This methodology measures the utilization of Metrorail in Virginia. The NVTC formula measures outputs from Metrorail. Using the formula described above, NVTC calculates the delivery of 112,633,672 unlinked trips in Virginia for FY11.<sup>7</sup>

NVTC should be credited with Virginia entries and exits; to fail to include trips originating in DC or Maryland would underestimate utilization in Virginia. To provide a concrete example, trips by an employee of a local business or government located in Virginia who lives in the DC are not counted unless entries and exits are considered.

Further, this approach would result in inconsistencies across systems. PRTC, LCT and VRE trips that originate in DC but which occur, in part, in Virginia, are credited 100% to Virginia in terms of the system sizing. According to DRPT, a VRE trip that originates at Union Station in DC and which concludes in Fredericksburg is counted as a Virginia trip. In fact, 30.5% of all VRE trips originate in DC<sup>8</sup>; these trips originate outside Virginia, but end in Virginia, and VRE is able to count every trip. Using this logic, Metrorail should rightly be permitted to count trips that originate outside of Virginia, but end in Virginia. Similarly, reverse commutes on PRTCs system (presumably not trips with Virginia residents as passengers) should not be counted in order to achieve a consistent application across systems. Applying NVTC's formula to calculate trips in Maryland and DC results in more than 100% of the unlinked trips for the total Metrorail system.

<sup>7</sup> NVTC utilized monthly fare gate data to calculate this figure, and well as ridership for Options #1 and #2, later in this paper. These calculations differ slightly than if they are calculated based on annual data. WMATA produces adjusted data annually for submission to NTD, and the FTA produces an audited number for inclusion in the National Transit Database.

<sup>8</sup> See Virginia Railway Express 2012 Customer Opinion Survey Results. Sixty-one percent of VRE riders commute to/from DC.



## TSDAC Adopted Unlinked Passenger Trips as the Metric for Ridership

As previously mentioned, 38.6% of systemwide trips occurs in Virginia, 84.8% occurs in DC, and 35.3% occurs in Maryland. Taken together, these figures add up to over 100%. Assigning trips for Metrorail that begin or end in the Commonwealth for the purpose of the 50% sizing factor does not have a bearing on the subsidy allocation formula. The NVTC jurisdiction's share of the subsidy subject to agreement between parties to the WMATA compact. At issue is what portion of that operating assistance should be provided by the Commonwealth. The total subsidy is remains constant

It is appropriate to "credit" trips to more than one jurisdiction. Transit trips cross jurisdictional boundaries and can occur in more than one place. A trip that originates in DC or Maryland but which continues into Virginia represents a utilization of the service in both DC or Maryland *and* Virginia; it is appropriate to include that trip as part of the ridership data for the WMATA sizing factor. Transit trips that cross jurisdictional boundaries cannot be "assigned" to a single jurisdiction. In fact, a trip can be attributed to more than one jurisdiction.

### DRPT Options

DRPT asked that NVTC and WMATA examine two methods of assigning unlinked trips to VA/DC/MD such that the sum of all unlinked trips is 100%. There are two possible options and DRPT has selected Option #1.

- Option #1: Multiply systemwide unlinked trips by the percentage of Metrorail riders who reside in Virginia (30.9%); or
- Option #2: Multiply systemwide unlinked trips by Virginia's Metrorail subsidy percentage (31.17%).

DRPT's Option #1 measures the percentage of unlinked trips that are taken by Virginia residents. Unlinked trips that are taken in Virginia by DC and Maryland residents (or others) are not counted. Where residency is the basis for the determination, the formula generates 90,707,350 "unlinked trips" in Virginia for FY11. Assume that a trip is taken by a DC resident to work in Falls Church, Virginia. The DC resident travels between East Capital station and East Falls Church station to and from work. Under the option selected by DRPT, neither of these trips would count toward the ridership portion of the sizing factor for Virginia. Another troubling concern is that using the Virginia residency constraint excludes trips made to and from Ronald Reagan Washington National Airport station if the traveler is not a resident. This is a problematic for counts to and from the airport; we understand that the undercount would be much more severe if ridership to and from Dulles Airport were also excluded in the future when the Silver Line Phase II opens. In addition, Residency data is collected through a survey undertaken every three to five years. This has particular consequence of undercounting with respect to the Silver Line trips.

DRPT's Option #2 measures the number of unlinked trips for which Virginia's jurisdictions are "paying;" it measures how much Virginia is paying for Metrorail service in Virginia, DC, and Maryland. Option #2 is not an appropriate measure of unlinked trips in Virginia. As discussed above, ridership measures the utilization of the service while operating costs measure the costs of the service. The other half of the sizing factor—operating costs—addresses how much Virginia is paying for Metrorail service in Virginia. This methodology is flawed because it measures inputs and not outputs and is not an accurate measure of Metrorail utilization in Virginia. Option #2 formula generates 91,499,938 "unlinked trips" in Virginia for FY11.

## **TSDAC Adopted Unlinked Passenger Trips as the Metric for Ridership**

**Note with respect to Metrobus:** The bulk of the discussion concerning WMATA ridership data to date has focused on WMATA Metrorail; however, the calculation of WMATA Metrobus ridership data is also not finalized. WMATA tracks ridership for Virginia routes (unlike Metrorail, Metrobus routes, with few exceptions, are specific to jurisdiction). Approximately 16.6% of total WMATA Metrobus systemwide ridership is on Virginia routes. Based on ridership for Virginia routes, there were 20,810,422 unlinked trips in Virginia for FY11.

If we were to calculate WMATA Metrobus ridership based on Option #1 using the percentage of Metrobus riders who reside in Virginia (16.0%), there were 20,014,240 unlinked trips in Virginia for FY11. If we were to calculate WMATA Metrobus ridership based on Option #2 using Virginia's Metrobus subsidy percentage (25.7% in FY11), there were 32,151,552 unlinked trips in Virginia for FY11. As with WMATA Metrorail, the calculation of WMATA Metrobus ridership based on a jurisdiction of residence or subsidy percentage measures inputs, not outputs. The accurate measure of Metrobus utilization in Virginia is actual ridership for Virginia routes. For consistency, were this calculation applied throughout the Commonwealth, ridership as a sizing factor for other systems would also only include trips by Virginia residents. Out-of-towners using Hampton Roads Transit (HRT) would not be included; DC residents travelling to work in Fairfax County would not be counted; West Virginians on commuter buses or Virginia Regional Transit (VRT) would not be included in the calculation for ridership of those systems.



August 21, 2013

**Chairman**  
Hon. Jeff McKay

**Vice Chairman**  
Hon. Paul Smedberg

**Secretary/Treasurer**  
Hon. David Snyder

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Del. Joe T. May  
Del. David Ramadan  
Del. Thomas D. Rust

**Executive Director**  
Kelley Coyner

The Honorable John McGlenon  
Chairman, Transit Service Advisory Committee  
c/o DRPT  
600 East Main Street, Suite #2102  
Richmond, VA 23219

Dear Chairman McGlenon:

As the Transit Service Delivery Advisory Committee continues its consideration of proposed changes to the calculation of state contribution of state capital, I ask that that TSDAC take into consideration the following as it considers the recommendation of whether to retain a net cost of federal share as the basis for calculating state capital contributions. NVTC staff along with the local transit systems have reviewed the set of proposals made by the Virginia Department of Rail and Public Transportation and considered at your last meeting. The principal elements of that proposal are a three tier allocation scheme, a provision that treats major projects in a separate discretionary manner, and a shift from calculating the state share from net cost to gross cost of federal share. We have observations on each; we wish to highlight our concerns that a shift from gross cost to net cost will result in the following:

- The use of gross cost will dramatically increase the local contributions required of those jurisdictions that do not have federal funds while effectively eliminating the requirement that other jurisdictions outside of NVTC and Hampton Roads make any local contribution at all. There has been a suggestion that localities would be required to make a minimum match of 1%.
- A shift to gross cost penalizes jurisdictions that do not have sufficient federal funds to meet their capital needs for state of good repair or increased capacity.
- Spreading where federal dollars are spent --- especially at WMATA or from WMATA --- will not only drive up costs but will be constrained by FTA funding limitations and by agreements among the District, Maryland and Virginia.
- Arguably, federalizing systems such as the Fairfax Connector and others will result in higher operating costs. If this is the way things play out, these increased operating costs would impact the rest of the state.
- Based on historical data and only the shift from net to gross costs, the increase in local contributions for NVTC jurisdictions would be \$6 million and the increase to Hampton Roads would be \$3.4 million. NVTC jurisdictions now make the largest local contributions. In 2012 these local contributions amount to 9 times more per capita in NVTC than in jurisdictions outside of NVTC's boundaries, and over 12 times if including operating revenue in the calculations.

These conclusions are based on available data. A short staff paper is attached that further explains these concerns and provides the comparison of the effects of using net cost versus gross.

Suggestions that these impacts would be mitigated by changes in capital needs, shifts in the use of federal funds outside of NVTC and Hampton Roads, or by changes in federal funding should be viewed cautiously. The impacts should be assessed based on common understanding of the full set of conditions for use of the funds and grounded in evidence of these changes, not speculation no matter how well informed.

Before making any capital allocation recommendations, time should be taken to assess and to seek input on alternatives. Data needed to validate different approaches should be identified, gathered, and run through different scenarios. Data required includes capital needs, future federal funding levels and priorities, and actual changes in state priorities with respect to its priorities for federal funds subject to its discretion.

In addition to opposing a net to gross change, we encourage TSDAC to take a close look at these open questions with respect to its recommendation of three-tier capital allocation model.

- How is each tier to be defined? The recommendations are conceptual and do not speak in detail as to what would be included in each tier. Also where do major capital projects noted in the DRPT's white paper fit within the proposed tiers?
- What should the participation rates be for each tier? Is it practicable to have fixed rates or should the first tier be fixed and the other two float? Can the Commonwealth achieve its desired predictability with this scheme?
- Taking into account the answers to these questions, what is gained by shifting to a three-tiered approach?

A vital issue tied to the consideration of the three-tiered approach is the question of where "Major projects" should be included. Calling them out for discretionary approval and unknown participation rates would undermine the ability of any major project in the Commonwealth to meet threshold requests for federal funding under New Start or Small Start programs. The proposed approach is essentially a fourth tier. We are encouraged through discussions with DRPT staff that they are working on alternatives discretionary funding of major capital projects and will work closely with DRPT to find an appropriate approach.

These observations are preliminary and based on the initial information provided by DRPT. These comments have neither been reviewed nor approved by the Board of the Northern Virginia Transportation Commission. The Board will have its first opportunity to review these proposals at its September Commission meeting. I have included a short paper elaborating on concerns about a fundamental shift in the way state share is calculated.

We look forward to review of the operating allocation model and data and will be glad to continue to work with you as you determine the best way to proceed with respect to capital allocation proposals.

Sincerely,



Kelley Coyner

## NVTC STAFF OBSERVATIONS ON IMPACT OF CHANGE FROM NET COST TO GROSS COST IN CALCULATING STATE SHARE

This paper elaborates on the observations made in the NVTC staff's letter to the Transit Service Delivery Advisory Committee. To recap, shifting from gross to net costs as the basis for calculating state share will drive up local costs for jurisdictions that do not have federal funding and will eliminate local contribution for many who do. In addition, accommodating increased state share by spreading federal funds to new assets poses significant institutional issues and will drive up the costs of capital for WMATA. In order for local jurisdictions to retain their federal share the regional funding agreements may have to be renegotiated and the operating and capital costs of local systems will be increased. The cost of WMATA capital projects would increase if forced to spread federal funds across additional assets.

Please refer to the attached tables prepared by NVTC which illustrates the impact on local funding by changing the allocation method from net to gross

By way of illustration of the challenges, consider capital funding for a bus at WMATA. We offer the typical example of a WMATA capital project—a bus (replacement) at a hypothetical cost of \$1 million of which 80 percent qualifies for federal funding. Under net costs, the state participation would be 55% of \$200,000 or \$110,000. If gross costs are employed, the bus purchase qualifies for \$800,000 in federal funds and \$450,000 in state funds. In sum, the purchase would technically qualify for federal and state funds in excess of the cost of the bus.

This would then require WMATA to spread its federal funds, assuming it could, to other capital projects or for the local jurisdiction to retain their share. Both options will drive up the costs of capital and in the case of shifting federal share to local jurisdictions will drive up operating costs. There are also tremendous practical problems with moving federal share among projects and from WMATA to local governments.

### Increased Costs of Capital Projects

Spreading federal funds would have the effect of federalizing more capital projects -- as would happen if the capital participation rate became a percentage of gross -- and would have unintended, adverse consequences for the entire Commonwealth. That's because projects with federal participation cost more, since they have to abide by federal rules (e.g. Buy America requirements; longer procurements and review processes; limited competition because some contractors are not equipped to deal with federal contracting requirements; etc.). Better to consolidate federal funds and limit the number of federally participating projects so the higher cost exposure is contained, as WMATA and Maryland currently do so that the NOVA Compact Members and Montgomery County's Ride-On bus system can undertake their capital projects at lesser cost.

### Federal Limits on Spreading Federal Funds at WMATA

MAP-21 and the FTA inhibit WMATA from “shifting” FTA funds from one project to another. Under MAP-21, FTA priorities encourage funding for certain types of assets, and WMATA and FTA partner together to determine which projects should be federally funded. WMATA may not have enough eligible projects to which federal dollars can be “shifted.”

### Region Constrained in Shifting Federal Share from WMATA

Longstanding regional agreements limit the ability to shift federal funds from WMATA to the localities. The region has in place a long-standing agreement concerning the distribution of federal formula funds through the National Capital Region Transportation Planning Board (TPB), the region’s designated MPO, to WMATA, MTA, Virginia Railway Express (VRE), and Potomac and Rappahannock Transportation Commission (PRTC). A reconsideration of this long-standing agreement would involve at best difficult and time consuming negotiations, and is likely not practicable.

### Increased Operating Costs from Shift Federal Share

Northern Virginia transit agencies that do not receive federal formula funds cost less to operate. On the operating side they have greater flexibility and are able to achieve greater efficiency in key inputs and on the margin as well. NVTC transit agencies cost efficiencies that, by means of DRPT, are to be passed along to the remainder of the state by decreasing the draw on state operating funds. It would not make sense for NOVA jurisdictions to federalize either from the perspective of the Commonwealth as a whole or for individual jurisdictions.

### Illustration of the Impact on Local Funds by Changing Formula Base from Net to Gross

Purpose of the table is to show how changing the base from net to gross impacts the amount of local funds required and the assistance a system will receive relative to other systems. The cost, federal funding and total state-wide funding are taken from data provide by DRPT on the FY14 program.

Amount shown in millions of dollars.

	Cost	Federal	Non-fed	State %	State Funds	Local
<b>Assistance on Net</b>						
NVTC Jurisdictions	48.4	0.3	48.1	56.6%	27.2	20.9
NVTC WMATA	153.0	81.2	71.8	56.6%	40.6	31.2
Total NVTC	201.4	81.5	119.9		67.8	52.1
VRE	39.2	23.7	15.5	56.6%	8.8	6.7
PRTC	7.3	4.2	3.1	56.6%	1.8	1.4
Total NOVA	248.0	109.4	138.6		78.4	60.2
Hampton Roads	27.1	6.4	20.7	56.6%	11.7	9.0
Rest of State	29.6	23.4	6.1	56.6%	3.5	2.7
Total Other Than NOVA	56.6	29.9	26.8	56.6%	15.1	11.6
State-Wide	304.6	139.3	165.3		93.5	71.8
<b>Assistance on Gross</b>						
NVTC Jurisdictions	48.4	0.3	48.1	30.7%	14.8	33.2
NVTC WMATA	153.0	81.2	71.8	30.7%	47.0	24.9
Total NVTC	201.4	81.5	119.9		61.8	58.1
VRE	39.2	23.7	15.5	30.7%	12.0	3.5
PRTC	7.3	4.2	3.1	30.7%	2.3	0.9
Total NOVA	248.0	109.4	138.6		76.1	62.4
Hampton Roads	27.1	6.4	20.7	30.7%	8.3	12.3
Rest of State	29.6	23.4	6.1	30.7%	9.1	(3.0)
Total Other Than NOVA	56.6	29.9	26.8	30.7%	17.4	9.4
State-Wide	304.6	139.3	165.3		93.5	71.8
<b>Increase (Decrease) in Local Funds</b>						
NVTC Jurisdictions						12.3
NVTC WMATA						(6.4)
Total NVTC						6.0
VRE						(3.3)
PRTC						(0.5)
Total NOVA						2.2
Hampton Roads						3.4
Rest of State						(5.6)
Total Other Than NOVA						(2.2)
State-Wide						0.0

Following shows the percentage of local funds under each tier with federal participation assumed at 80%. Besides fully funding tier 1 and tier 2 assets for systems with 80% federal participation, the proposed formula provides an additional 25% beyond the asset cost for tier 1 assets and 15% for tier 2 assets.

Local Funds Required For Assets with Federal Participation:

DRPT Current Allocation Formula:

Replacement Vehicles	4%
All Other Assets	9%

DRPT Proposed Allocation Formula:

Vehicles (Tier 1)	0%
Infrastructure/Facilities (Tier 2)	0%
Other Assets (Tier 3)	5%

Local Funds Required For Assets With No Federal Participation:

DRPT Current Allocation Formula:

Replacement Vehicles (limited)	45%
All Other Assets	45%

DRPT Proposed Allocation Formula:

Vehicles (Tier 1)	55%
Infrastructure/Facilities (Tier 2)	75%
Other Assets (Tier 3)	85%



# **Performance-Based Operating Assistance Allocation Methodology**

**Amy Inman**

**Acting Planning & Mobility Programs Administrator  
Department of Rail and Public Transportation**

**SB1140 Public Meeting  
September 18, 2013**

# 2013 Legislation for DRPT

## SB1140

- ❑ SB1140 is the result of a legislative study (SJR297) passed in 2011
- ❑ This legislation keeps the current allocation formula in place for the first \$160 million of operating funds and provides an allocation process for **ALL** Capital Funds
- ❑ **All operating assistance funding thereafter will have a new performance-based allocation formula applied**
  - New allocation formula to be determined by Commonwealth Transportation Board (CTB).
  - Service delivery factors to be based on efficiency and effectiveness.
  - Transit Service Delivery Advisory Committee (TSDAC) is formed and has been meeting since April to make recommendations and advise the Director of DRPT
- ❑ The Director of DRPT and the Chair of TSDAC will brief House Appropriations, Senate Finance Committee and Senate House Transportation Committees on TSDAC's findings and DRPT's recommendations
- ❑ The CTB will re-evaluate the metrics, with public input and General Assembly oversight, every three years, followed by a one year notice prior to implementation of any changes
- ❑ Local governments and local transit operators will continue to make their own decisions with respect to their operations
- ❑ Requires a local match

# Virginia's Goal

What is Virginia Investing In?

# Moving People!

Effectively and Efficiently

Where they want to go – when they want to go there.

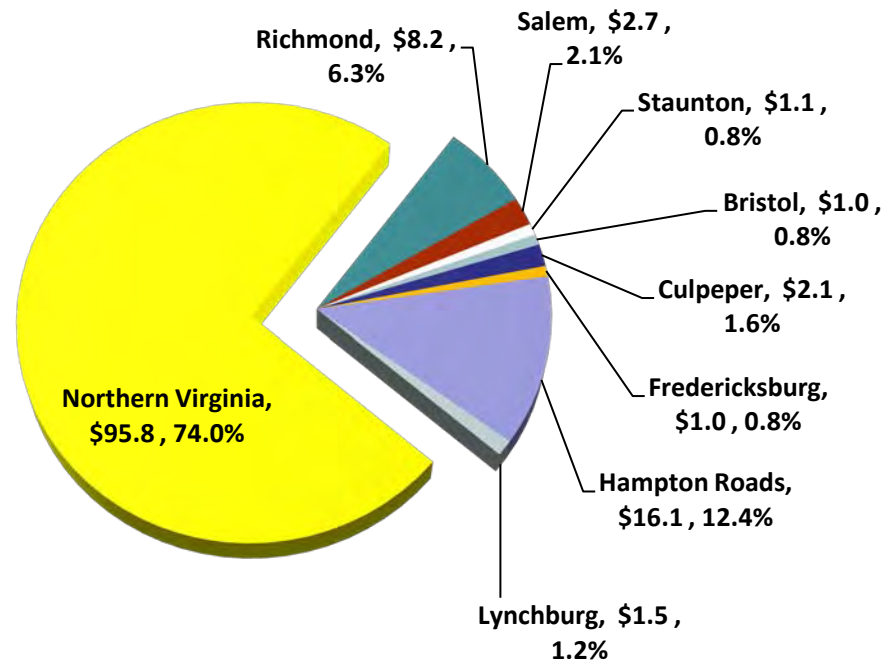
# Transit Service Delivery Advisory Committee (TSDAC)

- ❑ Purpose is to advise DRPT in the development of distribution process for new transit funds
- ❑ Comprised of both transit associations: Virginia Transit Association (VTA) and Community Transit Association of Virginia (CTAV)
- ❑ Virginia Municipal League (VML) and Virginia Association of Counties (VaCo)
- ❑ Department of Rail and Public Transportation (DRPT), which includes the Richmond District CTB Member
- ❑ TSDAC has met 10 times since April 8, 2013. Meetings have been well attended by stakeholders. Members have actively sought comments and advice from the public, transit agencies, and local governments

# New Transit Funding

- ❑ \$66.5M anticipated HB 2313 revenue for FY2014
  - Not disbursed until new metrics are developed
- ❑ October 2013 – Supplemental Operating allocation
- ❑ July 2014 – Increased Capital funding

## Transit State Operating Funding By District - FY 2014 (\$ in millions)



- ❑ Charts reflect FY14 **without new funding** because the performance model is not complete – Goal is to provide the additional \$73.5M. This is a 46% increase from FY13 to FY14. New Transit funding accounts for \$66.5M of the increase.

# Decision Process – Phase I

## Operating Funds

**The TSDAC has agreed on a phased implementation approach for performance metrics**

- ❑ Two-year transition period FY14 and FY15
  - **New funding above \$160M only**
  - Existing \$160M of operating assistance will continue to be based on the old allocation formula
  - Performance Metrics based on:
    - Net cost per rider (50%)
    - Customers per revenue hour (25%)
    - Customers per revenue mile (25%)
  - Systems will be sized equally based on ridership and operating costs – sized relative to all transit operators eligible for state assistance
- ❑ FY14 mid-year performance-based funding allocation based on percent change between FY11 and FY12
  - Corrected FY11 and FY12 data has been received by DRPT from the transit agencies

# Decision Process – Phase II

## Operating Funds

- ❑ FY15 funding is based on a two-year rolling average (FY11, FY12, and FY 13) of performance data
- ❑ Performance data is critical – must be consistent, certifiable, easily verifiable and provided to DRPT on time.
- ❑ Ultimately four years of performance data will be required to develop a three-year rolling average



# Phase III Actions

## Operating Funds

### Phase III Study and Evaluation

- ❑ **Evaluate** the existing data collection and reporting techniques and methodology
- ❑ Create a **working group** comprised of transit operations to create methods and standards to collect and report performance data
- ❑ **Analyze the performance metrics** to determine the metrics' ease, use and effectiveness in sizing transit systems
- ❑ Research processes that could be used to **reward exceptional performance** and determine if this should be a factor

### Phase III Deliverable Schedule:

- ❑ Issue a report on the assessment of **data collection methods** and **technology** used by transit providers – March 31, 2014
- ❑ Conduct an analysis of indirect input vs. direct output metrics to determine their ease of use and effectiveness in **sizing transit systems** – March 31, 2014
- ❑ **Final Report** of the working group comprised of transit operators developing the data collection methods and standards – December 31, 2014
- ❑ DRPT to establish an **accountability policy** to ensure that data is collected, certified and reported by the transit grantee. Policy issued – December 31, 2014

# SB1140 TENTATIVE MILESTONE PERFORMANCE-BASED OPERATING ASSISTANCE ALLOCATION SCHEDULE FOR PHASE I

- ❑ **July 29, 2013** - TSDAC meeting to finalize operating and capital allocation plans
- ❑ **August 16, 2013** - Public Comment Period Begins for Performance-Based Operating Assistance Allocation Methodology
- ❑ **September 16, 2013**- House Appropriations Committee
- ❑ **September 18, 2013** – Commonwealth Transportation Board (CTB) Presentation of Draft SB1140 Recommendations
- ❑ **September 18, 2013** – Public Hearing (Richmond)
- ❑ **September 19, 2013** - Senate Finance Committee
- ❑ **September 30, 2013** – Senate and House Committees on Transportation briefings – written presentation
- ❑ **October 1, 2013**– Public Comment Period Ends for Performance-Based Operating Assistance Allocation Methodology
- ❑ **October 16, 2013** – CTB – SB1140 Action on Performance-Based Operating Assistance Allocation Methodology
- ❑ **October 16, 2013** – SYIP amendment for FY14 operating assistance allocation



**[www.drpt.virginia.gov](http://www.drpt.virginia.gov)**

**[drptpr@drpt.virginia.gov](mailto:drptpr@drpt.virginia.gov)**

**804-786-4440**



AGENDA ITEM #8

**TO:** Chairman McKay and NVTC Commissioners

**FROM:** Mariela Garcia-Colberg

**DATE:** September 19, 2013

**SUBJECT:** Vanpool Incentive Program

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The Van Pool Incentive Program (VIP) requires bridge funding in an estimated amount of \$85,000 for FY 2015 and in an estimated amount of \$1,350,000 for FY 2016. The program anticipates net earnings of about \$4 million annually within three years. The program's net earnings are dependent on receipt of Section 5307 funds, which are received two years after initial NTD reporting. Thus, bridge funding is needed to cover expenses for the initial two to three year period.

Since Northern Virginia §5307 funds go directly to WMATA, NVTC has proposed a method to credit the jurisdictions' advance of funds. WMATA is reviewing this proposal. Transfer of bridge funding to the VIP awaits resolution of this issue.

The Potomac and Rappahannock Transportation Commission (PRTC), Northern Virginia Transportation Commission (NVTC), and George Washington Regional Commission (GWRC) signed a Memorandum of Understanding (MOU) in 2011. The MOU established that NVTC and PRTC provide bridge funding with local funds. PRTC and NVTC would cover the GWRC share of bridge funding in a reimbursable basis. NVTC's contribution for the program is 66.67%; PRTC's contribution is 33.33%. For FY 2015, NVTC's contribution is \$56,667. NVTC's contribution for FY 2016 is \$891,000.

On July 5, 2012, NVTC adopted Resolution #2193 which approved the implementation of the VIP program. That resolution authorized NVTC's Executive Director to obtain approval from its five WMATA jurisdictions to advance sufficient funds from incoming state aid taken off the top of NVTC's Subsidy Allocation Model and/or trust fund balances held at NVTC or other sources to cover NVTC's share of any balance between available resources and budgeted program costs prior to receipt of anticipated federal section 5307 revenues.

The VIP which will be marketed under the name Vanpool Alliance will begin in October, 2013. There will be a signing ceremony on October 3, 2013 at 5:00 p.m. at PRTC.



AGENDA ITEM #9

**TO:** Chairman McKay and NVTC Commissioners  
**FROM:** Kelley Coyner  
**DATE:** September 19, 2013  
**SUBJECT:** VRE

---

**A. Report from the VRE Operations Board and VRE Chief Executive Officer**

VRE staff will be present to address items in the VRE CEO's report. Attached are the CEO September 2013 Report and the Minutes of the September 20, 2013 VRE Operations Board Meeting.

**B. Auditor of Public Accounts (APA) Report: Establishment of Joint Audit Committee**

**Summary:**

After consideration of the Auditor of Public Accounts final draft of its Report titled "Review of the Governance Structure Over the Virginia Railway Express, " the VRE Operations Board recommends the establishment of a Joint Audit Committee by the PRTC and NVTC consisting of the VRE Operations Board to review the subject Report and define a course of action for the Commissions' consideration. The VRE Operations Board also called for a VRE management audit to be conducted (under the direction of the Audit Committee). Notably, the VRE Operations Board discussed the Report and appropriate actions related to it without knowledge of the inclusion in the Report of a letter by DRPT Director Thelma Drake (letter attached). Director Drake concurs with the conclusions of the Report, and characterizes the conclusions differently than they actually appear in the Report. Director Drake's view that VRE's present governance structure is outdated and warrants changes is not supported by the Auditor's Report.

### **Recommended Action:**

- Approve Resolution #2223: Authorize the establishment of a Joint Audit Committee consisting of VRE Operations Board members to review the subject Report and recommend a course of action for the Commissions' consideration including the commissioning of a management review.
- Authorize NVTC's Chair to send a joint NVTC/PRTC letter responding to DRPT Director Drake's letter.

### **Background:**

Last year, Governor McDonnell asked for an audit of VRE by the Auditor of Public Accounts (APA). Following a review of a draft of the audit report and discussion at NVTC's September 6<sup>th</sup> and PRTC's September 5<sup>th</sup> meetings, the NVTC and PRTC Chairs submitted a joint letter to the APA. Ms. Coyner, Mr. Harf, and Mr. Allen held a teleconference with APA representatives to discuss those changes in more depth. Attached are comments submitted to the APA. APA released the final Auditor of Public Accounts Report "Review of the Governance Structure Over the Virginia Railway Express" on September 20, 2013. The final APA report can be found at: <http://www.thinkoutsidethecar.org/pdfs/2013%20Misc/APA%20Report.pdf>

During the week of September 16<sup>th</sup>, the APA sent its final Report to Governor McDonnell, the Chairman of the Joint Legislative Audit and Review Commission (John M. O'Bannon III), and the Commissions. The Report incorporates a letter signed by the two Commissions' Chairs and sent to the APA before the final Report's issuance, providing an initial set of reactions to the final Report by the deadline the APA established for a letter to be included. The letter was sent before the VRE Operations Board met on September 20<sup>th</sup>. The letter noted that the VRE Operations Board Chairman would be proposing that the VRE Operations Board authorize the creation of an audit committee to take the lead on reviewing the final Report and recommending a course of action.

After discussion by the VRE Operations Board, the Board voted to recommend that the two Commissions create an Audit Committee and further recommended that the appointees be VRE Operations Board Members. Subsequently, staff reviewed the By-Laws and Appendix B to the Master Agreement (the Agreement between NVTC and PRTC) related to requirements for an annual financial audit. Based on that review and discussion, staff recommend that appointments to the Joint Audit Committee be members of the VRE Operations Board and that the VRE Operations Board designate the Joint Audit Committee established by the Commissions also serve as the VRE Audit Committee for the purposes of overseeing VRE's annual financial audit.

The final APA Report contains extensive revisions suggested by VRE, NVTC, and PRTC. Management was also afforded the opportunity to preview the final Report before its issuance. The preview copy of the final Report did not contain all the attachments that the APA ultimately incorporated. A letter signed by DRPT Director Drake was present in the final Report and was not included in the preview.

### **C. Preliminary FY 2015 VRE Operating and Capital Budget**

The VRE Operations Board recommends Commission approval of Resolution #2224, which authorizes NVTC staff to send the Preliminary FY 2015 VRE Budget to its contributing and participating jurisdictions for use in preparing their own FY 2015 budgets.

The VRE Operations Board was presented with highlights from a staff presentation (attached) of the preliminary FY 2015 budget at its meeting on September 20<sup>th</sup>. The most significant projection at this time is the impact on VRE of the provision of MAP-21, the new federal transportation funding legislation. The current estimate is that VRE will receive an additional \$9.7 million of program funds annually (80 percent federal plus required match), compared to the amount received in FY 2013 under the prior Fixed Guideway Program. At the state level and regional level, the state is in the process of finalizing TSDAC recommendations for altering the statewide funding formulas for both operating and capital allocations.

The Preliminary VRE FY 2015 budget totals \$118.3 million with the addition of an eight-car train on the Fredericksburg Line in July 2014 and the completion of the L'Enfant storage track. Assuming no change to either fares or subsidy, the budget reflects that \$2.5 million of costs is currently unfunded. As in the past, VRE will submit a balanced budget to the jurisdictions in the beginning of December for evaluation prior to submission to the Operations Board later that month. The final VRE FY 2015 budget should be available for action by NVTC and PRTC in January, 2014.

**Recommended Action:** Approve Resolution #2224.

### **D. Sole Source Contract for Positive Train Control Equipment and Installation Services**

The VRE Operations Board recommends that the Commission approve Resolution #2225, which would authorize VRE's CEO to execute a sole source contract for positive train control equipment and installation services to Wabtec Corporation, the only practically available source of this equipment, in an amount not to exceed \$7,023,969, plus a five percent contingency of \$351,198, for a total amount not to exceed \$7,375,167.

**Recommended Action:** Approve Resolution #2225.

## **E. VRE and PRTC 2013 Total Compensation Market Study Final Report**

Segal Company, VRE's consultant for this study, gave a presentation "VRE/PRTC Compensation Study Findings" at the VRE Operations Board Meeting on September 20<sup>th</sup> (attached). The Board recommends PRTC approve an amendment to the PRTC/VRE Personnel Policy to modify the PRTC/VRE General Payscale to be modified to create three higher grades and to notify NVTC of the recommendation. No action is required of NVTC.

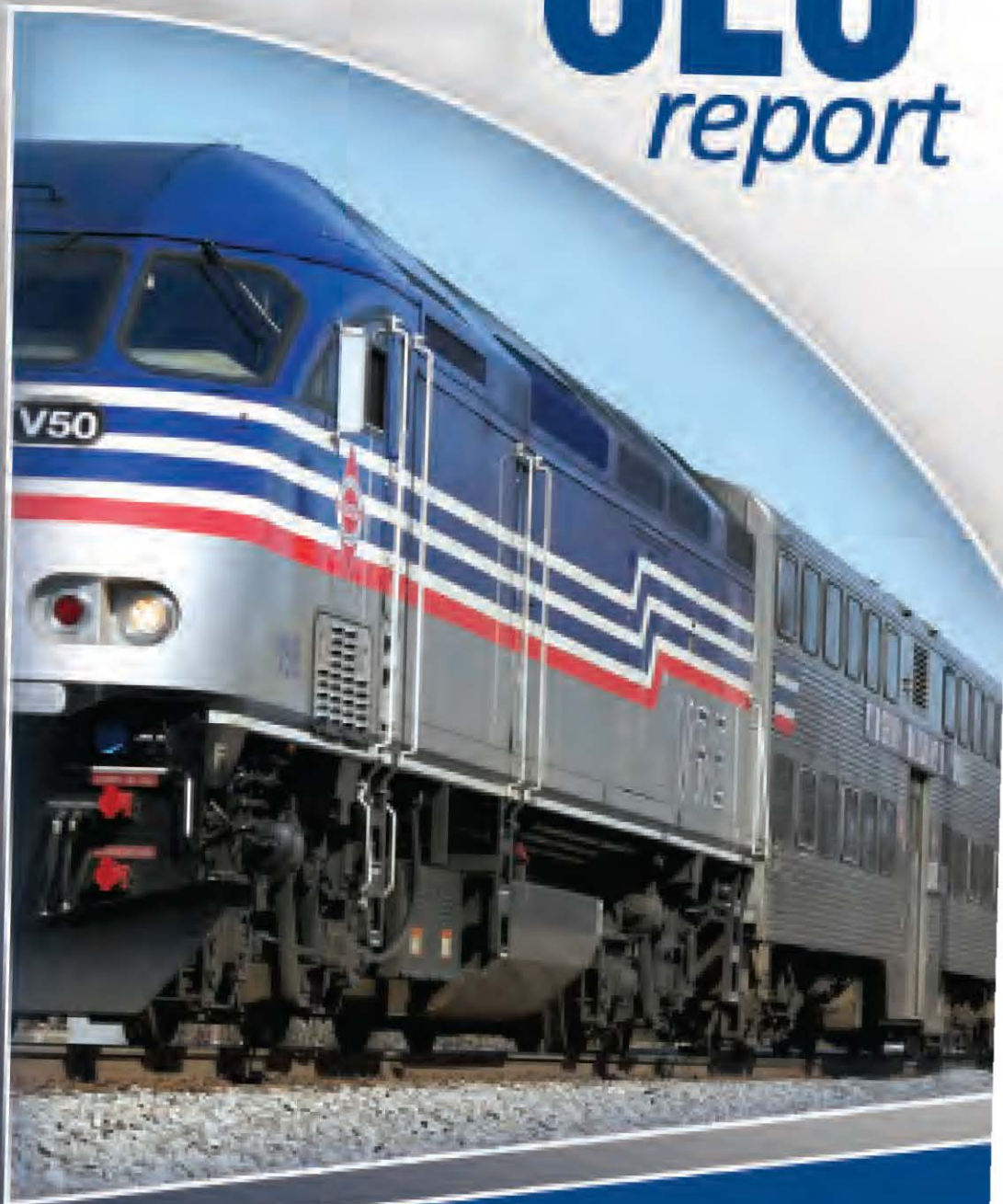
The full 116-page report can be found here:

VRE and PRTC 2013 Total Compensation Market Study Final Report.

[http://vre.org/about/Ops\\_board\\_items/2013/September/Action%20Items%209A-9M/Attachment%209A%20-%20VRE-PRTC2013%20Total%20Compensation%20Market%20Study%20Report.pdf](http://vre.org/about/Ops_board_items/2013/September/Action%20Items%209A-9M/Attachment%209A%20-%20VRE-PRTC2013%20Total%20Compensation%20Market%20Study%20Report.pdf)



# CEO *report*



**SEPTEMBER 2013**

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**CEO**  
*report*

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### ON TIME PERFORMANCE

August is normally a month where On Time Performance (OTP) is tested as the weather turns hotter and the obvious operating challenges follow. Perhaps no month is heat more of a factor on us and the host railroads because high temperatures are a prominent factor in speed restrictions and slow orders.

Though heat restrictions have become a way of life during the summer months, it is how the host railroads and VRE deal with these restrictions that is making a difference for our riders. Better communications and operational cooperation have helped keep all trains moving. That was evident in August where VRE operated at 97% for the month.

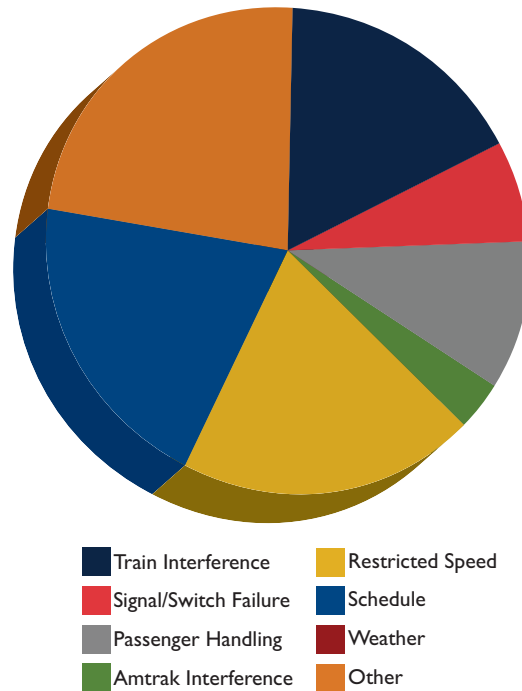
That is a very impressive number by itself but what really jumps out is that VRE operated at above 99% during the month on the Fredericksburg line. That is an all-time performance record for the Fredericksburg line. For VRE to post an all time performance number during the summer is proof that the system has come of age. OTP on the Manassas line was equally as impressive for the month finishing at 96%.

Looking at this closer, VRE operated 660 trains during August. Only 17 trains encountered a delay of five minutes or greater and just three of those delays occurred on the Fredericksburg line. Monthly operating performances like this reinforce the commitment and strength of the VRE partnerships to make our system timely. It is a testament to the working partnership between us and our partners (Keolis, CSX, NS, Amtrak, and VDRPT).

The Monthly Train Operating Delay chart (see graph above) highlights those particular train delays that can lead to a train actually arriving late – again they can cumulatively affect a train's performance or singularly cause a train to be late, though as I stress that every month not every delay results in a "late train".



REASON FOR DELAYS



TRIP DELAYS

SYSTEM-WIDE	JUNE	JULY	AUGUST
Total delays	58	35	17
Average length of delay (mins.)	18	12	13
Number over 30 minutes	8	1	0
Total Days with heat restrictions	6/20	6/22	0/22
On-Time Performance	90%	95%	97%
<b>FREDERICKSBURG LINE</b>			
Total delays	39	30	3
Average length of delay (mins.)	12	13	10
Number over 30 minutes	1	1	0
On-Time Performance	86%	90%	99%
<b>MANASSAS LINE</b>			
Total delays	19	5	14
Average length of delay (mins.)	28	8	13
Number over 30 minutes	7	0	0
On-Time Performance	94%	99%	96%

## RIDERSHIP UPDATE

In August VRE made 405,321 passenger trips during 22 days of service. That averages to 18,424 riders per day using the system during the month. These numbers are consistent with what we posted in August 2012.

On a daily basis, VRE had ten days above 19,000 riders a day. Accounting for the nearly 450 daily riders using a Step-Up ticket during the month it would have pushed four days over the 20,000 threshold in August.

One trend that is evident is that VRE riders have increased the use of Step-Up tickets to ride Amtrak Virginia and Amtrak intercity train. That number has increased to nearly 450 riders a day now using that option for their commute. VRE Step-Up riders made 10,117 trips in August. That is third month in the past four where Step-Up ridership has exceeded 10,000 for the month.

Even though September has just started, I do see positive sign' regarding ridership as Monday's ridership was nearly 19,200. That is the highest Monday since June 17th (19,328).

## RIDERSHIP MONTH-TO-MONTH COMPARISON

DESCRIPTION	MONTHLY RIDERSHIP
August 2013	405,321
August 2012	431,733
Service Days (Current/Prior)	(22/23)
Percent Change	Less than 1%

## MONTHLY CITATIONS UPDATE

Conductors continue to perform 100% checks of all trains. As such, August saw Keolis write 194 citations during the month, which is 20 less than last month. While that seems like a high number in truth it averages to about three citations per day.

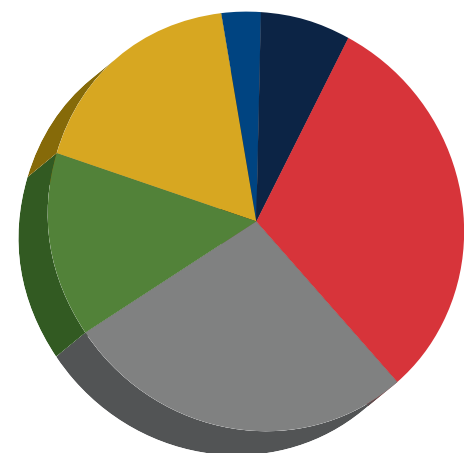
Of those citations, VRE waived 47 after riders showed proof of purchase of a monthly ticket. Additionally, another 7 tickets were waived either for system errors, requests of the conductor or TVM issues.

Of the remaining citations that went to Court, 91 cases were found to be guilty. That equates to 62% of all cases that went to Court being found guilty. That is the highest conviction rate to date. Of the remaining cases, 20 were continued and only 4 were found to be not guilty. This would seem to validate that the majority of those citations issued were done so for good cause.

### WAIVED CITATIONS

VRE ACTIONS	OCCURANCES
Waived- Passenger showed proof of a monthly ticket	47
Waived- Per the request of the conductor	3
Waived- Special Circumstances	4
<b>TOTAL</b>	<b>54</b>

## FARE EVASION COURT ACTIONS



- Guilty
- Guilty in Absentia
- Prepaid Prior to Court
- Cont. to Next Court Date
- Dismissed
- Not Guilty

### RIDERSHIP

DATE	MSS AM	MSS PM	TOTAL MSS	ACTUAL OTP TD	FBG AM	FBG PM	FBG TOTAL	ACTUAL OTP TD	TOTAL TRIPS	ACTUAL OTP TD
1	4,800	4,563	9,363	100%	5,263	5,128	10,391	100%	19,754	100%
2	4,143	3,580	7,723	100%	3,998	4,151	8,149	100%	15,872	100%
3										
4										
5	4,044	4,159	8,203	50%	4,818	4,838	9,656	100%	17,859	73%
6	4,671	4,599	9,270	100%	4,972	5,133	10,106	100%	19,376	100%
7	4,833	4,550	9,382	100%	5,062	5,215	10,278	100%	19,660	100%
8	4,507	4,617	9,124	100%	5,036	5,094	10,129	100%	19,254	100%
9	3,825	3,247	7,072	100%	4,050	4,032	8,082	100%	15,153	100%
10										
11										
12	4,561	4,373	8,934	100%	4,711	4,572	9,282	100%	18,216	100%
13	4,703	4,994	9,697	100%	5,160	5,057	10,217	100%	19,913	100%
14	4,729	4,589	9,318	100%	5,143	4,895	10,038	100%	19,356	100%
15	4,610	4,609	9,219	94%	4,921	5,121	10,043	93%	19,262	93%
16	3,525	3,532	7,057	100%	3,777	4,240	8,017	100%	15,074	100%
17										
18										
19	4,308	4,137	8,445	100%	4,575	4,487	9,063	93%	17,508	97%
20	4,676	4,731	9,407	100%	5,192	5,196	10,388	100%	19,795	100%
21	4,740	4,707	9,446	100%	4,981	4,952	9,933	100%	19,380	100%
22	4,619	4,730	9,348	100%	4,741	4,791	9,532	100%	18,880	100%
23	3,804	3,104	6,908	88%	3,940	4,082	8,022	100%	14,930	93%
24										
25										
26	4,396	4,409	8,806	94%	4,680	4,715	9,396	93%	18,201	93%
27	4,641	4,545	9,186	94%	4,988	5,114	10,102	100%	19,288	97%
28	4,004	3,793	7,798	100%	4,388	4,185	8,573	100%	16,371	100%
29	4,364	4,221	8,584	94%	4,717	4,767	9,485	100%	18,069	97%
30	3,351	3,122	6,473	100%	3,580	3,978	7,559	100%	14,032	100%
31										
	95,854	92,910	188,764	96%	102,695	103,745	206,440	99%	395,204	97%

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

\* designates "S" schedule day

**Total Number of Service Days to Date: 44**

**Average Daily Riders to Date: 18,422**

Amtrak Trains: 913  
Adjusted Total: 189,677

Amtrak Trains: 9,204  
Adjusted Total: 215,644  
Adjusted Total: 405,321 398,106

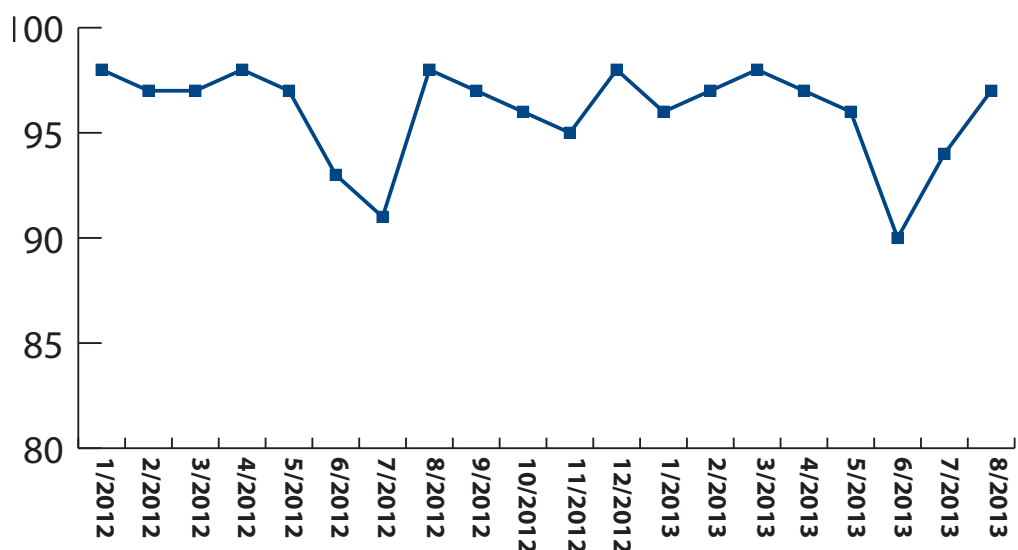
# of Service Days: 22  
Manassas Daily Avg. Trips: 8,580  
Fred'burg Daily Avg. Trips: 9,384  
Total Avg. Daily Trips: 17,964  
Adjusted Avg.: 8622  
Adjusted Avg.: 9802  
Adjusted Avg.: 18,424

Total Trips This Month: 405,321  
Prior Total FY-2014: 405,233  
Total Trips FY-2014: 810,553  
Total Prior Years: 62,422,463

Grand Total: 63,233,016

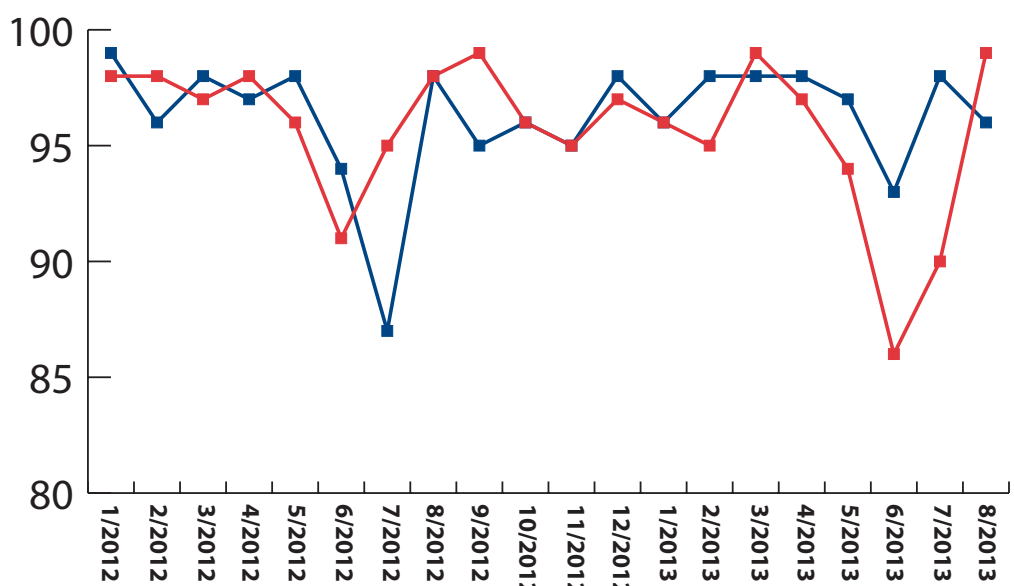
## ON TIME SYSTEM PERFORMANCE

SYSTEM PERFORMANCE | JAN. 2012 – AUG. 2013

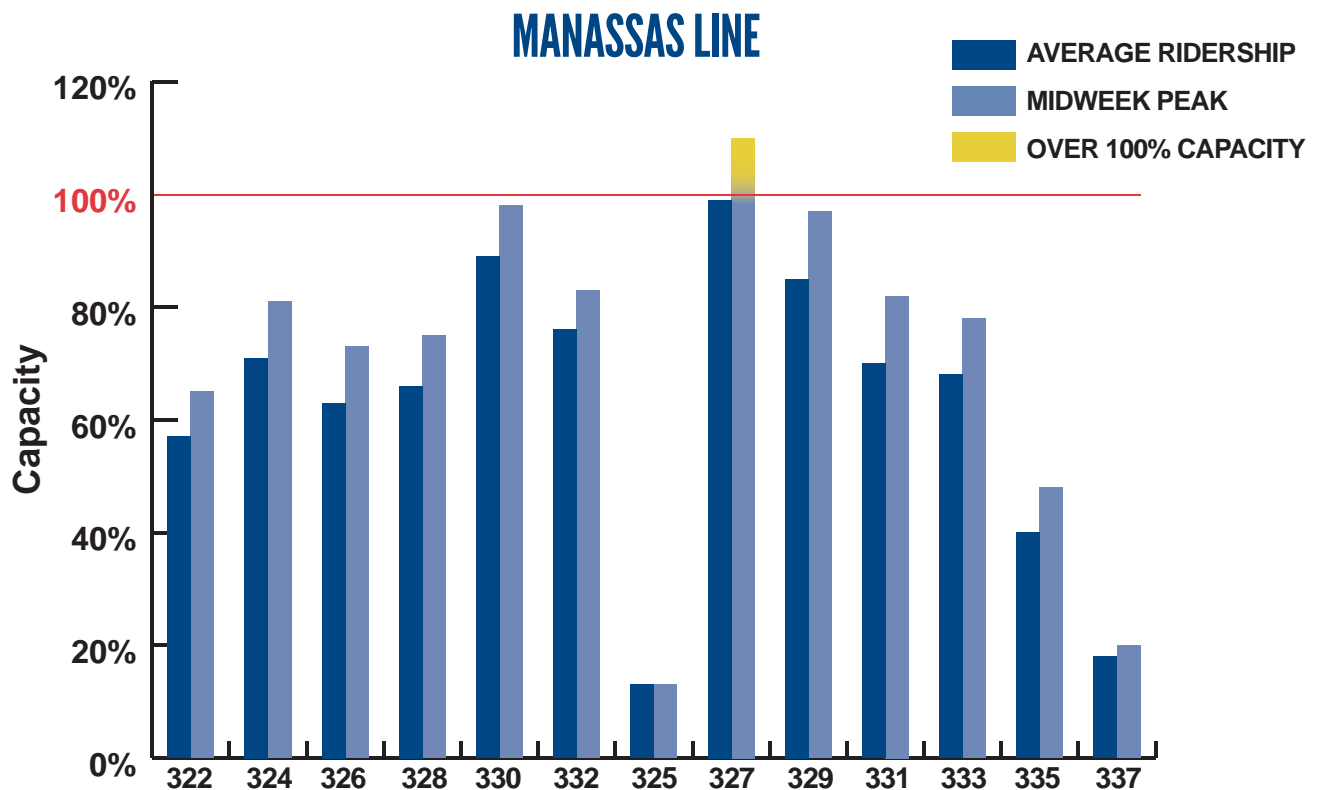
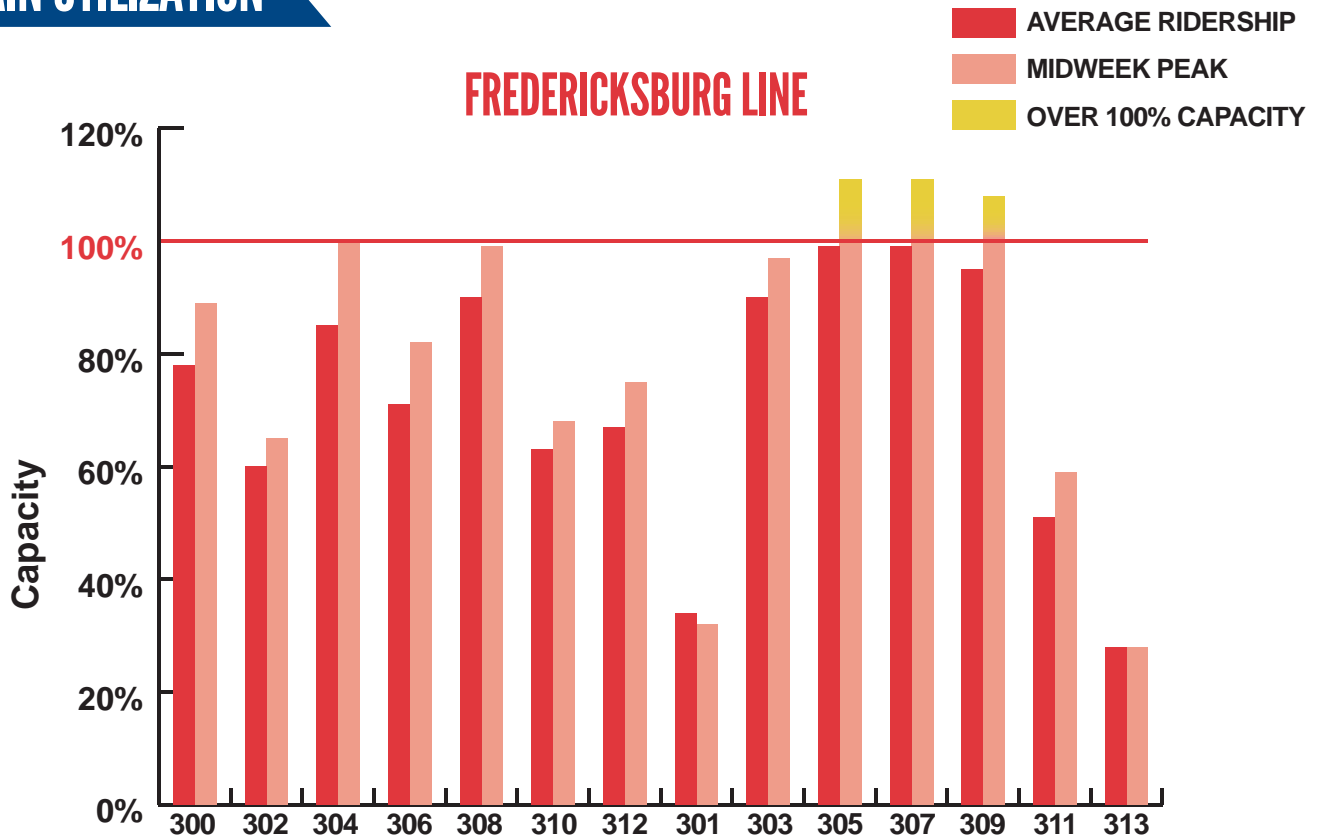


PERFORMANCE BY LINE | JAN. 2012 – AUG. 2013

FREDERICKSBURG LINE  
MANASSAS LINE



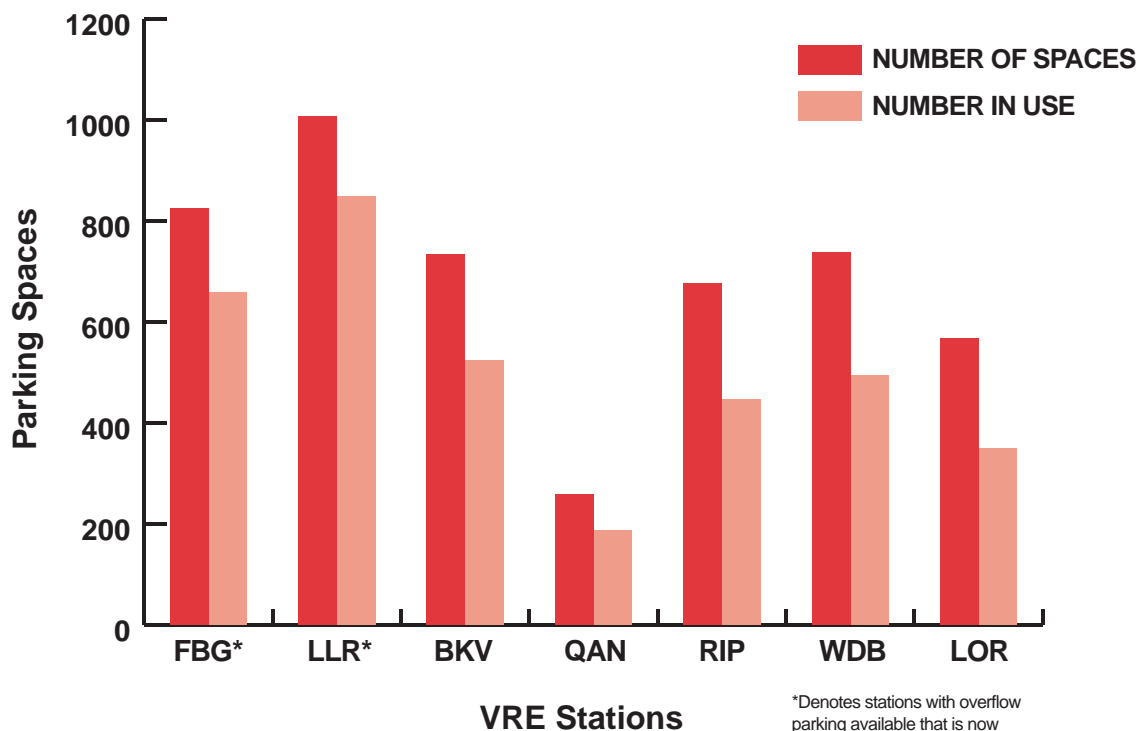
### TRAIN UTILIZATION



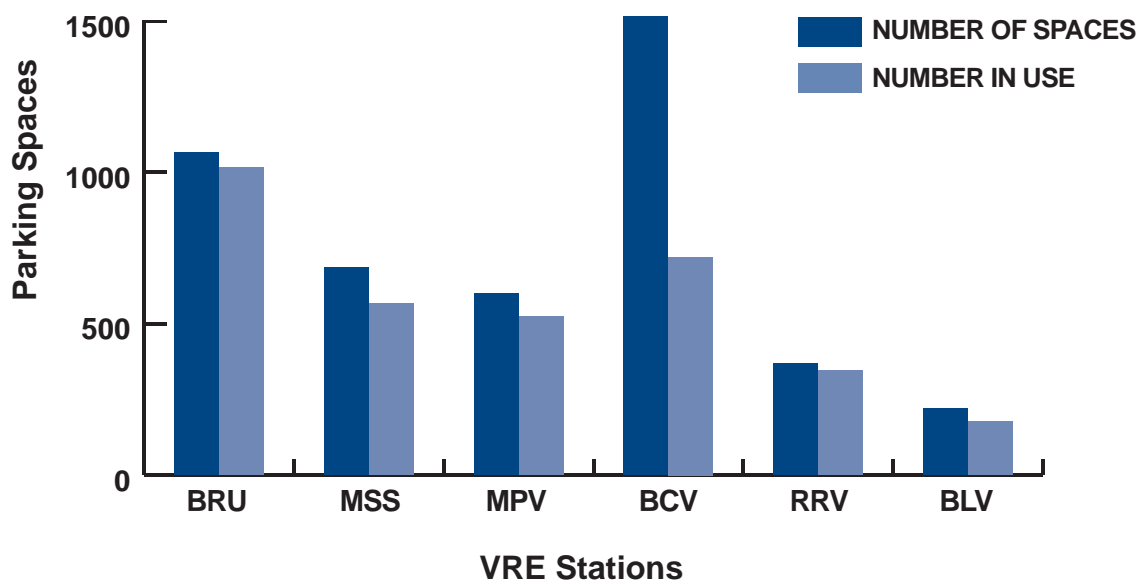


## PARKING UTILIZATION

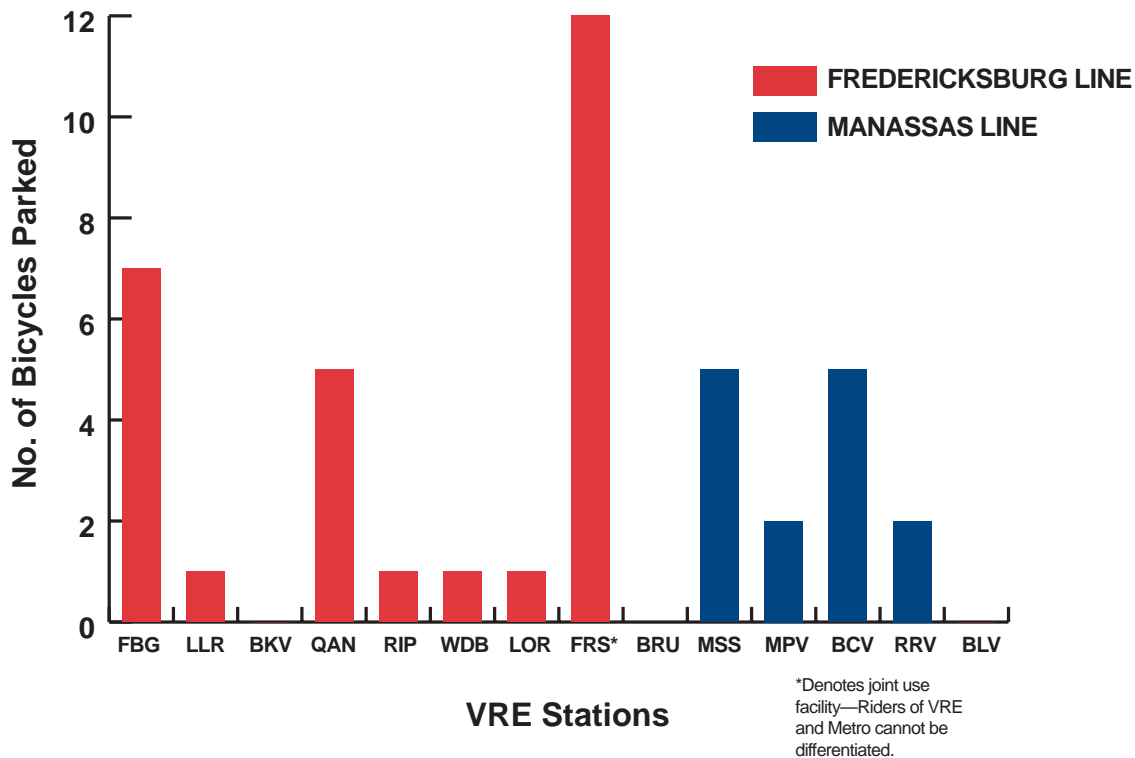
### FREDERICKSBURG LINE



### MANASSAS LINE



### BICYCLE COUNTS



### FINANCIAL REPORT

#### SUMMARY OF FINANCIAL RESULTS

MEASURES	DOLLARS	GOAL	ACTUAL
Operating Ratio		55%	51%
<b>BUDGETED REVENUE</b>	<b>81,838,573</b>		
Budgeted Revenue YTD	18,441,472		
Actual Revenue YTD	18,786,100		
Cumulative Variance	344,628		344,628
Percent Collected YTD		22.53%	22.96%
<b>BUDGETED EXPENSES</b>	<b>81,838,573</b>		
Budgeted Expenses YTD	15,644,765		
Operating Expenses YTD	14,143,979		
Cumulative Variance	1,500,786		1,500,786
Percent Expended YTD		19.12%	17.28%
<b>NET INCOME (LOSS) FROM OPERATIONS</b>			<b>1,845,414</b>

Fare income for the month of August 2013 was \$1,481 above the budget – a favorable variance of 0.05%. The cumulative variance for the year is 1.72% or \$110,364 above the adopted budget. Revenue in FY 2014 is up 14.1% compared to FY 2013.

A summary of the financial results (unaudited) as of August 2013 is on the following page. Detail on the major revenue and expense categories is provided in the Operating Budget Report.

*These figures are preliminary and unaudited.*

## FINANCIAL REPORT, *CONT.*

### FY 2012 OPERATING BUDGET REPORT, AUGUST 31, 2013

	CURR. MO. ACTUAL	CURR. MO. BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE		TOTAL FY14 BUDGET
					\$	%	
OPERATING REVENUE							
Passenger Ticket Revenue	3,209,449	3,207,968	6,526,300	6,415,936	110,364	1.7%	36,600,000
Other Operating Revenue	1,800	14,550	45,840	29,100	16,740	57.5%	166,000
Subtotal Operating Revenue	3,211,249	3,222,518	6,572,140	6,445,036	127,104	2.0%	36,766,000
Jurisdictional Subsidy (1)	-	-	8,360,923	8,360,923	-	0.0%	15,513,500
Federal/State/Other Jurisdictional Subsidy	3,848,976	1,816,416	3,848,976	3,632,831	216,145	5.9%	29,268,773
Appropriation from Reserve	-	-	-	-	-	0.0%	275,000
Interest Income	2,158	1,341	4,061	2,682	1,379	51.4%	15,300
Total Operating Revenue	7,062,383	5,040,275	18,786,100	18,441,472	344,628	1.9%	81,838,573
OPERATING EXPENSES							
Departmental Operating Expenses	4,709,879	7,246,771	12,992,757	14,493,543	1,500,786	10.4%	67,474,645
Debt Service	575,611	575,611	1,151,222	1,151,222	-	0.0%	13,594,559
Other Non-Departmental Expenses	-	-	-	-	-		769,369
Total Operating Expenses	5,285,490	7,822,382	14,143,979	15,644,765	1,500,786	9.6%	81,838,573
NET INCOME (LOSS) FROM OPERATIONS	1,776,893	(2,782,108)	4,642,121	2,796,708	1,845,414		-
CALCULATED OPERATING RATIO				51%			
(1) Total jurisdictional subsidy is \$16,428,800. Portion shown is attributed to Operating Fund only.							

## GENERAL INFORMATION

### VRE SYSTEM PLAN

VRE prepared its Strategic Plan, a long-range vision for future growth and development, nearly a decade ago. Since then, VRE has followed the path laid out by the 2004 Plan in responding to demand for transportation options within the communities it serves and has:

- Doubled its ridership,
- Modernized and standardized its fleet,
- Invested over \$250 million in stations, equipment, rail yards and railroad infrastructure capacity, and
- Raised passenger satisfaction and service performance to very high levels.

VRE is currently preparing a System Plan that will provide a framework for system investments and actions VRE should pursue through 2040 to best meet regional travel needs. At a July 2013 System Plan Workshop, VRE Operations Board members expressed support for the following initiatives as the basis for the System Plan.

- A near-term focus to achieve increases in system capacity and train frequency within the envelope of the existing railroad operating agreements.
- A medium-term focus to expand service and operations, within the existing VRE core territory, beyond the level of existing railroad operation agreements to take advantage of new market opportunities and potential operating efficiencies.
- A longer-term focus on more complex projects that could build off of investments made in the earlier stages, such as the proposed Haymarket / Gainesville extension, reverse-commute service, and coordinating DC through-running services with MARC, Amtrak, and other passenger rail initiatives.

Inherent in the medium- and longer-term VRE initiatives is the need for expanded railroad capacity, especially within the CSX/VRE Fredericksburg Line corridor and the heavily trafficked Alexandria to Washington, DC segment of that corridor. Coupled with expanded station platforms and parking, these core capacity needs are critical to realizing mid- and long-term initiatives.

The System Plan is a chance to review what further investments and actions VRE should pursue through 2040 to ensure future capacity and best meet regional needs. It will

evaluate potential system and service development initiatives to determine the relative magnitude of benefits and costs they would generate, identify potential funding opportunities, and determine needed coordination and cooperation with regional transportation partners and stakeholders. A final System Plan is scheduled for VRE Operations Board approval in December 2013.

### FINANCIAL UPDATE

The final fieldwork associated with the audit of VRE's FY 2013 financial statements occurred during the week of September 3. The fieldwork was completed in two days, all requested information was made available to the auditors and no major issues were identified. The statements and financial report will be completed by VRE management and submitted to the auditors for their final review in October. The audited statements will be presented to the Audit Committee and the Operations Board in November.

### FEDERAL UPDATE

In August, the House began and Senate continued working on their respective Fiscal Year 2014 Transportation, Housing and Urban Development (THUD) appropriations bills. Both bills would fully fund the transit formula programs and the federal-aid highway program, at the MAP-21 authorized levels. The bills still remain about \$10 billion apart, with the transportation portion gap being \$3.3 billion. The difference between the two that the Senate bill provides higher funding for Federal Transit Administration (FTA) Capital Investment Grants, TIGER Grants and a few other programs like Amtrak than the House version.

### MEETING WITH VRE AND CSX

On August 28, 2013, VRE staff and I met with CSX at VRE Headquarters to review ongoing projects, operations and discuss future service enhancements to include reinitiating the previously successful MOU process. In addition to the capacity and operational flexibility improvements identified to advance the addition of the Potomac Shores station to the VRE service area, other potential improvements were discussed. Once adopted, the System Plan will provide a platform and road map for further capacity improvement discussions with CSX and other stakeholders.

## RAIL OPERATIONS

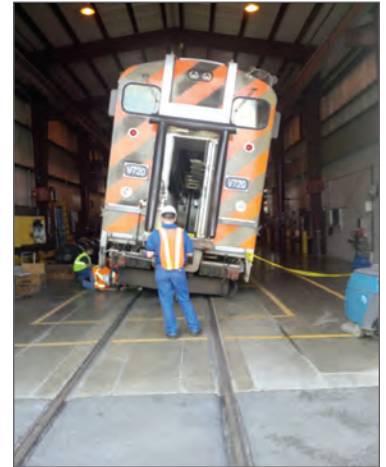
### VRE PASSENGER CAR STATIC LEAN TEST

On August 22, 2013, VRE performed a static lean test on a VRE cab control car. The purpose of the test was to validate wheel loading (unloading) when VRE passenger cars navigate curves at higher speeds within our service area.

When VRE first received the new passenger cars from Sumitomo/Nippon Sharyo the requirements for validating the design and performance at variance curve heights (cant deficiency) were through the use of mathematical models. Since this time, the requirements have changed and VRE elected to perform the static lean test to ensure we obtained the most accurate wheel loading (unloading) data.

The planning for this test has been in the works for the past 18 months. Sumitomo/Nippon Sharyo and VRE's mechanical engineering contractor, STV, provided the technical oversight for the test. ENSCO, Inc. through their Rail Technologies group performed the static lean test using calibrated wheel load measuring equipment on loan to VRE from the Federal Railroad Administration (FRA).

The preliminary analysis of the test data validates the previous mathematical models. VRE passenger cars are safe to operate at speeds higher than permitted and through steeper curves than the ones that exist in our current service area. The full report will be completed and submitted to CSX and the FRA by the end of September 2013.



### SAFETY UPDATE

August was a great month for strengthening our partnerships with the Transportation Security Administration (TSA). We hosted Mr. Chris McKay, Branch Chief for Rail and Mass Transit and discussed a number of topics ranging from security and awareness practices in lost and found handling to programs and resources that VRE can make use of.

TSA personnel were also invited to ride aboard VRE trains on several occasions to get a better sense of our system and the strengths and weaknesses that it possesses.

Lastly, we also partnered with TSA's Visual Intermodal Prevention and Response team (VIPR). We do this on a regular basis but in August the team was out riding our trains and patrolled our platforms. These officers have also attended special VRE emergency response training classes that we've held throughout the summer to better assist crews in emergencies. Riders have responded positively to their presence and we are glad to have them aboard.

## CAPITAL PROJECTS

### L'ENFANT PLAZA UPDATE

CSX has indicated it will provide VRE with the completed L'Enfant storage track design in the coming weeks. The design includes the addition of two power switches, signalization, and a tail track for emergency temporary storage of several VRE railcars and/or locomotives. The track portion of the design is complete and has been approved by VRE. CSX is in the process of making final revisions to the signal portion of the design.

PEPCO has confirmed that an electric service can be installed close to the site, which will supply power to VRE's wayside power equipment and CSX switch heaters. VRE will authorize PEPCO to start the design and construction process as soon as CSX grants VRE's request to attach electrical conduits to the stone bridge abutment.



### PROGRESS REPORT | PROJECTS UNDERWAY IN FY14

AS OF SEPTEMBER 2013

PROJECT	LOCATION	TOTAL ADOPTED CIP BUDGET THRU FY14	TOTAL BOARD APPROVED FUNDS	% COMPLETION/ PROJECT STATUS	PROJECT COMPLETION DATE
TRACK AND INFRASTRUCTURE					
<b>Gainesville/Haymarket Expansion</b> Expansion of service to Gainesville and Haymarket	NS “B” Line	\$4,286,000		100%	2nd Quarter 2013 (Completed)
<b>G/H Expansion Alternatives Analysis</b> Develop expansion alternatives for new service to Gainesville and Haymarket			\$1,537,338	100% Feasibility Study completed 9/28/09	Completed
<b>G/H Expansion PE and EA</b> Perform modeling, environmental analysis and preliminary engineering			\$2,749,076	0% Contract award awaiting execution of match Addendum between VRE and NS and grant NTP. VRE sent agreement to NS for signature 1/08/13. VRE requested grant extension from DRPT 2/7/13. VRE also pursuing additional funding from various available sources.	2nd Quarter 2016
<b>L’Enfant Storage Track</b> Construct approx. 1,400 ft storage track just north of the existing platform and provide wayside power for two train sets	L’Enfant	\$3,219,000			
<b>L’Enfant Storage Track Wayside Power Design</b> Design of wayside power for stored train sets			N/A	90% Wayside Power design to be completed after VRE, PEPCO and CSX have coordinated electric service location.	3rd Quarter 2013
<b>L’Enfant Storage Track Wayside Power Construction</b> Construction of wayside power for stored train sets			N/A	30% VRE, PEPCO and CSX coordinating location of new 1200-amp electric service. PEPCO to design and construct service when issue resolved.	4th Quarter 2013
<b>L’Enfant Storage Track Switch and Signalization Design</b> Design of storage track switches and signalization			\$250,000	70% CSX previously anticipated completion of track and signal modification design in May 2013. Design work continues as early as August. CSX has not provided estimated completion date.	3rd Quarter 2013
TRACK AND INFRASTRUCTURE, CONT. ON NEXT PAGE					

## PROGRESS REPORT | PROJECTS UNDERWAY IN FY14, *CONT.*

PROJECT	LOCATION	TOTAL ADOPTED CIP BUDGET THRU FY14	TOTAL BOARD APPROVED FUNDS	% COMPLETION/ PROJECT STATUS	PROJECT COMPLETION DATE
<b>TRACK AND INFRASTRUCTURE, <i>CONT.</i></b>					
<b>Spotsylvania Station</b> Development of a new station in Spotsylvania County (no parking)	Spotsylvania	\$3,422,500			
<b>Spotsylvania Station Design</b> Design of the new platform and head house			\$405,912	100% Permitting underway with Spotsylvania County.	2nd Quarter 2013 (Completed)
<b>Spotsylvania Station Construction</b> Construction of the new platform and head house			\$2,583,900	0% Contract executed and CE issued FHWA NTP to be issued once County acquires land.	2nd Quarter 2014
<b>Crossroads to Hamilton Third Track</b> Construct approx. 2.5 miles of third track leading to the new Spotsylvania Station	Spotsylvania	\$32,500,000			
<b>Crossroads to Hamilton Third Track Civil Design</b> Environmental Analysis and Final Design to extend the third track from Hamilton to Crossroads			\$817,703	100% Permitting underway. Design plans circulated for signature.	2nd Quarter 2013 (Completed)
<b>Crossroads to Hamilton Third Track Signal Design</b> Signal design and engineering support			\$1,009,140	60% CSX finalizing FA cost estimate to be submitted this month. Coordination with utilities and relocation efforts underway.	4th Quarter 2013
<b>Crossroads to Hamilton Third Track Construction</b> Signal design and engineering support			\$8,880,073	0% Contract executed and CE issued by FTA. NTP to be issued once County acquires land.	2nd Quarter 2014

### PROGRESS REPORT | PROJECTS UNDERWAY IN FY14, *CONT.*

PROJECT	LOCATION	TOTAL ADOPTED CIP BUDGET THRU FY14	TOTAL BOARD APPROVED FUNDS	% COMPLETION/ PROJECT STATUS	PROJECT COMPLETION DATE
PLANNING STUDIES AND COMMUNICATION PROJECTS					
<b>Communication Cabinets Upgrade</b> Communication cabinets at VRE stations to be equipped with an air conditioning (AC) unit and an uninterruptible power supply (UPS) unit for temperature control and power redundancy and surge fault protection.	System-wide	\$138,150	\$138,150	90% Change order 001 was submitted to cover the cost of Amtrak's force account and site access application for Union Station. Change order 001 was approve for the amount of \$4,111.60 making the new project total \$142,306.60. Rio Prime submitted the site access application and paid Amtrak's force account on September 3, 2013. Rio Prime is waiting for Amtrak to confirm receipt of payment and to issue the notice to proceed before Rio Prime could submit an updated schedule to VRE PM.	4th Quarter 2013
<b>System Planning</b> Prepare system plan to cover 20+ year planning horizon.	System-wide	\$150,000	\$150,000	63% Work is progressing on schedule. Next milestone is October 2013 VRE Ops Board presentation of draft plan recommendations.	4th Quarter 2013
COMMUTER STATION PROJECTS					
<b>Amtrak Joint Recapitalization Projects</b> Amtrak and VRE joint benefit recapitalization projects					
<b>Washington Union Terminal Rail Service Improvement Plan</b> Joint study with Amtrak and MARC that will provide a phased approach to meeting current and forecasted growth in intercity and commuter rail service levels for target years 2017 and 2030	Washington, DC	\$1,000,000	\$2,663,867	100% Final plan complete.	4th Quarter 2013 (Completed)
<b>Coach Yard Wayside Power Upgrade</b> Upgrade and replace wayside power station for VRE storage tracks at the Coach yard	Washington, DC	\$750,000		100% Project completed and is in use.	Completed
COMMUTER STATION PROJECTS, CONTINUED ON NEXT PAGE					



## PROGRESS REPORT | PROJECTS UNDERWAY IN FY14, *CONT.*

PROJECT	LOCATION	TOTAL ADOPTED CIP BUDGET THRU FY14	TOTAL BOARD APPROVED FUNDS	% COMPLETION/ PROJECT STATUS	PROJECT COMPLETION DATE
COMMUTER STATION PROJECTS, CONT.					
<b>WUT Canopy Roof Repairs</b> Repairs of canopy roof at WUT lower level platforms	Washington, DC	\$600,000		50% Amtrak has spent all allocated budget, but performed only 50% of the work. Amtrak requesting additional \$300k to complete the project.	4th Quarter 2013
<b>Alexandria – King St. Station Platform Elevation</b> Raise west platform elevation	Alexandria, VA	\$278,867		0% Project scoping underway. Amtrak is in the process of writing an agreement to be submitted to VRE for review.	3rd Quarter 2013
<b>Lorton Station Expansion</b> Expansion of station by extending eastern platform and adding a second platform.	Lorton, VA				
<b>Lorton Station Expansion PE and Environmental</b> Environmental Analysis and Preliminary Engineering to extend the existing and construct a second platform.		\$2,820,000	\$306,350	100%	4th Quarter 2012 (Completed)
<b>Lorton Station Expansion Design</b> Prepare construction documents for 250 platform expansion with upgraded LED lighting			\$103,400	100% Building plans and site plan approved. Preparing construction IFB.	2nd Quarter 2013 (Completed)
COMMUTER STATION PROJECTS, CONTINUED ON NEXT PAGE					

### PROGRESS REPORT | PROJECTS UNDERWAY IN FY14, *CONT.*

PROJECT	LOCATION	TOTAL ADOPTED CIP BUDGET THRU FY14	TOTAL BOARD APPROVED FUNDS	% COMPLETION/ PROJECT STATUS	PROJECT COMPLETION DATE
<b>COMMUTER STATION PROJECTS, <i>CONT.</i></b>					
<b>Alexandria – King St. Pedestrian Tunnel</b> Design and Installation of a new pedestrian tunnel between the VRE/Amtrak and METRO stations and modifications to eastern platform to allow services from Track #1.	Alexandria, VA	\$7,470,000		0% In the process of selecting one of the GEC VI to complete the design.	4th Quarter 2014
<b>Feasibility Study</b> Prepare a feasibility study with limited survey to investigate challenges associated with designing, permitting and constructing a tunnel under a live CSX track.			\$162,711	95% Feasibility study was distributed to stakeholders Jan 2013. Comments received from all stakeholders. Preparing final draft addressing comments. Preparing for final design once VDOT provides approval of use of GEC contract.	2nd Quarter 2013
<b>Site Investigation</b> Compile soils data and perform in-situ testing to prepare for final design phase and provide VDOT with environmental information.			N/A	10% Right of entry permits were submitted in April to CSX & WMATA. Waiting approvals.	3rd Quarter 2013
<b>Broad Run Station Parking Expansion</b> Environmental Analysis and Engineering to expand parking by 700 spaces.	Bristow, VA	\$3,420,000	\$2,031,263	30% CE application package to be submitted to FTA shortly for approval. 30% design submitted in late July and under VRE review.	4th Quarter 2013
<b>Franconia–Springfield Station Rehabilitation Construction</b> Infrastructure repairs and improvements to eastern platform and passenger walkway at VRE Franconia-Springfield Station. Provide flagging services during platform level repairs and overhead pedestrian bridge work.		\$522,000	\$388,000	100% Substantial completion and owner occupancy in June. Contract closeout underway.	Completed
			\$132,000	100% No additional flagging expected.	Completed
<b>Security Cameras</b> Installation of security cameras on station platforms and rehabilitation of communication cabinet to support additional devices for the cameras.	FBG, WDB, QAN, BCV	\$320,000	\$320,000	100%	4th Quarter 2012 (Completed)

## PROGRESS REPORT | PROJECTS UNDERWAY IN FY14, *CONT.*

PROJECT	LOCATION	TOTAL ADOPTED CIP BUDGET THRU FY14	TOTAL BOARD APPROVED FUNDS	% COMPLETION/ PROJECT STATUS	PROJECT COMPLETION DATE
<b>YARD PROJECTS</b>					
<b>Broad Run Train Wash &amp; Crossroads Warehouse</b> Design and construction of Broad Run Yard train wash and Crossroads Yard warehouse.		\$5,723,959			
<b>Crossroads Warehouse Design</b> Conceptual and final design of new Crossroads warehouse.	FBG		\$629,248	100%	4th Quarter 2012 (Completed)
<b>Crossroads Warehouse Construction</b> Construction of new Crossroads warehouse.	FBG		\$2,600,000	100% Final payment issued in early April.	2nd Quarter 2013 (Completed)
<b>Broad Run Train Wash Design</b> Conceptual and final design of new Broad Run train wash.	Bristow, VA		\$325,513	60% 60% design submitted in mid July and under VRE review.	3rd Quarter 2013
<b>Fall Protection</b> Installation of fall protection systems at Broad Run and Crossroads yards.	Bristow, VA/ FBG	\$230,000	\$169,482	100% Project Construction Complete. Punchlist complete. Contract closeout underway.	3rd Quarter 2013 (Completed)
<b>Tie Replacement at Yards</b> Tie replacement at both yards.	Bristow, VA/ FBG	\$530,000	\$434,553	100% Broad Run yard completed. Crossroad yard to be complete on 9/5/2013.	3rd Quarter 2013

### PROGRESS REPORT | PROJECTS UNDERWAY IN FY14, *CONT.*

PROJECT	LOCATION	TOTAL ADOPTED CIP BUDGET THRU FY14	TOTAL BOARD APPROVED FUNDS	% COMPLETION/ PROJECT STATUS	PROJECT COMPLETION DATE
<b>ROLLING STOCK</b>					
<b>PTC</b> Positive Train Control for all locomotives, as mandated by the Rail Safety Improvement Act of 2008.  Oversight—Positive Train Control for all locomotives, as mandated by the Rail Safety Improvement Act of 2008.	System-wide	\$8,821,989	\$741,010	0%	
				3% Task order issue on March 13, 2013 to STV for engineering and oversight work for implementation, MEC IV Task Order 0026.	2nd Quarter 2014
<b>New Passenger Railcars Procurement, No. 90-66-16060</b>	System-wide	\$24,614,000			
<b>New Railcar Manufacture (8 cars)</b> Base order of 8 new passenger railcars.			\$23,140,000	10% Manufacturing of 8 base order passenger railcars planning for manufacturing and scheduling is under way—car body shell in route to Aurora IL.	4th Quarter 2012
<b>New Railcar Engineering Oversight</b> On site engineering through warranty administration under MEC V task order STV-0017 under MEC V.			\$1,474,000	15% Continuing to provide manufacturing and engineering oversight.	4th Quarter 2012

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*A Better Way. A Better Life.*



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BOB THOMAS  
CHRIS ZIMMERMAN**

**ALTERNATES**

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MARC AVENI  
BRAD ELLIS  
JAY FISETTE  
FRANK JONES  
TIM LOVAIN  
MICHAEL MAY  
JEFF McKAY  
MARTIN NOHE  
BENJAMIN PITTS  
SUSAN STIMPSON**

**DOUG ALLEN  
CHIEF EXECUTIVE  
OFFICER**

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

# MINUTES

## VRE OPERATIONS BOARD MEETING PRTC HEADQUARTERS – PRINCE WILLIAM COUNTY, VIRGINIA SEPTEMBER 20, 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
Matt Kelly (PRTC)	City of Fredericksburg
Paul Milde (PRTC)	Stafford County
Suhas Naddoni (PRTC)	City of Manassas Park
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
Kevin Page	DRPT

ALTERNATES PRESENT	JURISDICTION
David Awbrey	DRPT

ALTERNATES ABSENT	JURISDICTION
Marc Aveni (PRTC)	City of Manassas
Brad Ellis (PRTC)	City of Fredericksburg
Jay Fiset (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
Benjamin T. Pitts (PRTC)	Spotsylvania County
Susan Stimpson (PRTC)	Stafford County

STAFF AND GENERAL PUBLIC	
Doug Allen – VRE	Gerri Hill – VRE
Brian Barton – CSX Transportation	Christine Hoeffner – VRE
Gregg Baxter – Keolis	Eric Johnson – VRE
Micah Bergdale – Bytemark	Ann King – VRE
Donna Boxer – VRE	Mike Lake – Fairfax County
Walt Burke – NV Enterprises	Lezlie Lamb – VRE
Nancy Collins – Stafford County	Bob Leibbrandt – Prince William County
Rich Dalton – VRE	Steve MacIsaac – VRE counsel
Rob Dickenson – Prince William County	Betsy Massie – PRTC staff
John Duque – VRE	Nat Parker – GlobeSherpa
Patrick Durany – Prince William County	Dick Peacock – Citizen
Jeremy Flores – VRE	Lynn Rivers – Arlington County
Kip Foster – VRE	Mark Roeber – VRE
Rhonda Gilchrest – NVTC staff	Scott Schenk – Free Lance Star
Steven Grant – LTK	Brett Shorter – VRE
Claire Gron – NVTC staff	Elliot Susseles – Segal Company
Al Harf – PRTC staff	Neil Villerin – NV Enterprises
Chris Henry – VRE	Cal Whitehead – Keolis

\* 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 9:33 A.M. Following the Pledge of Allegiance, roll call was taken.

### Approval of the Agenda – 3

Chairman Smedberg stated that today's agenda is extra long since the Operations Board did not meet in August because of quorum issues. He suggested moving several action items out of order to make sure that they can be considered with a quorum present. There were no objections.

Mr. Kelly moved, with a second by Mr. Thomas, to approve the amended agenda. The vote in favor was cast by Board Members Awbrey, Bulova, Caddigan, Cook, Covington, Jenkins, Kelly, Milde, Naddoni, Skinner, Smedberg, Thomas and Way.

### Approval of the Minutes of the June 21, 2013 Operations Board Meeting – 4

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

### Chairman's Comments – 5

Chairman Smedberg welcomed Mr. Awbrey who is the new Alternate Board Member representing DRPT.

Chairman Smedberg thanked all the Board Members who participated in VRE's System Plan Work Shop on July 19<sup>th</sup>, which was a productive exercise in looking to the future of the VRE system. The Draft System Plan Report has been released.

Chairman Smedberg reported that WMATA's vision plan for the future is called *Momentum: The Next Generation of Metro*. Twenty-five percent of all VRE riders complete their commute by transferring to Metrorail and/or Metrobus. WMATA is asking for endorsements of the Momentum Plan from their regional transit partners. He stated that NVTC has been briefed on this and has endorsed it.

Ms. Bulova made a motion that the Operations Board endorse WMATA's Momentum Plan.

Mr. Way observed that the Momentum Plan seems to be narrowly focused in improving Metro operations and does not call for grand expansion of service, which is consistent with VRE's mission and activities.

Mr. Cook expressed his opinion that he is not sure that the VRE Operations Board needs to address this since half of the VRE member jurisdictions are not represented in



the Metro system service area. Ms. Bulova stated that Mr. Cook's point is well taken; however, the VRE system integrates into the Metro system. Therefore, it is in the Operations Board's best interest to make sure that WMATA is functioning well. Chairman Smedberg stated that he agrees and stated that the intent of endorsing the plan is not to be engaged in the Momentum effort, but to be supportive. Mr. Milde noted that he does not mind being supportive but would like to review the Momentum Plan before he is asked to endorse it. Mr. Allen stated that a web link to the plan was provided in the materials sent to Board Members. Ms. Bulova noted that this information was included with the August agenda but suggested bringing this back next month so that Board Members can review the plan. She withdrew her motion. There were no objections.

Chairman Smedberg reported that the Auditor of Public Accounts completed its preliminary report in early August and had requested comments and a formal response from VRE and the Commissions, which were due on September 17, 2013. Mr. Allen, Ms. Coyner, Mr. Harf and Mr. MacIsaac have all worked together with the APA over the last month to correct some of the inaccuracies of the report and clarify some of the governance issues. Since the Operations Board did not meet before the deadline, both Commissions took action at their September meetings to submit comments to APA. APA will be sending courtesy copies of the report to all Operations Board Members and NVTC and PRTC Commissioners today and will release the report to the public on Monday, September 23, 2013.

Chairman Smedberg reported that the Executive Committee discussed the APA report at its meeting earlier this morning. They discussed establishing an audit committee, which was one of the APA recommendations. The function of the proposed audit committee would be:

- To provide a mechanism for required direct communication apart from management between the independent financial auditors and the VRE Operations Board;
- To review the results of grantor compliance audits and any performance audits that are carried out; and
- To assist the Operations Board in ensuring that VRE management is fulfilling its internal control and financial reporting responsibilities.

Mr. Cook explained that one of the questions raised at the Executive Committee meeting was the oversight the Commissions have over VRE. He believes that instead of the Operations Board creating its own audit committee that the Board should recommend that the Commissions create a joint audit committee of VRE that reports to the Commissions. He also recommended that the Commissions provide an annual management audit in addition to the financial audit. A management audit would respond to some of the points made in the APA report, which would look at the processes, operational documents matching up with what VRE is doing and other management functions. The right process is for the Commissions, as owners of VRE, to establish both the audit committee and the hiring an outside party for a management audit.

Mr. Way agreed, but stated that he would like to add for the record that in his opinion the letter the Commissions sent to the APA was polite, professional and comprehensive—far more than this audit deserves. He found the audit to be shamefully sloppy and full of unfounded conclusions. He is not impressed at all by the APA audit.

Ms. Bulova stated that she also supports Mr. Cook's suggestion. It seemed from the report that the APA was confused by the relationship between VRE and its parent Commissions, which in her opinion has been its strength. VRE has become a highly successful system because of that relationship and regional collaboration.

Mr. Kelly also agreed with Mr. Cook's suggestion but asked that Operations Board Members serve on the audit committee. Serving on both organizations is beneficial as opposed to having PRTC or NVTC only members who are not familiar with VRE operations.

Chairman Smedberg asked for Mr. MacIsaac's opinion on this recommendation. Mr. MacIsaac stated that it is a good recommendation. Ironically, the creation of a joint audit committee is almost like how the Operations Board functioned at its inception.

Mr. Cook moved the following motion: The VRE Operations Board recommends that the Commissions establish a joint audit committee to audit VRE, and recommend that the Commissions appoint members of the Operations Board to serve on that committee. The motion also recommends that the Commissions provide for an annual outside management audit of VRE. Ms. Bulova seconded the motion.

Mr. Way asked for a friendly amendment that the joint NVTC/PRTC audit of VRE should not be duplicative of the existing VRE financial audit and rather emphasize the management side of the operations. Mr. Cook accepted this friendly amendment.

Chairman Smedberg observed that the functions he reviewed at the beginning of this discussion fit in nicely with Mr. Way's comments. Chairman Smedberg read the functions again. Mr. Cook stated that he has no problem with that language, except "Board" should be changed to "Board and Commissions." The audit report should go to the Commissions because ultimately they need to provide oversight to the Operations Board.

The Operations Board then voted on the motion and it passed. The vote in favor was cast by Board Members Awbrey, Bulova, Caddigan, Cook, Covington, Jenkins, Kelly, Milde, Naddoni, Skinner, Smedberg, Thomas and Way.

#### Chief Executive Officer's Report – 6

Mr. Allen reported that overall on-time performance (OTP) for the month of August was 97 percent, with the Fredericksburg line reaching 99 percent, which is an all-time performance record for the Fredericksburg line. Ridership remains strong, with three days over 20,000 average daily riders and one day over 21,000.

Mr. Allen stated that he has focused his time on legislative outreach, including meeting with General Assembly members to hear their perspective about VRE issues. He also gave a presentation on VRE at the recent Commonwealth Transportation Board (CTB) meeting, which concluded with a train ride for CTB members. VRE worked with CSX to make this train trip possible. Mr. Skinner accompanied the group and VRE was able to have the train slow down to point out the location of the Spotsylvania Station. Mr. Allen also reported that he attended a roundtable discussion at the initial meeting of the Congressional Public Transportation Caucus, which was formed by Congressmen Lipinski and Grimm. Congressman Connolly is also a member of the Caucus. That discussion included issues facing transit agencies as Congress prepares to reauthorize MAP-21 legislation.

Mr. Allen reported that VRE staff is working hard with its consultants to advance the VRE System Plan based on the feedback from the workshop. Staff will provide “next steps” at the October Operations Board Meeting and the Board will be asked to adopt the final VRE System Plan in December or January.

Mr. Allen reported that there has been some reorganizing of several positions to different departments in order to maximize the effectiveness of those positions. An example is that facilities maintenance was moved into operations. Also, he is in the process of advertising for a new Chief of Staff and Chief Development Officer.

Mr. Allen stated that the Transit Service Delivery Advisory Committee (TSDAC) is making recommendations for state operating and capital allocations. This work will be finalized soon. PRTC, NVTC and VRE have been closely following the work of the committee.

#### VRE Riders’ and Public Comment – 7

Mr. Peacock congratulated VRE on achieving 99 percent OTP on the Fredericksburg line and encouraged VRE to issue a press release. He also stated that it is important that VRE promote the “S” schedule service on Columbus Day. He stated that VRE has done an excellent job in security, including the volunteer program where law enforcement personnel can ride free on VRE if they help conductors during an emergency.

[Mr. Zimmerman arrived at 9:59 A.M.]

## Consent Agenda – 8

Mr. Covington moved, with a second by Mr. Cook, to approve the following consent agenda items:

Resolution #8A-09-2013: Authorization to Issue a RFP for Proposals for Website Design and Development.

Resolution #8B-09-2013: Authorization to Issue a RFP for Federal Relations Services.

Resolution #8C-09-2013: Authorization to Issue a RFP for the Installation of Security Cameras at Broad Run Station.

Resolution #8D-09-2013: Authorization to Issue a RFP for Professional Services of a Database Developer Expert.

Resolution #8E-09-2013: Authorization to Award a Purchase Order for Heavy Interior Cleaning of VRE Rail Cars.

Ms. Bulova requested that Agenda Item #8B be pulled from the Consent Agenda for discussion. There were no objections.

The Operations Board then voted unanimously to approve the amended Consent Agenda. The vote in favor was cast by Board Members Awbrey, Bulova, Caddigan, Cook, Covington, Jenkins, Kelly, Milde, Naddoni, Skinner, Smedberg, Thomas, Way and Zimmerman.

## Authorization to Issue a RFP for Federal Relations Services – 8B

Ms. Bulova noted that there are resources available from the jurisdictions for these types of services. For example, Fairfax County has a legislative liaison and the county also contracts with outside resources to track federal issues, including VRE issues.

Mr. Allen explained that the requested services are specific to commuter rail and freight railroad issues and VRE is looking for services of someone to work with the Federal Railroad Administration and Federal Transit Administration on technical and regulatory issues. VRE would certainly coordinate and utilize services of the member jurisdictions. He anticipates that as VRE begins discussions with Amtrak, VRE will need to have federal relations expertise that deals with Amtrak and freight issues. It is a relative modest annual cost of \$50,000 or less.

Ms. Bulova moved, with a second by Mr. Cook, to approve Resolution #8B-09-2013, which would authorize the CEO to issue a RFP for federal relations services to assist with federal agencies, institutions and elected officials. Ms. Bulova also directed staff to explore the resources VRE has with the member jurisdictions.

Mr. Cook noted that Mr. Allen's explanation makes sense, but it is not written that way in the report and his concern is that VRE will end up with a typical lobbying firm. He suggested deferring this action and narrowing down the specific need. The wording in the resolution is vague. Mr. Zimmerman noted that this resolution is authorizing the RFP to be issued and staff would return to the Board with a recommendation for contract award.

Ms. Bulova requested that the RFP be more specific and that VRE explore what resources are available from the jurisdictions. Mr. Cook agreed with the understanding that the RFP would reflect the comments made and direct staff to come back with recommendations on how VRE can coordinate with existing services. Mr. Kelly asked that the amended RFP be distributed to Board Members prior to its release.

The Board then voted on the resolution and it passed. The vote in favor was cast by Board Members Awbrey, Bulova, Caddigan, Cook, Covington, Jenkins, Kelly, Milde, Naddoni, Skinner, Smedberg, Thomas, Way and Zimmerman.

#### Referral of Results of the Employee Compensation Study to the Potomac and Rappahannock Transportation Commission and Authorization to Approve PRTC/VRE Personnel Policy Amendments – 9A

Elliot Susseles, Senior Vice President of Segal Company, gave a presentation on the findings of the VRE/PRTC Compensation Study. Based on market competitiveness, Segal has concluded that the majority of the positions for VRE and PRTC's pay structure are at market and generally within the expected pay ranges. However, there are some positions which are above or below market. Segal is proposing VRE amend the pay grade assignments for those positions. Mr. Susseles also reviewed VRE's cost sharing and compensation packages. For the most part, VRE's compensation package is compatible to other peer employers. However, the Majority of peer employers offer some form of vision plan, whereas VRE does not.

Mr. Shorter explained that six positions were adjusted slightly from the Segal recommendations in order to achieve internal consistency. The end result in terms of classifications is five positions have an increase in grade, 11 positions are decreased in grade, and 19 positions have no grade change. The net salary increase of these changes is approximately \$8,500. Mr. Shorter stated that three positions salaries were above market. In keeping with industry practices, these salaries will be frozen at their current levels until such time the grade range has increased to allow growth.

Mr. Shorter also explained that the Deputy CEO/COO position was graded higher than the current payscale, therefore the recommendation is to amend the PRTC/VRE Personnel Policy to add three higher grades to the existing general pay scale to accommodate this position.

Mr. Shorter stated that separate from the Compensation Study, there were three employees who were promoted during the time of the study but received no pay increase at that time, pending the completion of the study. These promotions would result in an additional annual expense of approximately \$41,000.

Mr. Milde stated that he would like to see cost savings as a result of this study. Mr. Shorter stated that there could be savings if positions vacate and VRE hire new employees at a lesser pay level. In response to a question from Mr. Milde, Mr. Shorter stated that for the positions that are above market value it totals approximately \$20,000 above what should be their salaries.

Mr. Zimmerman observed that if VRE had not done the study those employees who were promoted would have already received their pay raises. Mr. Allen concurred and stated that the study confirmed that the amount was correct. Mr. Zimmerman concluded that the study recommended cost is only \$8,500. Mr. Shorter stated that VRE's total salary budget line item is \$3.6 million annually. Mr. Zimmerman noted that this shows that VRE is almost on target.

In response to a question from Mr. Skinner about health care coverage for employees, Mr. Shorter gave an overview of the two health care coverage options available to employees. Mr. Harf explained that it is in the organizations best interest to offer an HMO plan to incentivize employees with 100 percent coverage paid by the employer because it costs the organization less overall for the HMO premiums than for other plans.

Mr. Way stated that it seems that three employees are receiving a total of \$41,000, which is approximately \$14,000 per employee and is more than a 10 percent increase. His concern is the perception of giving higher level employees greater increases while the rest of the employees don't get any. Mr. Allen explained that those increases are for promotions resulting from reorganization. The salary increases were held off until the Compensation Study was completed. The increases weren't a result of the study. Mr. Way stated that although this is a fair justification, the results are the same that three employees' salaries are increasing by \$41,000.

Mr. Cook stated that these are two completely separate issues—three people who were promoted into new job titles which resulted in increased salaries, but the increases were frozen until the study was completed. However, the \$8,500 is being shared by three other positions. He asked about the percentage of these raises. Mr. Shorter stated that it is about five percent increase for each position.

Mr. Cook moved Resolution #9B-09-2013, which would recommend that PRTC approve an amendment to the PRTC/VRE Personnel Policy to modify the General Payscale to create three higher grades. Mr. Cook asked staff to look at the benefits and costs of offering employees a vision plan for next year's budget consideration. Ms. Bulova seconded the motion.

In response to a question from Mr. Naddoni, Mr. Susseles stated that if Segal collected data on cost sharing percentages during the study, he will provide it to VRE.

The motion was reviewed and a question asked if the motion included coming back with a recommendation about vision plan coverage. Mr. Milde requested that it be a separate motion. Chairman Smedberg stated that it does not need to be part of a motion and can be a direction to staff. There were no objections.

The Board then approved Resolution #9A-09-2013. The vote in favor was cast by Board Members Awbrey, Bulova, Caddigan, Cook, Covington, Jenkins, Kelly, Milde, Naddoni, Skinner, Smedberg, Thomas, Way and Zimmerman.

#### Authorization to Award a GEC VI Task Order for Construction Engineering and Inspection of the Spotsylvania Station Project – 9F

Mr. Allen reported that Resolution #9F-09-2013 would authorize him to award a GEC VI Task Order to STV Incorporated for construction engineering and inspection services for the Spotsylvania Station project in an amount of \$270,492, plus a 10 percent contingency of \$27,049, for a total amount not to exceed \$297,541.

Mr. Milde noted that funding for this project is being provided via a state transit grant, with match provided by Spotsylvania County. The state grant will provide 55 percent of the first \$3.4 million of costs and any costs above that will be funded by Spotsylvania County.

Mr. Skinner moved, with a second by Mr. Milde, to approve Resolution #9F-09-2013. The vote in favor was cast by Board Members Awbrey, Bulova, Caddigan, Cook, Covington, Jenkins, Kelly, Milde, Naddoni, Skinner, Smedberg, Thomas, Way and Zimmerman.

Mr. Skinner thanked the VRE Operations Board and staff for their assistance in getting this project moving forward. Chairman Smedberg also acknowledged the cooperation and hard work done by Mr. Skinner and the Spotsylvania Board of Supervisors and staff.

#### Authorization to Award a GEC VI Task Order for Construction Engineering and Inspection of the Crossroads to Hamilton Third Track Project –9G

Mr. Allen reported that Resolution #9G-09-2013 would authorize him to award a GEC VI Task Order to STV Incorporated for construction engineering and inspection services for the Crossroads to Hamilton Third Track project in an amount of \$848,218, plus a 10 percent contingency of \$84,822, for a total amount not to exceed \$933,040. The construction of the third track is expected to begin this month and be completed by end of summer 2014.

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

Authorization to Execute a Force Account Agreement with CSXT for Construction of the Crossroads to Hamilton Third Track Project – 9H

Mr. Allen stated that Resolution #9G-09-2013 would authorize him to execute a force account agreement with CSXT for construction of the Crossroads to Hamilton third track project in an amount of \$20,522,611, which includes a 10 percent contingency by CSX.

Mr. Allen explained that this is the last approval needed to get this project underway. In response to a question from Mr. Cook, Mr. Allen explained that significant portions of the project are required to be performed by CSX. The force account agreement will provide reimbursement to CSX for their work.

In response to a question from Ms. Bulova, Mr. Allen stated that funding for this project is included in VRE's Capital Improvement Program as part of the Crossroads to Hamilton Third Track project. The total funding for the \$32.5 million project comes from federal and state funding, local match by Spotsylvania County, and match funds provided by CSX.

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

Mr. Skinner announced that the ground breaking ceremony will be scheduled soon. Chairman Smedberg thanked DRPT for their funding assistance in the project.

Authorization to Award a Contract for a Mobile Ticketing System—9I

Mr. Allen reported that Resolution #9I-09-2013 would authorize him to execute a contract with Globe Sherpa of Portland, Oregon for a Mobile Ticketing System in the amount not to exceed \$3,191,479, plus a 10 percent contingency of \$319,148, for a total amount not to exceed \$3,510,627.

Mr. Henry gave a presentation reviewing VRE's ticket history, the RFP process, the contract selection process and the mobile ticketing system that has been selected. A real-time demonstration was given showing how user friendly it is to purchase a VRE ticket using this technology. Riders will be able to purchase tickets in seconds using their cell phones. Several features include purchasing tickets that can be used immediately or stored for future use; ticketing for multiple riders; trip planning and subsequent ticket purchases; alerts about service disruptions; transit promotions; integration with Smart Benefits; and support for iPhone, Android, Mobile web and



Blackberry. It also includes visual levels of security so conductors do not have to change their job function to validate tickets.

Mr. Henry stated that with any of the top four ranked firms' proposals VRE would save between \$200,000 - \$600,000 annually in operating expenses; primarily from reduction in sales commissions paid to the current system vendors. Globe Sherpa was selected because it was the highest rated firm on the procurement criteria.

In response to a question from Mr. Milde, Mr. Henry explained that internet service will be needed to purchase tickets, but not for validation or to launch a ticket. He also explained that in the next phase, VRE will work to add a trip tool function that will also allow riders to purchase tickets for different transit systems, including Metro, DASH, and MARC for a "one-stop" shopping experience. The next phase will also include ticket purchasing on-line through a web portal, where after purchase, a ticket can be sent to a cell phone.

Chairman Smedberg asked for more information about how this system will integrate with VRE's regional partners. Mr. Henry stated that 60 percent of VRE riders receive a Smart Benefit, so there will be interoperability of accessing Smart Benefit data with WMATA. As WMATA's New Electronic Payments Program (NEPP) is developed, VRE's mobile ticketing system will be integrated with NEPP. He explained that part of the RFP included the specifications for the NEPP system and the intent to integrate with NEPP.

In response to a question from Mr. Milde, Mr. Henry stated that a GPS tracking system will be included. Mr. Milde asked if there will be opportunities to advertise through the mobile ticketing system. Mr. Henry answered that VRE will work with Globe Sherpa to include this in the next phase. The first phase is to get the "app" out for riders to download and the second phase will include the trip planner, advertising and marketing type functions.

Mr. Milde observed that this system will put VRE on the leading edge of technology for the commuter rail industry. Mr. Henry explained that Portland's TriMet is one of Globe Sherpa's clients.

Mr. Milde asked about start-up costs and Mr. Henry responded that \$1.7 million in upfront capital costs is needed to get the system up and running, but ultimately VRE anticipates \$500,000 in savings each year, which will pay for itself in just over three years. Mr. Milde observed that this is a win-win situation for both riders and VRE.

Mr. Henry introduced Nat Parker, co-founder and CEO, of Globe Sherpa.

In response to a question from Mr. Cook, Mr. Henry stated that there is no reason to believe that the technical specifications for NEPP won't be used and that this system can be integrated with NEPP. Mr. Cook stated that it is critical for the long-term that VRE integrate into the NEPP system. He would hate to see VRE spend \$1.7 million and it not be compatible. Mr. Henry responded that by the time VRE is able to fully participate in the NEPP project (because it is not anticipated to be implemented for

three years); this project will have paid for itself. It is a three year contract, with two one-year options. Worst case scenario is if it is discovered that it does not integrate with NEPP, VRE would not renew the option years. He assured the Board that the interoperability with NEPP has been the driving force behind this entire process.

Mr. Way stated that he would like to hear more about the proven nature, reliability and simplicity of this technology, as well as how individuals will be able to use the system. Mr. Henry stated that the mobile ticketing system is designed to be as user friendly as possible. The goal is to make it easy and convenient. He also explained that this system is currently being used by TriMet, which is a much larger system than VRE. In the first few weeks of operations, they had 33,000 downloads of the “app” which far exceeds the number of VRE riders. It has already been load tested to a far greater extent than VRE’s entire system.

Mr. Way stated that if VRE is the leader in this initiative then this means that the regional partners will have to adopt into VRE’s system as opposed to VRE adopting into what the region does. Mr. Henry stated that MARC and MTA have already contacted VRE about mobile ticketing because they are interested in doing the same thing. There is also a mobile ticketing option within the NEPP system that will be interoperable with VRE’s system.

Mr. Naddoni had several technical questions. Mr. Parker explained that this system supports cross platform which included IOS Apple and Android and in the next phase native Blackberry and Windows will be initiated. The “app” will be a free download from various markets. In response to a question from Mr. Naddoni about payment options, Mr. Parker explained that the system is designed to accept a number of payment options, including debit, credit, ACH transfer, and Smart Benefits. Google Wallet and PayPal are also options that can be supported. Globe Sherpa provides PCI compliant payment processing which protects people’s sensitive financial information.

Mr. Naddoni asked if this type of system will result in fewer number of summons and if conductors will now give passengers an opportunity to purchase tickets by phone while on the train. Mr. Henry stated that there is a built-in option that the conductor will know if someone just purchased a ticket and validated. VRE will need to determine business rules of ticket purchasing as it relates to fare evasion.

Mr. Covington expressed his opinion that this is phenomenal technology. He asked how VRE will phase out paper tickets. Mr. Henry stated that the reality is that paper tickets will never be phased out completely because there needs to be an alternative way to purchase tickets. However, this mobile system will allow VRE to reduce existing ticket vending equipment, as well as cut labor and maintenance costs. Mr. Covington also asked if VRE has discussed mobile ticketing with the state run railroad and Amtrak. Mr. Henry stated that Amtrak already has a type of mobile purchasing and VRE will work with Amtrak for integration opportunities.

Mr. Naddoni expressed his concerns about privacy and security, as well as advertising “pop-ups.” Mr. Henry stated that VRE does not plan to solicit general advertising to

support the “app.” There may be opportunities for advertising that makes sense for VRE riders. An example would be if a local merchant wanted to offer a discount to VRE riders. Mr. Parker reiterated that security is the most important aspect to Globe Sherpa and it is absolutely imperative that people’s financial information is protected. All data is encrypted. An outside cyber security firm was hired for a full scale audit of Globe Sherpa and all its systems to identify any potential vulnerabilities and to give TriMet a third part opinion.

Mr. Way expressed his reservations about the demonstrated reliability and proven technology of the system since it is only demonstrated in one location. He is also concerned about VRE getting ahead of WMATA’s NEPP system and this could pressure WMATA and MARC to use VRE’s system rather than VRE integrating into the NEPP system. He also observed that although savings will be realized by reduced vendors and equipment, it will make it more difficult for people who want to buy a ticket the regular way.

[Mr. Jenkins and Ms. Caddigan left the meeting at 11:30 A.M. and did not return.]

Mr. Henry stated that the technology for a transit application is relatively new but mobile purchasing is not new technology. Although it is new to the transit industry, it is not entirely unproven. WMATA will have the same issues regardless of which system is chosen.

Mr. Zimmerman stated that Mr. Way raises valid concerns but there is also a risk of not moving forward. The biggest question is compatibility of NEPP and he has been told that this system is compatible with the NEPP written specifications. He suggested staff verify this.

Mr. Milde moved, with a joint second by Mr. Zimmerman and Mr. Naddoni, to approve Resolution #9I-09-2013, which would provide authority for the CEO to award the contract to Globe Sherpa. The vote in favor was cast by Board Members Awbrey, Bulova, Cook, Covington, Kelly, Milde, Naddoni, Skinner, Smedberg, Thomas and Zimmerman. Mr. Way voted in opposition.

#### Authorization to Award a GEC VI Task Order to Michael Baker Jr., Incorporated for Consultant Support for the Design and Development of a Mobile Ticketing System—9J

Mr. Allen explained that the VRE Operations Board is being asked to authorize him to award a GEC VI Task Order to Michael Baker Jr., Inc., to provide consulting support in the design and development of a mobile ticketing system in the amount of \$186,482, plus a 10 percent contingency of \$18,648, for a total amount not to exceed \$205,130. Resolution #9J-09-2013 would accomplish this.

Mr. Allen stated that with the award of a contract to Globe Sherpa in the previous item, VRE will require additional technical assistance to manage the system design and development process. This firm has extensive knowledge of the VRE Mobile Ticketing

requirements as well as the scope of the vendor contract, making them a logical and cost-effective choice to continue to advise VRE as the design and implementation of the mobile ticketing system proceeds. They also have extensive experience with transit industry fare collection consultant services for WMATA in support of NEPP.

Mr. Milde moved, with a second by Mr. Covington, to approve Resolution #9J-09-2013. The vote in favor was cast by Board Members Awbrey, Bulova, Cook, Covington, Kelly, Milde, Naddoni, Skinner, Smedberg, Thomas and Zimmerman. Mr. Way voted no.

[Mr. Naddoni left the meeting at 11:40 A.M. and did not return.]

#### Authorization to Execute a MEC V Task Order for Design, Modification and Installation Services for Security Locks on VRE Passenger Cars – 9C

Mr. Allen stated that Resolution #9C-09-2013 would authorize him to issue a task order to STV, Inc., under the MEC V contract, to provide design, modification and installation services for upgraded security locks on VRE passenger cars for \$93,168, plus a 10 percent contingency of \$9,317, for a total amount not to exceed \$102,485.

Mr. Covington moved, with a second by Ms. Bulova, to approve Resolution #9C-09-2013.

In response to a question from Mr. Skinner, Mr. Dalton explained that the lock replacement is a security enhancement. The current design of the interior cabinet door locks pre-dates the Rail Safety Improvement Act of 2008. The new locks will prevent tampering and reduce unauthorized access. Mr. Allen stated that 467 locks will be replaced at an estimated cost of \$200 each.

The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Awbrey, Bulova, Cook, Covington, Kelly, Milde, Skinner, Smedberg, Thomas, Way and Zimmerman.

#### Referral of Preliminary FY 2015 VRE Operating and Capital Budget to the Commissions – 9B

Ms. Boxer stated that due to the lateness of the hour, she will not give the presentation but will just provide highlights. The preliminary capital budget is currently \$2.4 million unfunded. Federal formula funding is based on an estimation of what VRE expects to receive under the new Section 5337, State of Good Repair formula program. The current estimate is that VRE will receive an additional \$9.7 million annually compared to the amount received in FY 2013 under the prior Fixed Guideway program. This is a 58 percent increase. VRE continues to monitor TSDAC recommendations for state operating and capital allocations. VRE's System Plan is also being incorporated into the budget. \$2 million will be included in the CIP as "seed money" for project development.

Mr. Shorter stated that assuming VRE will receive the same track access funding, the budget increased by \$25 million, of which \$23.9 is capital. An eight-car Fredericksburg line train is budgeted for a full year. At this time, the budget shows no fare or subsidy increase.

Mr. Way briefed the Board on the work of the Capital Subcommittee. He stated that the Budget and Six-Year Forecast have many uncertainties and variables. While it is fine to present the budget to the Commissions for consideration, it will be hard for them to make coherent, comprehensive comments back to VRE.

Mr. Milde discussed the issue of non-NVTA members paying their share of the railcar acquisition. Those jurisdictions (Stafford, Fredericksburg, and Spotsylvania) will need a plan to absorb these costs.

Mr. Cook observed that the budget includes a significant amount of funding for long-term maintenance. This premise of the budget is important. It is a fiscally responsible approach that VRE will not be purchasing equipment that VRE can maintain. The budget incorporates long-term capital maintenance items.

The Operations Board then voted on Resolution #9B-09-2013, which would authorize VRE's CEO to refer the preliminary FY 2015 VRE Operating and Capital Budget to the Commissions for their consideration, so that the Commissions, in turn, can refer these recommendations to the jurisdictions for their review and comment. The vote in favor was cast by Board Members Awbrey, Bulova, Cook, Covington, Kelly, Milde, Skinner, Smedberg, Thomas, Way and Zimmerman.

#### Authorization to Award a Contract for Lubricating Oil Delivery Services for Locomotives -9D

Mr. Allen reported that the VRE Operations Board is being asked to authorize him to execute a contract with Quarles Petroleum, Inc. of Warrenton, Virginia for delivery of lubricating oil for VRE locomotives in an amount of \$318,678, plus a 10 percent contingency of \$31,868, for a total amount not to exceed \$350,546. Resolution #9D-09-2013 would accomplish this.

Mr. Allen stated that following an Invitation for Bid (IFB), only one responsive bid was received. Staff conducted a survey to determine why only a single bid was received and is satisfied with the results, as well as certifying that the price is fair and reasonable. After review of the bid, it was determined that Quarles Petroleum, Inc., is a responsive and responsible bidder. The contract will be for a base year and two option years, with the VRE CEO exercising the option years at his discretion.

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

Authorization to Execute a Sole Source Contract for Positive Train Control Equipment and Installation Services –9E

Mr. Allen stated that the VRE Operations Board is being asked to approve Resolution #9E-09-2013 which would recommend that the Commissions authorize him to execute a sole source contract for Positive Train Control equipment and installation services to Wabtec Corporation, the only practically available source of this equipment, in an amount of \$7,023,969, plus a five percent contingency of \$351,198, for a total not to exceed \$7,375,167.

Mr. Way expressed his concern that VRE not get ahead of CSX and NS and asked if they are committed to the same equipment and if it is proven reliable. Mr. Allen replied yes.

Ms. Bulova moved, with a second by Mr. Skinner, to approve Resolution #9E-09-2013. The vote in favor was cast by Board Members Awbrey, Bulova, Cook, Covington, Kelly, Milde, Skinner, Smedberg, Thomas, Way and Zimmerman.

Authorization to Extend a License Agreement for the Lease of Tower Space for the VHF Radio Communications System –9K

Mr. Allen stated that the VRE Operations Board is being asked to authorize him to extend a license agreement with American Towers, Inc., for the lease of space on their cell tower located in Fairfax Station, Virginia in the amount of \$172,788, payable over the term of five years. Resolution #9K-09-2013 would accomplish this.

Mr. Skinner moved, with a second by Ms. Bulova, to approve the resolution.

Mr. Skinner suggested that staff see if this tower could also be used as a relay station for Wi-Fi service. Mr. Covington asked VRE's CEO to look at the local proffer packages, which routinely include a public safety and access to the towers. \$172,788 is a significant amount of money multiplied over the entire system.

The Board then voted on the motion and it passed. The vote in favor was cast by Board Members Awbrey, Bulova, Cook, Covington, Kelly, Milde, Skinner, Smedberg, Thomas, Way and Zimmerman.

Authorization to Execute a GEC VI Task Order for National Transit Database (NTD) Data Collection Services – 9L

Mr. Allen reported that Resolution #9L-09-2013 would authorize him to award a GEC VI Task Order to AECOM to conduct National Transit Database (NTD) ridership data collection in an amount of \$125,178, plus a 10 percent contingency of \$12,518, for a total amount not to exceed \$137,696.

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

#### Authorization to Amend the Marketing, Advertising and Public Relations Services Contract –9M

Mr. Allen stated that the Operations Board is being asked to authorize him to execute a contract amendment with Sparky's Garage of Leesburg, Virginia in the amount of \$150,000, for a marketing, advertising and public affairs services contract, for a total base period contract value not to exceed \$500,000. Resolution #9M-09-2013 would accomplish this.

Mr. Allen stated that the contract was inadvertently not brought back for Operations Board approval for the second and third option years. He explained that during a review of contract payments, it was discovered that work under the contract had exceeded the original authorization level. As a result, an additional authorization is sought in the amount of \$150,000 for a total contract value of \$500,000 through the end of the original three year base period on June 30, 2014. Because VRE's need for marketing services has evolved over the last several years, VRE staff currently plans to request approval for a revised scope of services, rather than exercise the first option period under the current agreement.

Mr. Skinner moved, moved with a second by Mr. Milde, to approve the resolution.

Chairman Smedberg stated that VRE is transitioning away from this type of contract as it makes organizational improvements.

The Board then voted on the motion and it passed unanimously. The vote in favor was cast by Board Members Awbrey, Bulova, Cook, Covington, Kelly, Milde, Skinner, Smedberg, Thomas, Way and Zimmerman.

[Mr. Covington left the meeting at 11:45 A.M.]

#### Operations Board Members' Time –11

Mr. Zimmerman reported that the Transportation Planning Board's Regional Transportation Priorities Plan (RTPP) was released for comment. The draft RTPP report did not mention commuter rail. He stated that TPB's next meeting will discuss the RTPP Plan. He noted that the plan is inconsistent with COG's "Region Forward" plan and the need for the RTPP to focus on long-term development of a commuter rail network and that it is important to emphasize commuter rail in the plan.

Mr. Way stated that he agrees, except he does not consider the RTPP to be a plan, but instead a bunch of thoughtful bases from which a plan could be developed. The RTPP began as an expansion of the Constrained Long Range Plan (CLRP).

Mr. Skinner stated that he would like to see a mobile ticketing presentation be given to riders in a central location and at the very least a presentation to his Board. It will be important to market this new system. Mr. Henry stated that there is already a plan for marketing; however it will take 7-8 months before the pilot phase is initiated. Chairman Smedberg suggested a short video on VRE's website on how to use this technology.

#### Caroline County's Interest in PRTC/VRE Membership—11B

Mr. Kelly stated that he gets the sense that there is not unanimous agreement of the Caroline County Board to join VRE/PRTC. He asked about VRE plans to make a definitive decision about this issue because he would like to see it resolved.

Mr. Cook suggested deferring the presentation because of the lateness of the hour. Mr. Allen stated that VRE has been clear with Caroline County that VRE is not interested in pursuing expansion past present boundaries. However, Caroline County is still interested in joining VRE.

Mr. Harf stated that the Operations Board should consider the prospect of an additional \$150,000 annually from a potential contribution from Caroline County that would help defray a portion of VRE/PRTC expenses.

Ms. Bulova stated that she supports deferring the discussion when more Board Members can be present. She suggested that before the Operations Board explores this issue, VRE should determine Caroline County's intent. Mr. Kelly requested that VRE ask Caroline County to make a formal request to VRE.

#### Maintenance and Custodial Services for VRE Facilities—11A

Mr. Allen reminded the Board that they requested a report on maintenance and custodial services following their authorization of a six-month contract extension back in October. He stated that he would be happy to discuss this with individual members. Chairman Smedberg suggested bringing this item back at next month's meeting. There were no objections.



### Adjournment

On a motion by Mr. Kelly and a second by Ms. Bulova, the Board unanimously agreed to adjourn. Chairman Smedberg adjourned the meeting at 12:04 P.M.

Approved this 18<sup>th</sup> day of October, 2013.

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Paul Smedberg  
Chairman

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John Cook  
Secretary

### **CERTIFICATION**

This certification hereby acknowledges that the minutes for the September 20, 2013 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.



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Rhonda Gilchrest

**Virginia Railway Express  
Operations Board**

**Resolution  
8A-09-2013**

**Authorization to Issue a Request for Proposals for Website  
Design and Development**

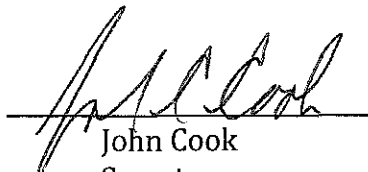
**WHEREAS**, in July 2005, VRE entered into a contract with AITG, Incorporated for website redesign work; and,

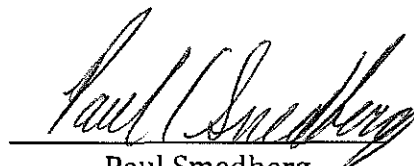
**WHEREAS**, that contract constitutes the last major investment by VRE for its website and internal contract system management of the website; and,

**WHEREAS**, the VRE website today is one of the most vital links with our passengers and potential customers that VRE staff is recommending that a complete overhaul of the existing web infrastructure be initiated to incorporate the latest technology and more user friendly applications for our passengers and the general public.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the VRE Chief Executive Officer to issue a Request for Proposals to redesign the existing VRE website and to implement the content management system for the new VRE web page.

Approved this 20<sup>th</sup> day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
8B-09-2013**

**Authorization to Issue a Request for Proposals  
for Federal Relations Services.**

**WHEREAS**, there is a need for VRE to effectively interact with federal agencies, Congressional staff, committees and members on regulations, prospective legislation and other VRE related issues; and,

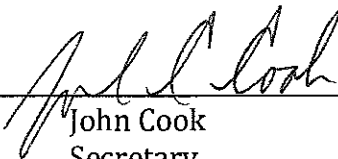
**WHEREAS**, VRE Operations Board annually adopts a federal legislative agenda; and,

**WHEREAS**, that legislative agenda often calls for communicating a need or position on behalf of VRE before Congress or a federal agency; and,

**WHEREAS**, it is in VRE's interest to secure federal relations services to assist VRE in addressing these federal issues.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the VRE Chief Executive Officer to issue a Request for Proposals for federal relations to assist VRE with federal issues.

Approved this 20<sup>th</sup> day of September 2013

  
\_\_\_\_\_  
John Cook  
Secretary

\_\_\_\_\_  
Paul Smedberg  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
8C-09-2013**

**Authorization to Issue Request for Proposals for the Installation of  
Security Cameras at Broad Run Station**

**WHEREAS**, , in 2011, the Operations Board authorized an extension of the station platform at Broad Run; and,

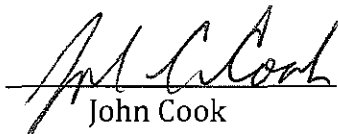
**WHEREAS**, in February 2012, the new extended platform was completed and opened to VRE passengers; and,

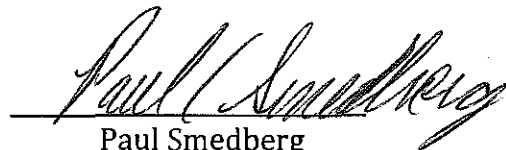
**WHEREAS**, it is recommended that additional cameras should be installed and integrated into VRE's existing camera system using software and hardware known as Indigo Vision; and,

**WHEREAS**, cameras installed at Broad Run would have extended views of the entire station platform at Broad Run.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board authorizes the Chief Executive Officer to issue a Request for Proposals (RFP) for the purchase and installation of security cameras at the Broad Run station.

Approved this 20th day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
8D-09-2013**

**Authorization to Issue a Request for Proposals for  
Professional Services of a Database Developer Expert**

**WHEREAS**, VRE staff members are using multiple sources of various customer data collected since 1993 shown in different formats; and,

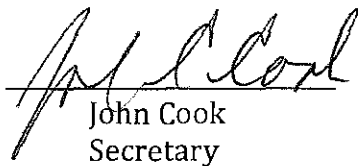
**WHEREAS**, VRE staff members are utilizing various data applications developed and owned by multiple third-party contractors to store and query customer, fleet, and service operations data; and,

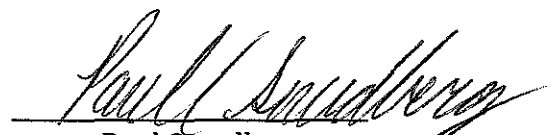
**WHEREAS**, it is recommended that VRE should consolidate all database information by developing a customized database application; and,

**WHEREAS**, the custom database application will have a single user interface to allow management of all collected data and to provide data dashboards and reports to be used as a decision support system.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board authorizes the Chief Executive Officer to issue a Request for Proposals (RFP) for the purchase of professional services provided by a Database Developer Expert.

Approved this 20th day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
8E-09-2013**

**Authorization to Award a Purchase Order for  
Heavy Interior Cleaning of VRE Rail Cars**

**WHEREAS**, VRE requires heavy interior cleaning of passenger cars in the spring and fall of each calendar year; and,

**WHEREAS**, VRE had executed a Contract in May of 2012 with a service provider for heavy interior cleaning of passenger cars; and,

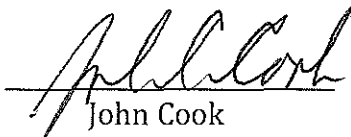
**WHEREAS**, VRE did not exercise the option year for the existing Contract for heavy interior cleaning of passenger cars due to the determination that the contract requirement of a performance bond was not necessary; and,

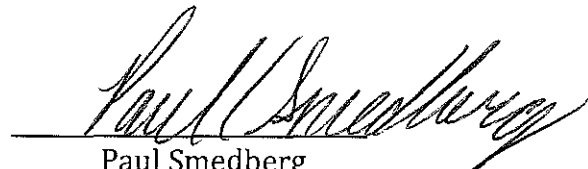
**WHEREAS**, VRE solicited for the same work through the Request for Quotes (RFQ) process; and,

**WHEREAS**, VRE received a responsive-responsible quoter.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board is being asked to authorize the Chief Executive Officer to execute a Purchase Order with Service Master Preferred Services of Woodbridge, VA in the amount not to exceed \$86,064, plus a 10% contingency of \$8,606, for a total amount not to exceed \$94,670.

Approved this 20<sup>th</sup> day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9A-08-2013**

**Referral of Results of the Employee Compensation Study to the  
Potomac and Rappahannock Transportation Commission and  
Authorization to Approve PRTC/VRE Personnel Policy Amendments**

**WHEREAS**, personnel matters involving PRTC and VRE staffs are governed by a common, adopted personnel policy; and,

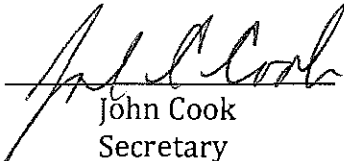
**WHEREAS**, a compensation study was conducted that recommends adding three grades to the pay scale; and,

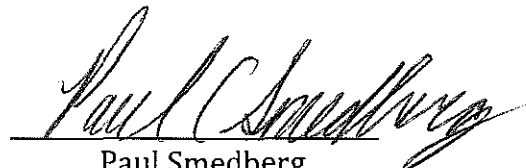
**WHEREAS**, the budget impact is negligible.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board recommends that the Potomac and Rappahannock Transportation Commission approve an amendment to the PRTC/VRE Personnel Policy such that the PRTC/VRE General Payscale be modified to create three higher grades; and,

**BE IT FURTHER RESOLVED THAT**, NVTC will be notified of the recommendation.

Approved this 20<sup>th</sup> day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9B-09-2013**

**Referral of Preliminary FY 2015 VRE Operating and Capital  
Budget to the Commissions**

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

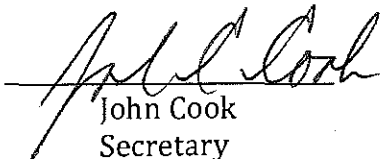
**WHEREAS**, the VRE Chief Executive Officer has provided the VRE Operations Board with the preliminary FY 2015 Operating and Capital Budget.

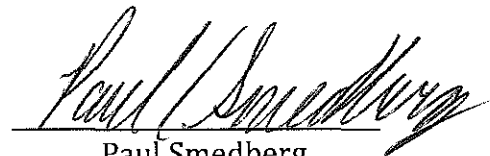
**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board refers the preliminary FY 2015 VRE Operating and Capital Budget to the Commissions for their consideration; and,

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

**BE IT FURTHER RESOLVED THAT**, VRE staff is directed to consider and address comments by the jurisdictions and to forward a final recommended budget to the VRE Operations Board at the December 2013 meeting for consideration and referral to the Commissions for adoption in January 2014.

Approved this 20<sup>th</sup> day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman



**Virginia Railway Express  
Operations Board**

**Resolution  
9C-09-2013**

**Authorization to Execute a MEC V Task Order for Design,  
Modification and Installation Services for Security Locks on VRE  
Passenger Cars**

**WHEREAS**, VRE has a MEC contract with STV, Inc. for Mechanical and Engineering Consulting Services; and,


**WHEREAS**, VRE conducted a system wide threat and vulnerability assessment in accordance with the VRE system safety plan; and,

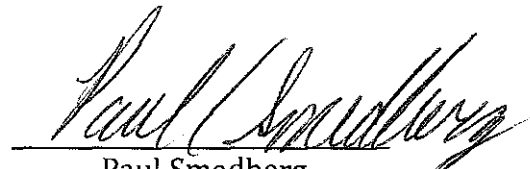
**WHEREAS**, a potential area of vulnerability was identified during the previous assessment; and,

**WHEREAS**, VRE staff concurs the vulnerability can be mitigated by replacing the current style interior cabinet security locks.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board authorizes the Chief Executive Officer to issue a task order to STV, Inc., under the MEC V contract, to provide design, modification and installation services for upgraded security locks on VRE passenger cars in an amount not to exceed \$93,168, plus a 10% contingency of \$9,317, for a total amount not to exceed \$102,485.

Approved this 20<sup>th</sup> day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9D-09-2013**

**Authorization to Award a Contract for Lubricating Oil Delivery  
Services for Locomotives**

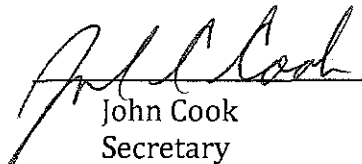
**WHEREAS**, VRE currently uses several different types of lubricating oils for VRE locomotives; and,

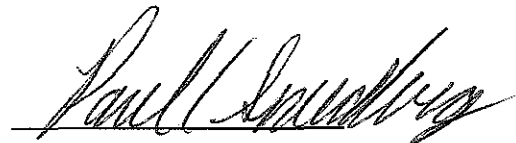
**WHEREAS**, the current lubricating oil delivery services contract expires in November 2013; and,

**WHEREAS**, a competitive solicitation was completed and the lowest responsive and responsible bidder is being recommended for contract award.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board is being asked to authorize the Chief Executive Officer to execute a contract with Quarles Petroleum, Inc. of Warrenton, Virginia in the amount not to exceed \$318,678, plus a 10% contingency of \$31,868, for a total amount not to exceed \$350,546.

Approved this 20<sup>th</sup> day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9E-09-2013**

**Authorization to Execute a Sole Source Contract for Positive Train  
Control Equipment and Installation Services**

**WHEREAS**, VRE is mandated by the Rail Safety Improvement Act of 2008 to install and certify a Positive Train Control system by December 31, 2015; and,

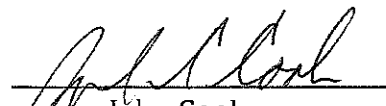
**WHEREAS**, VRE has worked with CSX, NS and Amtrak (host railroads) to determine the type of equipment and systems to install on VRE locomotives and cab control cars to meet the mandate and ensure system interoperability with the host railroads; and,

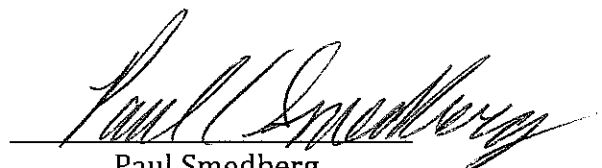
**WHEREAS**, Wabtec Corporation is the only practically available source for this equipment and will be the same supplier used by our host railroads; and,

**WHEREAS**, the purchase of the I-ETMS® by VRE includes installation services by certified technicians in accordance with 49CFR236.1041.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board recommends that the Commissions authorize the Chief Executive Officer to execute a sole source contract for positive train control equipment and installation services to Wabtec Corporation, the only practically available source of this equipment, in an amount not to exceed \$7,023,969, plus a 5% contingency of \$351,198, for a total amount not to exceed \$7,375,167.

Approved this 20<sup>th</sup> day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9F-09-2013**

**Authorization to Award a GEC VI Task Order for Construction  
Engineering and Inspection of the Spotsylvania Station Project**

**WHEREAS**, in accordance with the terms of Spotsylvania County joining VRE, a new station serving Spotsylvania County is to be constructed; and,

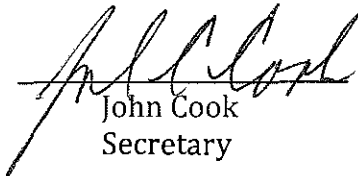
**WHEREAS**, the plans were finalized and issued for bidding on April 18, 2013; and,

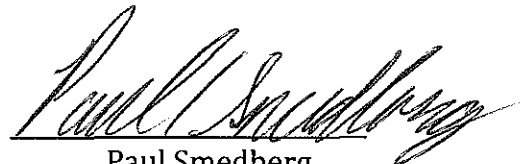
**WHEREAS**, construction of the Spotsylvania Station is expected to commence in September and be open for service by early next year; and,

**WHEREAS**, the services being authorized will provide onsite personnel to monitor construction and provide documentation and reporting of daily activities, thus ensuring that quality and contract requirements are being met.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to award a GEC VI Task Order to STV Incorporated for construction engineering and inspection services for the Spotsylvania Station project in an amount of \$270,492, plus a 10% contingency of \$27,049, for a total amount not to exceed \$297,541.

Approved this 20<sup>th</sup> day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9G-09-2013**

**Authorization to Award a GEC VI Task Order for Construction  
Engineering and Inspection of the Crossroads to Hamilton Third  
Rail Track Project**

**WHEREAS**, the Crossroads to Hamilton third track project is required to allow the operations of the new Spotsylvania VRE station; and,

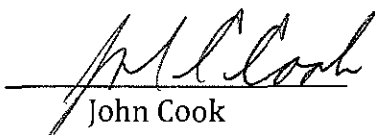
**WHEREAS**, the plans were finalized and issued for bidding on May 20, 2013; and,

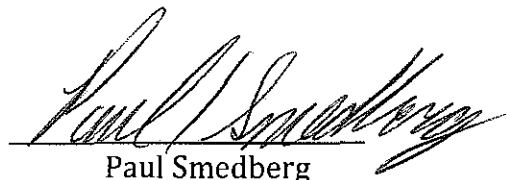
**WHEREAS**, construction of the third track is expected to commence in September and be completed by end of summer 2014; and,

**WHEREAS**, the services being authorized will provide onsite personnel to monitor construction and provide documentation of daily activities, thus ensuring that quality and contract requirements are being met.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to award a GEC VI Task Order to STV Incorporated for construction engineering and inspection services for the Crossroads to Hamilton Third Track project in an amount of \$848,218, plus a 10% contingency of \$84,822, for a total amount not to exceed \$933,040.

Approved this 20<sup>th</sup> day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9H-09-2013**

**Authorization to Execute a Force Account Agreement with CSXT for  
Construction of the Crossroads to Hamilton Third Track Project**


**WHEREAS**, the Crossroads to Hamilton third track project is required to allow the operation of the new Spotsylvania VRE station; and,

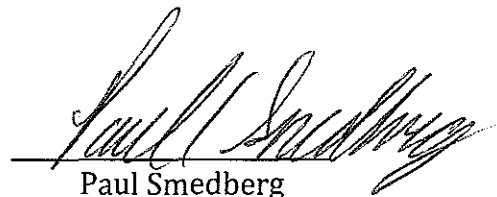
**WHEREAS**, there are significant portions of the project that are required to be performed by CSX; and,

**WHEREAS**, authorization for the CSX force account agreement is required in order to begin construction on the third track project as well as the new Spotsylvania station project.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a force account agreement with CSX Transportation for the construction of the Crossroads to Hamilton Third Track project in an amount of \$20,522,611 which includes a 10% contingency by CSX.

Approved this 20<sup>th</sup> day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9I-09-2013**

**Authorization to Award a Contract for a Mobile Ticketing System**

**WHEREAS**, VRE has a need for supplementing the current Fare Collections System with an alternative that will extend the life of the legacy system and ultimately allow regional interoperability; and,


**WHEREAS**, Mobile Ticketing has been determined to offer the necessary functionality; and,

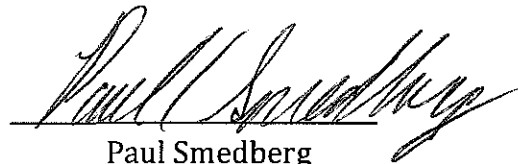
**WHEREAS**, VRE issued an RFP and received eight (8) technically compliant proposals; and,

**WHEREAS**, VRE's selection committee unanimously selected Globe Sherpa.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board authorizes the Chief Executive Officer to execute a contract with Globe Sherpa for design, development, and operation of a Mobile Ticketing System in the amount of \$3,191,479, plus a 10% contingency of \$319,148, for a total amount not to exceed \$3,510,627.

Approved this 20th day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9J-09-2013**

**Authorization to Award a GEC VI Task Order to  
Michael Baker Jr., Inc. for Consultant Support for the Design  
and Development of a Mobile Ticketing System**

**WHEREAS**, VRE staff has determined that a Mobile Ticketing System is the best alternative for supplementing the legacy Fare Collections System; and,

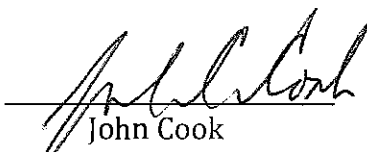
**WHEREAS**, Michael Baker Jr., Inc. has been working with VRE staff through an existing GEC task order to provide technical assistance in developing the Mobile Ticketing RFP and evaluating proposal responses; and,

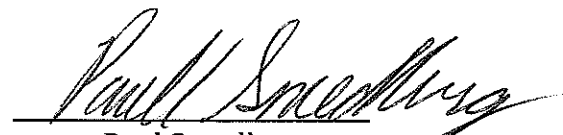
**WHEREAS**, VRE staff do not possess the depth of technical expertise in fare payment and mobile ticketing technology necessary to oversee all aspects of the Mobile Ticketing vendor contract; and,

**WHEREAS**, VRE staff has determined the most cost-effective way to obtain the needed technical expertise is for Michael Baker Jr., Inc. to continue to provide consultant support services.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board authorizes the Chief Executive Officer to award a GEC VI Task Order to Michael Baker Jr., Inc. to provide consulting support in the design and development of a Mobile Ticketing System in the amount of \$186,482, plus a 10% contingency of \$18,648, for a total amount of \$205,130.

Approved this 20<sup>th</sup> day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman



**Virginia Railway Express  
Operations Board**

**Resolution  
9K-09-2013**

**Authorization to Extend a License Agreement for the Lease  
of Tower Space for the VHF Radio Communications System**

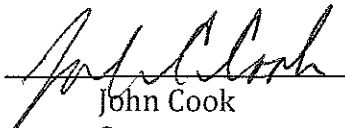
**WHEREAS**, in February 2009, a five year license agreement with American Towers, Inc. commenced to utilize space on their cell tower in Fairfax Station, Virginia; and,

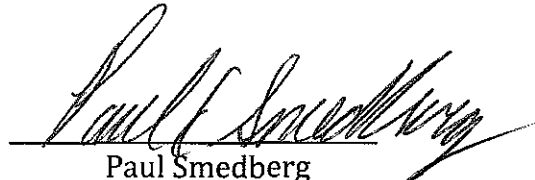
**WHEREAS**, the tower is used as a means of enabling communication through the transmission and receipt of radio frequencies for VRE's VHF two-way radio system; and,

**WHEREAS**, VRE staff is requesting permission to extend the license agreement for five additional years through January 31, 2019.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board authorizes the Chief Executive Officer to extend the license agreement with American Towers, Inc. The extension of the agreement would be in the amount of \$172,788, payable over the term of five years.

Approved this 20<sup>th</sup> day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9L-09-2013**

**Authorization to Execute a GEC VI Task Order for National  
Transit Database (NTD) Data Collection Services**

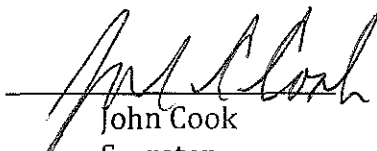
**WHEREAS**, as a recipient of Federal Urbanized Area Formula (§5307) grant funds, VRE is required to report ridership, passenger miles and other performance data to the National Transit Database (NTD) on an annual basis; and,

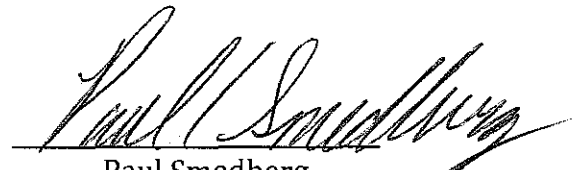
**WHEREAS**, AECOM, one of VRE's GEC consultants, currently collects the required data for VRE; and,

**WHEREAS**, VRE staff has determined the most cost-effective way to obtain the required NTD data is for AECOM to continue to perform the data collection services.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board authorizes the Chief Executive Officer to award a GEC VI Task Order to AECOM to conduct NTD ridership data collection in an amount of \$125,178, plus a 10% contingency of \$12,518, for a total amount of \$137,696.

Approved this 20<sup>th</sup> day of September 2013

  
John Cook  
Secretary

  
Paul Smedberg  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9M-09-2013**

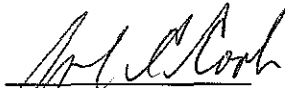
**Authorization to Amend the Marketing, Advertising  
and Public Relations Services Contract**

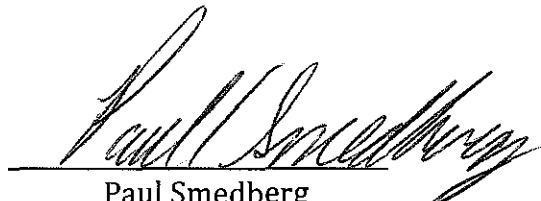
**WHEREAS**, in May of 2011, the Operations Board approved a marketing, advertising and public relations contract with Sparky's Garage for a three year term beginning July 1, 2011 with costs of up to \$350,000 for the first year of this term; and,

**WHEREAS**, an additional authorization is needed in the amount of \$150,000 for a total contract value of \$500,000 through the end of the original three year base period.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board is being asked to authorize the Chief Executive Officer to execute a contract amendment with Sparky's Garage of Leesburg, Virginia in the amount of \$150,000, for a total contract value not to exceed \$500,000 for marketing, advertising and public relations services.

Approved this 20<sup>th</sup> day of September 2013

  
John Cook  
Treasurer

  
Paul Smedberg  
Chairman



## **RESOLUTION #2223**

**SUBJECT:** Establishment of a NVTC/PRTC Joint Audit Committee for the Virginia Railway Express (VRE).

**WHEREAS:** As requested by Governor McDonnell, the Auditor of Public Accounts (APA) recently completed an audit that examined the governing structure of the Virginia Railway Express (VRE);

**WHEREAS:** The Chairs of the Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission ("the Commissions") sent a letter to the APA acknowledging the completed audit, furnishing additional information, and indicating that the audit would be a subject of further discussion at the September 20, 2013 VRE Operations Board meeting preparatory to a review of the report's key points for consideration; and

**WHEREAS:** After discussing the audit report at the September 20, 2013 meeting, the VRE Operations Board unanimously adopted a resolution recommending that:

1. The Commissions establish a joint audit committee to review the audit report and make recommendations for the Commissions' consideration in response to each of the audit report's key points for consideration;
2. The Commissions appoint from among their respective VRE Operations Board members representatives to the joint audit committee; and
3. The Commissions arrange for a management audit, one of the key recommendations in the APA audit.

**NOW, THEREFORE BE IT RESOLVED** that the Northern Virginia Transportation Commission hereby authorizes the establishment of a joint audit committee, and appoints \_\_\_\_\_ to serve as members of the joint audit committee.



Res. #2223 Cont'd

**BE IT FURTHER RESOLVED** that NVTC directs the joint audit committee to review the audit report and make recommendations for the Commissions' consideration in response to each of the audit report's key points for consideration.

**BE IT FURTHER RESOLVED** that NVTC directs the joint audit committee to develop a scope of work and plan of execution of a management audit for the Commissions' review and approval.

Approved this third day of October, 2013.

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Jeff McKay  
Chairman

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David F. Snyder  
Secretary-Treasurer



September 17, 2013

Martha Mavredes  
Auditor of Public Accounts  
PO Box 1295  
Richmond, VA 23218

Dear Ms. Mavredes:

Thank you for the opportunity to comment on the Audit Report titled "Review of the Governance Structure over the Virginia Railway Express." Governor McDonnell requested the audit last fall. As the owners of the VRE service, the Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission welcome the opportunity to consider recommendations the report makes.

The Audit Report can be a valuable resource for helping improve the governance and management of the commuter rail service and to build on VRE's tremendous success as we look to expand its service and improve its efficiency. On Friday, the VRE Operations Board Chairman will charge the VRE Audit Committee with reviewing the recommendations and identifying how best to implement them.

To provide better context for that review, we are providing updated information on three areas raised in your report. Your discussion is based on information as of the fieldwork that was completed earlier this year.

- The search for the new VRE Chief Executive Officer--- completed a year ago --- relied on a detailed position description. During that search the VRE Operations Board used best practices to clearly define the attributes they were seeking with the executive search firm. The detailed position description is enclosed.
- Based on ongoing reviews since coming on board in September 2012, the VRE Chief Executive has realigned staff to ensure optimum internal controls and oversight of projects and functions. The revised organization charts from March 2013 and more recently in September 2013 are enclosed.
- As VRE moves to complete the targets established under its current strategic plan, the VRE Operations Board initiated the development of a strategic plan update in July 2013. The strategic plan developed in 2004 and revisited in 2011 contains many initiatives that are still relevant. The on-going fleet replacement program that was first identified in the 2004 plan. Its ongoing implementation is a primary reason over 95% of our trains arrived on time over the last year.

As the Report notes, the VRE is not an independent entity. It is a commuter rail service owned by the Northern Virginia Transportation Commission and the Potomac Rappahannock Transportation Commission. This is key element to keep in mind when considering suggestions that VRE be treated as though it were a separate entity. The issue of making VRE a separate entity has been discussed before and may in the future should the Operations Board or Commissions see the value in having that discussion.

The current structure has produced one of the most efficient commuter rail services in the country. VRE consistently achieves very high customer satisfaction ratings. At the heart of this successful service is the VRE Operations Board members' responsiveness to and accountability to the users and funders of the VRE service. Our riders pay for over half the cost of the operation. The jurisdictions commit to pay the remainder of the service subsidy as well as fulfilling the commitment to fund long-term debt obligations. The fact that the VRE Operations Board members are members of one of the two Commissions strengthens the regional support of the service and demonstrates one of the most collaborative regional endeavors in the Commonwealth.

Thank you for your work to help enhance our management of this valuable service to northern Virginia region. We look forward to continuing to work with you.

Sincerely,



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Jeff McKay  
Chairman  
Northern Virginia  
Transportation Commission  
2300 Wilson Blvd. #620  
Arlington, VA 22201  
(703) 524-3322



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Michael May  
Chairman  
Potomac and Rappahannock  
Transportation Commission  
14700 Potomac Mills Road  
Woodbridge, VA 22192  
(703) 580-6121





## COMMONWEALTH of VIRGINIA

THELMA D. DRAKE  
Director

DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION  
600 EAST MAIN STREET, SUITE 2102  
RICHMOND, VA 23219-2416

(804) 786-4440  
FAX (804) 225-3752  
Virginia Relay Center  
800-828-1120 (TDD)

September 9, 2013

Martha S. Mavredes, CPA  
Auditor of Public Accounts  
James Monroe Building  
101 North 14th Street 8th Floor  
P.O. Box 1295  
Richmond, VA 23219

Dear Ms. Mavredes:

Please be advised that the Department of Rail and Public Transportation (DRPT) concurs with the conclusions of the Auditor of Public Accounts contained within the report of the review of the Virginia Railway Express (VRE). DRPT agrees that it would be an improvement in the governance and structure of VRE if it was to become a legal entity under the law(s) of the Commonwealth. The current process, as noted in the review, is very complex and does not provide VRE with the elements of control needed to contract, apply for state and federal funding, hire staff, assume responsibility for audits, and other aspects of normal operations. The current model of VRE being a joint venture of the two commissions, Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC), may have been a good approach in the development of VRE, but it appears to be an outdated model as VRE continues to operate over 20 years later.

Regardless as to if VRE becomes a legal entity; DRPT believes that changes need to occur at VRE in the near future:

1. DRPT feels that a new board and governance structure that recognizes the contribution of funding partners with a weighted vote is important. It is the responsibility of the board and the two owning commissions to ensure that necessary changes are made to the VRE master agreement to reflect this change prior to July 1, 2014, as required by HB 2152. To date, efforts to update the master agreement have not begun. (However the Master Agreement is structured to self correct to comply with law if the commissions or VRE board fail to amend the agreement.)
2. In a similar movement to that of the Washington Metropolitan Area Transit Authority's enhancement of its board member qualifications and expectations, DRPT continues to support that VRE board membership should be reviewed with the goal of not restricting membership to local elected officials and consider requiring certain competencies and

*The Smartest Distance Between Two Points*

*[www.drpt.virginia.gov](http://www.drpt.virginia.gov)*



requirements of a board member. There are many people in the local communities with expertise that could contribute to the oversight and guidance of VRE.

3. DRPT continues to support the need for the increased oversight and monitoring activities including additional auditing functions either in the form of an internal audit department or contracting for a performance audit of the organization's operations.
4. DRPT would like for the report to recognize that VRE trains and Virginia's Intercity Passenger Rail services share the same tracks, and must contract with the same class I freight railroads that own the tracks. It is important that VRE be required to coordinate with DRPT as to agreements, contracts, expansions, and rail improvements as a better way to coexist in providing services to Virginians and to insure that we are working together and in coordination with one another.
5. We would also request that the allocation of federal funds controlled by the state and provided to VRE be recognized in the chart "State Allocated – Assistance". This state allocation totaled \$9.3 million for FY 2014, and this change to the chart would further demonstrate the state's significant level of contribution to VRE. Please see the attached bar graph and date.

Thank you for this opportunity to comment on the APA report concerning VRE.

Sincerely,



Thelma Drake



## **RESOLUTION #2224**

**SUBJECT:** Preliminary VRE FY 2015 Operating and Capital Budget.

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

**WHEREAS:** The VRE Chief Executive Officer has provided the VRE Operations Board with the preliminary FY 2015 Operating and Capital Budget;

**WHEREAS:** Staff recommends a budget built on an average daily ridership of 19,900 average daily riders; and

**WHEREAS:** Subject to the direction provided by the Operations Board, the budget will be updated with additional ridership and cost data and further refined through CAO Budget Task Force review during the fall of 2013.

**NOW, THEREFORE, BE IT RESOLVED THAT** the Northern Virginia Transportation Commission has received and hereby refers the preliminary FY 2015 VRE Operating and Capital Budget to NVTC's participating and contributing jurisdictions for their review and comment.

**BE IT FURTHER RESOLVED THAT** NVTC expects the VRE Operations Board to consider and address comments by the jurisdictions and to forward a final recommended budget for consideration by the commissions in January, 2014.

Approved this 3<sup>rd</sup> day of October, 2013.

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Jeff McKay  
Chairman

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David F. Snyder  
Secretary-Treasurer



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

# FY 2015 PRELIMINARY BUDGET

*September 20, 2013*



A BETTER WAY. A BETTER LIFE.

# PRESENTATION TOPICS

- Overview of process
- Grant funds and capital issues
- Major assumptions – FY 2015
- FY 2014 to FY 2015 budget comparison
- Next steps



# OVERVIEW OF PROCESS

- Presenting baseline budget
  - Preliminary budget required by master agreement
  - Capital portion of preliminary budget – major departure from prior years
  - Currently unfunded by \$2.5M, includes cost of new 8-car train on the Fredericksburg line
- Involvement by: CAO Budget Task Force and Operations Board Capital Committee
- Balanced budget will be presented at the December 2013 VRE Operations Board meeting





# GRANT FUNDS AND CAPITAL ISSUES

- Federal (MAP-21), State (TSDAC), Regional (NVTA)
  - How much can we expect to receive?
  - How do these funding sources fit together?
  - How do we plan for discretionary grants?
  - How do these funding sources impact other financial decisions – reserve levels, debt issuance?
  - What is the impact on the non-NVTA jurisdictions?



# GRANT FUNDS AND CAPITAL ISSUES

- Capital Committee
  - Review of ways to prioritize and meet system needs within a framework of accepted financial principles.
- Development of a System Plan
  - Will establish long-term service objectives and related projects.



# FEDERAL FUNDS

- MAP-21 – two year reauthorization of federal transportation funding (VRE's FY2014 and FY2015)
  - *Current estimate is that VRE will receive annual project funds of \$26.5M (80% federal), a \$9.7M or 58% increase over the FY 2013 amount.*
  - Would allow completion of railcar replacement project in FY 2014 and major contribution to equipment maintenance program in FY 2015.
  - Amounts still in flux; could be higher or lower. VRE share of the regional allocation still under review.
  - Funds are primarily provided through the new 5337, State of Good Repair program.
  - Discretionary funds available for “core capacity” projects
  - Reauthorization needed beyond VRE's FY 2015.





# STATE FUNDS

- HB 2313 has added 23% to available state funds for rail and public transit
  - Advisory Committee (TSDAC) is recommending allocation of these funds based in part on system performance metrics
  - Decisions for first two years to be made by CTB in October
  - **Operating** funds for FY14 and FY15 estimated at \$2.0M over current funding – FY 2015 budgeted at \$10.1M.
  - **Capital** funding – based on new tier system; major decision is gross vs. net funding of project costs
    - VRE budget based on current funding levels of 50% of net costs
  - Additional information over next several weeks



# NVTA FUNDING

- NVTA has funding of approximately \$210M annually for projects that expand capacity
  - FY 2014 program includes VRE projects for 9 railcars (\$19.8M), Lorton station (\$7.9M), Alexandria station tunnel (\$1.3M), and Gainesville-Haymarket (\$1.5M)
  - Three expansion railcars for non-NVTA jurisdictions included as “placeholder” in VRE preliminary budget.
  - No funds spent until the conclusion of the bond validation lawsuit, expected to occur by February 2014
  - VRE will submit projects for NVTA funding for future years in the fall; these projects will be incorporated into the six year CIP



# EXPANDED CAPITAL PROGRAM

- Total capital budget of \$35.1M for FY 2015
- CIP being developed using priority matrix
- Major projects include:
  - Positive Train Control: \$2.0M for completion of project
  - Rolling stock: \$2.0M to supplement NVTA funding, if needed
  - ***Rolling stock: \$7.3M for 3 railcars for non-NVTA jurisdictions***
  - Land acquisition for additional storage at yards: \$1.5M
  - Ivy City mail tracks: \$2.5M for additional storage at WUT



# EXPANDED CAPITAL PROGRAM

- Additional major projects include:
  - *Equipment Life Cycle Maintenance Program: \$10.5M*
  - *Project Development: \$2.0M for seed money to grow the system; investments, based on System Plan*
  - *Capital Reserve Contribution: \$3.0M*
  - Lorton platform extension: \$1.5M (CMAQ)
  - Rippon second platform: \$2.1M (CMAQ)



# MAJOR ASSUMPTIONS

- 19,900 Average Daily Ridership
- Currently no fare or subsidy increase
- Service level increases from 32 to 34 VRE trains
  - Addition of one 8-railcar Fredericksburg line train, following completion of Spotsylvania station and L'Enfant storage tracks.
  - Budgeted for July 2014
  - Costs based on leased railcars





# MAJOR ASSUMPTIONS

- Assumes similar funding for track access as in FY 2014 – concern because of size of expenditure
- Original system debt paid off
  - Annual net savings of \$3.4M in subsidy funds
- Addition of two VRE employees to the equipment operations department in lieu of using outside consultants
  - Action is cost neutral
- Includes \$2M for mobilization costs in the event that VRE chooses to rebid operations and maintenance contract; paid with one-time funds



# BASELINE FY 2015 BUDGET

Description	Budget	Budget	Difference
	FY 2014	FY 2015	
Fare Revenue	36,600,000	37,000,000	400,000
Local Subsidy	16,428,800	16,428,800	-
Federal/State	39,506,473	54,144,235	14,637,762
Other	456,300	8,195,300	7,739,000
Total	92,991,573	115,768,335	22,776,762
Operating Expenses	15,759,675	18,049,775	2,290,100
Fuel	5,600,000	6,043,000	443,000
R&M - Railcars/Loco	2,955,000	2,950,000	(5,000)
Keolis	19,040,448	20,656,362	1,615,914
Amtrak	4,459,000	4,582,942	123,942
Insurance	4,400,000	4,200,000	(200,000)
Access Fees	14,400,000	15,830,000	1,430,000
Total Operating	66,614,123	72,312,079	5,697,956
Reserves/Mobilization	1,579,892	4,121,794	2,541,902
Debt Payments	13,644,559	6,764,870	(6,879,689)
Capital Program	11,153,000	35,095,000	23,942,000
Total	92,991,574	118,293,743	25,302,169
Net Unfunded		(2,525,407)	(2,525,407)



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# MAJOR CHANGES

- Total budget increase of \$25.3M, primarily due to additional capital projects
- Federal and State revenues increased by \$14.6M due to increased reimbursement for capital projects
- Other sources increased by \$7.7M due to reserve and surplus contributions plus placeholder for funding of expansion railcars associated with non-NVTA jurisdictions
- Keolis increased by \$1.6M due to additional 8-railcar Fredericksburg line train and CPI increase
- Equipment Operations increased by \$1.5M due to additional Fredericksburg line train; primarily the cost of leased railcars and fuel
- Debt service decreased by \$6.9M due to retirement of debt
- Mobilization budgeted at \$2.0M on a contingent basis





## NEXT STEPS

- Refer Preliminary FY 2015 budget to Commissions and jurisdictions
- Continue to work with the Capital Committee and the CAO Budget Task Force
- Refine grant funding projections as additional information becomes available
- Incorporate System Plan recommendations
- Refine current year budget (FY 2014) and make recommendation for any adjustments mid-year in December



**Agenda Item 9-B**  
**Action Item**

**To: Chairman Smedberg and the VRE Operations Board**

**From: Doug Allen**

**Date: September 20, 2013**

**Re: Referral of Preliminary FY 2015 VRE Operating and  
Capital Budget to the Commissions**

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**Recommendation:**

The VRE Operations Board is being asked to authorize the Chief Executive Officer to refer the Preliminary FY 2015 VRE Operating and Capital Budget to the Commissions for their consideration, so that the Commissions, in turn, can refer these recommendations to the jurisdictions for their review and comment.

**Background:**

In accordance with the VRE Master Agreement, which outlines the process for annual budget approval, the preliminary FY 2015 VRE Operating and Capital Budget are attached for review. The Budget Guidelines considered by the Operations Board in June are also provided as an attachment.

VRE staff met with the CAO Taskforce in August and September to discuss jurisdictional budget issues and concerns and to review current VRE projections. ***The most significant projection at this time is the impact on VRE of the provisions of MAP-21, the new federal transportation funding legislation.*** At the state and regional level, the state is in the process of finalizing proposals for altering the statewide funding formulas for both operating support and capital projects and

for distributing the new revenue established under HB 2313. New regional funding through the Northern Virginia Transportation Authority (NVTA) is anticipated, affecting both FY 2014 and FY 2015. Federal funding for access fee reimbursement has not been established for FY 2015 since the funds provided in FY 2014 were approved for only one year.

A Capital Committee of the Operations Board was established by the Chairman in December 2012 and met monthly from January through June 2013. The Committee spent a substantial amount of time reviewing a proposed set of financial and debt management principles and the life-cycle maintenance and renewal costs of VRE's major capital assets. As the result of the work of the Committee, the capital budget process has been altered substantially, as described in more detail below. The Committee will continue to discuss the financial principles in the context of the FY 2015 proposed budget.

### **Discussion:**

The FY 2015 preliminary budget totals \$118.3 million with the addition of an eight car train on the Fredericksburg line in July 2014, following the completion of the L'Enfant storage track. Assuming no change to either fares or subsidy, the FY 2015 preliminary budget reflects that \$2.5 million of costs are currently unfunded. As in the past, VRE will submit a balanced budget to the jurisdictions in the beginning of December for evaluation prior to submission to the Operations Board later that month.

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

1. Federal formula funding is based on an estimation of what VRE will receive under the new Section 5337, State of Good Repair formula program in the two years covered by the MAP-21 reauthorization (VRE FY 2014 and FY 2015) and in future federal reauthorizations. ***The current estimate is that VRE will receive an additional \$9.7M of program funds annually (80% federal plus required match), compared to the amount received in FY 2013 under the prior Fixed Guideway program.*** However, the VRE share of the allocation to the Washington region is still under review and this estimate may be materially increased or decreased. In addition, the exclusive focus on State of Good Repair projects may present some programming challenges; this issue will also be further clarified over the next few months. With the estimated additional funding, VRE may be able to complete the purchase of the remaining seven replacement railcars in FY 2014, which will free up funds for

other purposes in FY 2015. Once the VRE allocation is established, the rail car purchase will be brought to the Operations Board for approval.

2. Fare revenue is budgeted at \$37.0 million with no fare increase. Ridership is estimated at 19,900 with service at the increased level of 34 daily trains, with the addition of the Fredericksburg line train. Average daily ridership in FY 2013 was 18,878. Staff is closely monitoring the impact of ongoing federal furloughs on VRE ridership and revenue.
3. An eight car Fredericksburg line train is budgeted for a full year. The assumption is that leased cars will be available to start the service, with additional cars purchased when funding permits. The current gross cost for this train is \$3.3 million with net costs projected at \$1.8 million. Alternatives to this concept currently being analyzed are as follows:
  - Retain eight legacy cars for the short term to start the service and purchase additional cars when funding permits. This option might require some additional funds to extend the life of the legacy cars.
  - Utilize existing equipment and operate reverse flow/turn trains. Will need to sort out available train slots and other schedule related issues.
4. Commonwealth formula funding for operations of \$8.1 million was received in FY 2014. For FY 2015, \$10.1 million is currently budgeted. Staff has budgeted the additional \$2.0 million to reflect VRE's share of the additional revenue that will be allocated by DRPT for operations. VRE has been closely following the deliberations of the Transit Service Delivery Advisory Committee (TSDAC) which is recommending how these funds should be allocated for both a supplemental appropriation in FY 2014 and for the full allocation in FY 2015. The FY 2014 supplemental amount and the formula for FY 2015 will be established prior to the presentation of the proposed budget in December.
5. Commonwealth capital funding is currently projected at a match rate of either 50% of the non-federally funded share of project costs or 45% of total costs, if no federal funds are available. This is generally in line with past funding. TSDAC recommendations are also being developed for the allocation of capital funds in FY 2015, currently based on three funding tiers of 45%, 25% or 15% of gross project costs, regardless of the amounts of federal funding assigned to the project; for VRE this could result in significantly higher state contribution amounts. Because this methodology is still under discussion, the current funding patterns are reflected in this budget estimate. Decisions on the methodology for FY 2015 and future funding years are expected to be made prior to the presentation of the proposed budget in December.

6. Access fee reimbursement is currently being estimated at a level similar to FY 2014, with an 83% combined rate for both STP and state match. Staff will work with DRPT to establish a projection for the FY 2015 funding level.
7. The process of developing the capital program has been expanded considerably, as noted above, and the attendant recommendations are incorporated in the attached Sources and Use schedule for FY 2015 and will be further developed in the six year forecast. Capital needs have been identified and prioritized and funding sources and methods have been considered beyond the available federal formula funds. An annual capital reserve contribution of \$3 million is recommended, and funds are programmed for future project development. The NVTAs projects recommended for funding in FY 2014 will be incorporated into the revised FY 2014 budget and a list of projects for submittal to NVTAs for FY 2015 and future years will be developed and incorporated into the six year capital program. A program of projects that will support the System Plan discussion is being developed for incorporation into the capital program as well, with funding recommendations including the possibility of additional debt issuance. All of these recommendations will be reviewed in detail over the next several months with the assistance of the Capital Committee.
8. Contractually set increases in access fee expenses of 4% will occur for Norfolk Southern and CSX. Amtrak contract increases are based on changes to the AAR, a nationally published index of railroad costs, and the bulk of the Keolis contract costs increase by the annual change to the CPI, based on the twelve month increase published in November.
9. In the event the Operations Board chooses to rebid the operations and maintenance contract, \$2 million is included for mobilization funding in the current budget draft. This cost is funded with one-time funds from the surplus anticipated at the end of FY 2013.
10. Fuel expenses of \$6.0 million are budgeted based on a per gallon cost of \$3.50. Because the cost of fuel also impacts the fuel tax revenue which many of the jurisdictions use as the source of funding for the VRE subsidy, a revised fuel tax projection for the PRTC jurisdictions will be prepared in the fall.
11. VRE staff recommends adding two FTE employees to the equipment operations department to provide direct oversight of contract employees at VRE maintenance facilities. Currently, this function is being performed by consultants under the MEC V contract. Having VRE staff provide this direct oversight will provide additional efficiencies. This action is cost neutral.

12. CMAQ funding is recognized for the Lorton Platform extension in the amount of \$1.5 million and Rippon second platform for \$2.0 million, based on the funding schedule prepared by NVTa.

The major significant changes in the FY 2015 proposed budget compared to the adopted FY 2014 budget are as follows:

***Revenue:***

- \$400k increase in fare revenue due to a combination of projected level ridership on current trains and the addition of the Fredericksburg train
- \$6.0 million increase in other funds for non-NVTa rolling stock and project development expenses
- \$14.6 million in additional federal and state subsidies broken out as follows:
  - \$9.3 million increase in federal and \$4.6 million in state subsidies for increased capital projects, including Rolling Stock, Positive Train Control, Lorton and Rippon Platform Improvements, Ivy City Mail Tracks, and Equipment Life Cycle Maintenance Program
  - \$2.9 million increase in the state operating subsidy to reflect the additional funding available statewide
  - \$930k increase in the federal subsidy for access fees due primarily to the additional Fredericksburg line train
  - \$3.3 million decrease in state funding related to the retirement of debt
- \$1.7 million increase in use of reserves, in order to fund mobilization

***Operating and capital expenses:***

- \$2.3 million increase in insurance/reserve/mobilization based on the overall increase to the size of the budget between the two budget years and for placeholder mobilization costs
- \$1.5 million increase in equipment operations broken out as follows:
  - \$1.1 million for lease costs of rail equipment for the proposed additional Fredericksburg line train
  - \$240k decrease in professional services as two contract positions no longer required
  - \$440k increase in fuel due to projected price per gallon and the addition of the eight car Fredericksburg train
  - 240k for two additional FTEs, netted against a \$240k decrease in professional services for the existing two contract positions
- \$1.6 million increase to Keolis budget, including both the contractual increase based on the change to the CPI and the addition of the eight car Fredericksburg train
- \$1.4 million increase in track access (Amtrak, CSX, and NS) due to contractual obligations and the addition of the eight car Fredericksburg train

- \$6.9 million decrease in debt service payments associated with the original bonds that funded VRE, which results in a \$3.5 million decrease in subsidy costs. The final monthly payment will be made in FY 2014 and the bonds repaid on July 1, 2014.
- \$23.9 million increase in capital projects. Projects include:
  - \$2.0 million for positive train control
  - \$2.0 million for rolling stock – NVTA
  - \$7.3 million for rolling stock – non-NVTA
  - \$1.5 million for land acquisition
  - \$2.5 million for the Ivy City mail tracks
  - \$10.5 million for the equipment life cycle maintenance program
  - \$2.0 million for project development
  - \$3.0 million for the first year of a recommended annual contribution to the capital reserve
  - \$1.5 million for the Lorton platform (CMAQ allocation)
  - \$2.0 million for the Rippon platform (CMAQ allocation)

#### **FISCAL IMPACT – FY 2015 BUDGET:**

Additional draft budgets will be formulated during the fall and reviewed with the CAO Budget Task Force resulting in a balanced budget by December 2013.

Attached are the following:

- FY 2015 Budget Guidelines
- FY 2015 Sources and Use Schedule
- FY 2015 Summary Budget

**Virginia Railway Express  
Operations Board**

**Resolution  
9B-09-2013**

**Referral of Preliminary FY 2015 VRE Operating and Capital  
Budget to the Commissions**

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

**WHEREAS**, the VRE Chief Executive Officer has provided the VRE Operations Board with the preliminary FY 2015 Operating and Capital Budget.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board refers the preliminary FY 2015 VRE Operating and Capital Budget to the Commissions for their consideration; and,

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

**BE IT FURTHER RESOLVED THAT**, VRE staff is directed to consider and address comments by the jurisdictions and to forward a final recommended budget to the VRE Operations Board at the December 2013 meeting for consideration and referral to the Commissions for adoption in January 2014.

Approved this 20<sup>th</sup> day of September 2013

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Paul Smedberg  
Chairman

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John Cook  
Secretary



## **FY 2015 Budget Guidelines**

The budget guidelines apply to the FY 2015 operating and capital budgets and to the six-year plan, which provides a consolidated cash flow projection of all financial factors over a multi-year time frame.

### ***GUIDELINE #1: Level of service.***

*Issue: Some trains are at over 100% capacity and the addition of the Spotsylvania station and parking facility will further exacerbate this situation.*

The addition of 800 additional riders on the Fredericksburg line will have significant implications for safety and for capacity issues at stations further up the line. The service level priority in the FY 2015 budget will be to address this issue through the addition of a 10-car train on the Fredericksburg line and additional measures to alleviate this projected overcrowding. Other various capacity expansion and/or growth scenarios to expand service will be developed and presented, in conjunction with the development of the system plan.

### ***GUIDELINE #2: Capital improvements.***

*Issue: Funding for capital improvements is currently inadequate to both maintain the existing system and allow for expansion to meet service demand.*

The first priority for capital improvements will be to adequately maintain equipment and facilities to support current service levels. The Capital Improvement Program (CIP) will be developed to ensure the most efficient use of all funding sources (federal, state, and local) and to emphasize high priority capital projects to maintain current assets and prepare for growth as funding allows. In order to achieve high priority goals, the recommended program may not be limited to the availability of high percentage reimbursement grant funds. Projects in the Six Year Financial Forecast will comprise both current service level minimum requirements and proposed recommendations for expanding the system. In order for VRE projects to compete successfully for certain federal and regional programs, preliminary work must be completed prior to applying for the grant funds. Consideration will be given to identifying funds that can be used for these preliminary expenses.

*Under review by Capital Committee: internal restrictions on use of capital grant funds, beyond that required by grant provisions.*

### ***GUIDELINE #3: Reserve levels.***

*Issue: VRE currently has no mechanism for spreading out large periodic maintenance costs over the life of the asset.*

VRE's current goal is to maintain working capital at an amount no less than two months of operating costs; this reserve allows VRE to efficiently meet its obligations during the course of the year as well as make orderly accommodation for significant shortfalls. In addition, a capital reserve is maintained to provide local match for earmarks and to fund smaller capital projects and/or those for which grant funds are unavailable. Increases to these reserves are provided by surplus funds at year-end and, for the capital reserve, proceeds from the sale of capital assets.

*Under review by Capital Committee: 1) creation of a maintenance reserve fund that spreads out large periodic costs over the life of major assets; [Note: Information on the level of funding from the new Federal State of Good Repair formula program, which was received subsequent to the June Board meeting, will substantially alter this discussion.] 2) goal of increasing operating reserve level to three months of operating costs.*

### ***GUIDELINE #4: Debt parameters and guidance.***

*Issue: VRE requires significant capital expenditures during the course of the six-year plan to replace the remaining legacy fleet and to maintain and expand the commuter rail service. The use of long-term debt allows VRE to spread capital costs over the useful life of the needed assets, but VRE currently has no adopted set of debt guidelines.*

The review of the financial and debt management principles will continue during the FY 2015 budget process, with the proposed capital program and six-year plan as the framework for further analysis. Parameters recommendation will be within industry standards.

*Review will continue to be conducted by the Capital Committee and their recommendations forwarded to the Operations Board and Commissions.*

### ***GUIDELINE #5: Jurisdictional subsidy.***

*Issue: Ability to fund service within the confines of jurisdictional budget restraints.*

Subsidy increases or decreases in FY 2015 and future years will be evaluated based on system requirements, changes to state and federal funding levels and the jurisdiction's ability to contribute using fuel tax revenue or other sources of funding. VRE will work with jurisdictional staff on formulating future subsidy levels.

***GUIDELINE #6: Fare increases.***

*Issue: Appropriate balance between levels of service necessary to meet customer needs and competitive pricing for that service.*

VRE has had three fare increases in the last five fiscal years (FY 2010, FY 2013, and FY2014). These have been necessary to maintain the level of service without being excessive in cost to the rider. Fare increases will be evaluated as the budget process continues, with consideration given to market factors, system funding needs, commuter benefit levels, comparison to relevant indices, and a preference for biennial increases. Staff will attempt to hold any projected annual fare increases to no higher than 5%.



<b>FY15 Summary Proposed Budget</b>					
<b>GL Account</b>	<b>FY14 Operating</b>	<b>FY14 Capital</b>	<b>FY15 Operating</b>	<b>FY15 Capital</b>	<b>Changes</b>
<b>Revenue:</b>					
Fare Revenue	36,600,000		37,000,000		400,000
Miscellaneous Revenue	166,000		165,000		(1,000)
Jurisdictional Subsidy	15,513,500	915,300	15,513,500	915,300	-
Other Sources	-	-	-	6,015,000	6,015,000
Federal/State Subsidy	29,268,773	10,237,700	29,983,735	24,160,500	14,637,762
Operating/Capital Reserves	275,000	-	2,000,000	-	1,725,000
Interest Income	15,300		15,300		-
<b>Total Revenue</b>	<b>81,838,573</b>	<b>11,153,000</b>	<b>84,677,536</b>	<b>31,090,800</b>	<b>22,776,762</b>
<b>Operating/Non-Operating Expenses:</b>					
Insurance/Reserve/Mobilization	5,979,892		8,321,794		2,341,903
Executive Management	795,000		1,071,000		276,000
Passenger Support Services	786,300		443,100		(343,200)
Public Affairs	327,000		648,000		321,000
Marketing	415,125		500,000		84,875
Planning	521,750		933,125		411,375
Operations and Communications	1,501,000		1,611,250		110,250
Budget and Finance	2,688,000		2,808,500		120,500
Communication and Information Technology	1,269,000		1,144,500		(124,500)
Engineering and Capital Projects	879,500		884,500		5,000
Facilities Maintenance	3,514,000		3,695,000		181,000
Purchasing and Contract Administration	317,500		349,500		32,000
Equipment Operations	10,646,000		12,188,000		1,542,000
Safety, Security, and Emergency Preparedness	472,500		582,300		109,800
PRTC	102,000		104,000		2,000
NVTC	80,000		80,000		-
Keolis	19,040,448		20,656,362		1,615,914
Amtrak	4,459,000		4,582,942		123,942
Amtrak Access Fees	5,660,000		6,070,000		410,000
Norfolk Southern	3,090,000		3,210,000		120,000
CSXT	5,650,000		6,550,000		900,000
					-
<b>Total Operating/Non-Operating Expenses</b>	<b>68,194,015</b>	<b>-</b>	<b>76,433,873</b>	<b>-</b>	<b>8,239,859</b>
CIP Expenditures		11,153,000		35,095,000	23,942,000
Debt Service/Allowance for Doubtful Accts	13,644,559		6,764,870		(6,879,689)
<b>Total CIP and Other Expenditures</b>	<b>13,644,559</b>	<b>11,153,000</b>	<b>6,764,870</b>	<b>35,095,000</b>	<b>17,062,311</b>
<b>Grand Total Expenses</b>	<b>81,838,573</b>	<b>11,153,000</b>	<b>83,198,743</b>	<b>35,095,000</b>	<b>25,302,170</b>
<b>Difference by Fund</b>	<b>-</b>	<b>-</b>	<b>1,478,793</b>	<b>(4,004,200)</b>	<b>(2,525,407)</b>
<b>Total Difference</b>		<b>-</b>		<b>(2,525,407)</b>	<b>(2,525,407)</b>



## **RESOLUTION #2225**

**SUBJECT:** Authorization to VRE's CEO to Execute a Sole Source Contract for Positive Train Control Equipment and Installation Services

**WHEREAS:** VRE is mandated by the Rail Safety Improvement Act of 2008 to install and certify a Positive Train Control system by December 31, 2015;

**WHEREAS:** VRE has worked with CSX, Norfolk Southern and Amtrak (host railroads) to determine the type of equipment and system to install on VRE locomotives and cab control cars to meet the mandate and ensure system interoperability with the host railroads;

**WHEREAS:** Wabtec Corporation is the only practically available source for this equipment and will be the same supplier used by VRE's host railroads; and

**WHEREAS:** The purchase of the I-ETMS® by VRE includes installation services by certified technicians in accordance with 49CFR236.1041.

**NOW, THEREFORE, BE IT RESOLVED THAT** the Northern Virginia Transportation Commission authorizes VRE's Chief Executive Officer to execute a sole source contract for Positive Train Control equipment and installation services to Wabtec Corporation, the only practically available source of this equipment, in an amount not to exceed \$7,023,969, plus a five percent contingency of \$351,198, for a total amount not to exceed \$7,375,167.

Approved this 3<sup>rd</sup> day of October, 2013.

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Jeff McKay  
Chairman

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David F. Snyder  
Secretary-Treasurer



**Agenda Item 9-E**  
**Action Item**

**To: Chairman Smedberg and the VRE Operations Board**

**From: Doug Allen**

**Date: September 20, 2013**

**Re: Authorization to Execute a Sole Source Contract for  
Positive Train Control Equipment and Installation  
Services**

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**Recommendation:**

The VRE Operations Board is being asked to recommend that the Commissions authorize the Chief Executive Officer to execute a sole source contract for positive train control equipment and installation services to Wabtec Corporation, the only practically available source of this equipment, in an amount not to exceed \$7,023,969, plus a 5% contingency of \$351,198, for a total amount not to exceed \$7,375,167.

**Background:**

The Rail Safety Improvement Act of 2008 mandates the implementation of a Positive Train Control (PTC) system by December 31, 2015. VRE is working with CSX and NS to align VRE efforts with their PTC implementation plan(s). The estimated projected phase-in time for the territory VRE operates in for CSX is CY 2015. This is the more aggressive out of the two host railroads. The characteristics of PTC are:

- Train separation or collision avoidance
- Line speed enforcement
- Temporary speed restrictions
- Rail worker wayside safety

Because VRE does not dispatch its trains, VRE will rely on its host railroads to implement most of the PTC network. However, VRE has the responsibility to implement PTC systems on our locomotives and cab control cars. As such, VRE will install PTC equipment on 20 locomotives and 21 cab control cars.

The regulation was in effect when VRE began the procurement of new locomotives. Therefore, VRE was able to have provisions installed for PTC equipment. Since VRE's fleet of cab cars were procured prior to 2008, the cab control cars do not have the same provisions as the new locomotives.

In August of 2011, the Operations Board authorized a task order with STV to provide the necessary engineering and design work for the enclosures and other requirements for installation of the on-board PTC equipment in the cab cars. This design work is completed.

In March of 2013, the Operations Board authorized a task order with STV to provide engineering and oversight work for PTC implementation.

### **Positive Train Control Overview:**

Positive Train Control (PTC) overlaps the current signal system and dispatchers' instructions to provide for safer railroads. Currently, in most systems under signaled territory, the dispatcher provides the signals to the trains, which the train engineer must adhere to. In some areas cab signals provide for further protection by stopping the train if a signal is not adhered to (Automatic Train Stop) or posted speeds are overrun (Automatic Train Control). VRE currently operates under cab signal territory along the CSX tracks.

PTC takes the cab signal system one step further. While it includes some of the features of a cab signal system, it also can detect other issues and stop the train as necessary. The system will be designed to detect when a switch is misaligned, preventing a train from going through a switch. PTC will also allow dispatchers to enter information about Maintenance-of-Way workers who may be present along the tracks. The system will also prevent a train from entering work areas without the proper authority.

### **Positive Train Control Equipment:**

In order to comply with the mandate, VRE is required to procure and install various on-board systems for 20 VRE locomotives and 21 VRE cab control cars. The only certified system available to the industry to-date that meets the requirements for VRE and the host railroads is the I-ETMS® system provided by Wabtec Railway Electronics (a Wabtec Company). The I-ETMS® system was used as the basis for the Positive Train Control Implementation Plan (PTCIP) and Positive Train Control



Development Plan (PTCDP) for CSX, Norfolk Southern and VRE. The plans were originally submitted to the Federal Railroad Administration (FRA) in 2010 in accordance with 49CFR236.1013 and updated annually, as required by the mandate.

### **Sole Source Procurement:**

Due to the unique nature of this equipment, availability of a certified system and compatibility with our host railroads, VRE will procure PTC equipment and certified installation services using the non-competitive procurement process and procedures outlined in the PRTC/VRE Public Procurement and Procedures Manual. Specifically, VRE will provide the necessary documentation that justifies this non-competitive purchase in accordance with the following Section of the Procurement and Procedures Manual:

6.9.2.1 *The item is available only from one responsible source because:*

*(a) It involves a unique or innovative concept or capability not available from another source. Unique or innovative concept means a new, novel, or changed concept, approach, or method that is the product of original thinking, the details of which are kept confidential or are patented or copyrighted, and is available to the recipient only from one source and has not in the past been available to the recipient from another source.*

### **Current Implementation Schedule:**

VRE is currently on target to have PTC equipment installed and commissioned on all VRE locomotives and cab control cars no later than the end of the first quarter of CY 2015. Validation and certification testing with the host railroads will start as soon as the host railroads have completed their validation and certification testing of the wayside communication systems within the VRE service area. VRE staff will provide an update to the Operations Board for the VRE/host railroad validation and certification testing once the timing and details have been finalized.

### **Project Estimate:**

The PTC implementation project estimate is broken into five (5) elements. They consist of On-Board, Field, Office, Communication Systems and Procedures and Documents. VRE is still working to further define some of the deliverables for the above elements.

The following table summarizes the individual elements and associated estimated cost:

<b>Element</b>	<b>Description</b>	<b>Estimated Cost</b>
On-Board	PTC Equipment and Installation	7,274,027
Field	Wayside Requirements	439,615
Office	Back Office System	898,775
Communications System	Yard-Back Office-Host Railroads	103,060
Procedures and Documents	Safety, Operating, Software Configuration, Training, etc.	105,945
<b>PTC Implementation by Elements</b>		<b>\$8,822,422</b>

**Fiscal Impact:**

The table below identifies the funding plan for VRE's PTC implementation, which includes a combination of federal, state and local funding:

Grant	Federal Amount	State Amount	Local Amount	Total
VA-05-0038-121-00-12.17.00	140,182	7,710	27,336	175,228
VA-90-X352-121-00-12.17.00	115,200	Note 1	28,800	144,000
VA-90-X401-121-00-12.14.21	1,055,521	126,680	137,200	1,319,401
VA-05-0048-121-00-12.14.21	1,826,688	251,170	205,502	2,283,360
FY 2014 New Grant (#TBD)	3,920,000	539,000	441,000	4,900,000
<b>Total:</b>	<b>7,057,591</b>	<b>924,560</b>	<b>839,838</b>	<b>\$8,821,989</b>

Note 1: State grant was available until 6-30-13.

**Virginia Railway Express  
Operations Board**

**Resolution  
9E-09-2013**

**Authorization to Execute a Sole Source Contract for Positive Train  
Control Equipment and Installation Services**

**WHEREAS**, VRE is mandated by the Rail Safety Improvement Act of 2008 to install and certify a Positive Train Control system by December 31, 2015; and,

**WHEREAS**, VRE has worked with CSX, NS and Amtrak (host railroads) to determine the type of equipment and systems to install on VRE locomotives and cab control cars to meet the mandate and ensure system interoperability with the host railroads; and,

**WHEREAS**, Wabtec Corporation is the only practically available source for this equipment and will be the same supplier used by our host railroads; and,

**WHEREAS**, the purchase of the I-ETMS® by VRE includes installation services by certified technicians in accordance with 49CFR236.1041.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board recommends that the Commissions authorize the Chief Executive Officer to execute a sole source contract for positive train control equipment and installation services to Wabtec Corporation, the only practically available source of this equipment, in an amount not to exceed \$7,023,969, plus a 5% contingency of \$351,198, for a total amount not to exceed \$7,375,167.

Approved this 20<sup>th</sup> day of September 2013

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Paul Smedberg  
Chairman

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John Cook  
Secretary

## VRE/PRTC

### COMPENSATION STUDY FINDINGS

#### Presentation to the Virginia Railway Express Board

September 20, 2013

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Doc# 7872640



- ① Background and Methodology
- ② Study Findings
- ③ Conclusion and Recommendations

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## Background and Methodology

Virginia Railway Express engaged Segal to evaluate the competitiveness of total compensation

Our Analysis Included:

- Base pay
- Pay practices
  - Pay schedule design, Pay adjustment design, Pay schedule adjustments for FY2012 and FY2013, Pay progression factors, Hiring salary policy, and Specialty pay
- Health plan cost-sharing
- Retirement benefits cost-sharing

Segal sent a custom survey to 13 peer employers including local public sector governments, rail systems, and bus systems that were identified as representative of the VRE's competitive labor market

## Background and Methodology

### VRE Benchmark Job Titles

VRE's classification currently has 33 job titles.

Twenty (20) job titles were selected as VRE benchmarks in the survey, as shown below:

- |  |   |
|--|---|
| ➤ Accounting Manager (Deputy Director of Finance, Accounting, & Admin) | ➤ Manager of Market Development                     |
| ➤ Chief Financial Officer  | ➤ Manager of Operations and Customer Communications |
| ➤ Contract Specialist  | ➤ Manager of Personnel                              |
| ➤ Deputy CEO/Chief Operating Officer                                   | ➤ Manager of Planning                               |
| ➤ Director of Engineering & Construction                               | ➤ Manager of Public Affairs                         |
| ➤ Director of Rail Operations  | ➤ Manager of Safety & Security                      |
| ➤ Equipment Specialist   | ➤ Network Administrator                             |
| ➤ Manager of Contract Administration                                   | ➤ Project Manager                                   |
| ➤ Manager of IT  | ➤ Senior Accountant                                 |
| ➤ Manager of Maintenance & Quality Assurance                           | ➤ Web Content & E-Networking Specialist             |

## Study Findings

### Pay Range Analysis

#### Overall Pay Range Competitiveness

- Overall, VRE's pay structure is market competitive at the pay range minimum, midpoint and maximum

#### VRE OVERALL PAY RANGE COMPETITIVENESS

VRE Pay Range Minimum as % of Market Average Minimum	VRE Pay Range Midpoint as % of Market Average Midpoint	VRE Pay Range Maximum as % of Market Average Maximum
95%	101%	104%

Benchmark jobs that fall within this market competitive corridor (95%-105%) are noted in **black**, jobs below 95% are noted in **red**, and jobs above 105% are noted in **blue**.

## Study Findings

### Pay Range Analysis

#### Benchmark Pay Range Competitiveness

We did find variation in the competitiveness of individual benchmark job titles. Specifically:

- 3 benchmark job titles are below market (less than 95% at the midpoint)
- 8 benchmark job titles are at market (between 95% and 105% at the midpoint)
- 6 benchmark job titles are above market (greater than 105% at the midpoint)
- 3 benchmark job titles have insufficient market data (fewer than 3 matches)

## Study Findings

### Health Benefits

#### Medical PPO/POS Plan Cost-Sharing

- For the Aetna POS plan, VRE's cost-sharing is slightly more generous than the market average for Employee Only Coverage and slightly less generous for Family Coverage

	Employer PPO/POS Plan Cost-Sharing (%)			
	Employee Only Coverage	Employee + Spouse Coverage	Employee + Children Coverage	Family Coverage
Market Average	87%	79%	81%	79%
VRE Aetna POS	90%	77%	77%	71%

#### Medical HMO Plan Cost-Sharing

- For the Kaiser HMO Plan, VRE's cost-sharing is more generous than the market average across all tiers of coverage
- For the Aetna POS plan, VRE's cost-sharing is slightly more generous than the market average for Employee Only Coverage and slightly less generous for Family Coverage

	Employer HMO Plan Cost-Sharing (%)			
	Employee Only Coverage	Employee + Spouse Coverage	Employee + Children Coverage	Family Coverage
Market Average	87%	79%	81%	79%
VRE Kaiser	100%	100%	100%	100%
VRE Aetna	94%	80%	80%	74%



## Study Findings

### Health Benefits

#### Dental Plan Cost-sharing

- For the Kaiser Dental plan, VRE cost-sharing is more generous than the market average across all tiers of coverage
- For the Aetna Dental plan, VRE cost-sharing for the following plans is slightly less generous for Employee Only Coverage and at market for Family Coverage

	Employer Dental Plan Cost-Sharing (%)			
	Employee Only Coverage	Employee + Spouse Coverage	Employee + Children Coverage	Family Coverage
Market Average	53%	55%	50%	49%
VRE Kaiser Dental	100%	100%	100%	100%
VRE Aetna Dental	50%	50%	50%	50%

#### Vision Plan Cost-sharing

- VRE does not provide vision coverage, but the majority of peer employers (11 of 13 peers) do offer vision coverage
- On average, peer employers pay approximately 50% of vision premium costs



## Study Findings

### Retirement Benefits

#### Defined Benefit (DB) Retirement Plan Contributions

- VRE's DB plan contributions are less generous than the market (8.0% of base pay compared to the market average contribution of 14.3%)
- VRE employees contribute a slightly higher percentage of base pay to the DB plan than the market (5.0% of base pay compared to the market average contribution of 3.4%)

#### Defined Contribution (DC) Retirement Plan Contributions

- Approximately half of peer employers offer a DC 401(a) retirement plan
- Among those peers with a DC 401(a) retirement plan, employers contribute between 0% and 5%. Half of these peer employers also make a matching contribution

#### Deferred Compensation Retirement Plan Contributions

- The majority of peer employers (10 of 12 peers) offer 457(b) retirement plan
- VRE matches employee contributions up to \$650 per year. Only one peer employer offers a match

## Conclusions and Recommendations

#### Pay Range Analysis

- We recommended new pay grades for non-competitive benchmark jobs (benchmark jobs above 105% or below 95% of the market average pay range midpoint)
- We recommended grades for non-benchmark jobs (and benchmark jobs with fewer than 3 matches) based on job content similarities and differences with benchmark jobs, such as scope of responsibilities, supervisory role, and other considerations
- Our recommendations included:
  - A higher grade for 6 jobs
  - A lower grade for 9 jobs
  - The same grade for 17 jobs
  - A grade for one job that was previously unclassified
- In order to accommodate the market data, we added 3 additional grades to the pay scale based on the current 5.2% grade differential

New Grade	Pay Range Minimum	Pay Range Midpoint	Pay Range Maximum
KK	\$128,592	\$171,027	\$213,462
LL	\$135,278	\$179,920	\$224,562
MM	\$142,313	\$189,276	\$236,239

If a job is moved to a lower grade, the employee will be red circled and their salary will remain the same until it catches up with the market.



## Conclusions and Recommendations

### Health Benefits

- The cost-sharing for the following plans is **more generous than the market average**:
  - Kaiser HMO medical plan
  - Kaiser Dental plan
- The cost-sharing for the following plans is **slightly more generous** for Employee Only Coverage and **slightly less generous** for Family Coverage:
  - Aetna PPO medical plan
  - Aetna HMO medical plan
- The cost-sharing for the following plans is **slightly less generous** for Employee Only Coverage and **at market** for Family Coverage:
  - Aetna Dental plan
- VRE should consider offering vision coverage to be consistent with market practices

### Retirement Benefits

- VRE's contribution to the Defined Benefit (DB) retirement plan is less than the market average. This may be due to historic funding patterns of the plans considered
- VRE employees contribute a slightly higher percentage of base pay to the DB plan than the market
- VRE's employer match to the Deferred Compensation 457(b) retirement plan is more generous compared to the market

Management should consider the implications of adopting our recommendations (e.g. cost considerations and changes to internal equity relationships) and may wish to make some modifications to the recommendations before implementing them.

★ SEGAL 10

## Questions



# Questions

★ SEGAL 11



AGENDA ITEM #10

**TO:** Chairman McKay and NVTC Commissioners  
**FROM:** Mariela Garcia-Colberg and Claire Gron  
**DATE:** September 19, 2013  
**SUBJECT:** WMATA

---

**A. Vital Signs/Dashboard Report** (attached)

**B. WMATA Budget Development**

WMATA ended FY13 with a \$30.2M operating budget surplus. Total operating revenues were \$853.6M (2.3 percent below budget) and operating expenses were \$1.525M (3.2 percent below budget). Operating revenues came in below budget primarily due to lower-than-expected Metrorail ridership. Operating expenses came in below budget primarily due to reduced labor costs.

WMATA delivered \$846M, or 87 percent of its \$975M FY13 Capital Improvement Program (CIP). The primary reasons why WMATA was unable to deliver the entire FY13 capital budget is the delay of major capital construction projects, such as the Cinderbed Road Bus Facility, and delays in several elevator and escalator rehabilitation projects.

The WMATA Board will hold a fare policy discussion and receive a revenue forecast update in October. The GM/CEO will present the FY15 budget to the Board in November.

**C. Action Item: Confirm NVTC Role New Electronic Payments Program (NEPP) Procurement and Implementation**

As requested by the member jurisdictions, NVTC has taken the lead in working with WMATA on the NEPP procurement, in coordinating and convening the working group, and in requesting and achieving a unified pricing structure for the Northern Virginia transit systems. This role is modeled on that played by NVTC during the procurement and implementation of SmartTrip.

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Tel (703) 524-3322 • Fax (703) 524-1756  
Email [nvtc@nvtc.org](mailto:nvtc@nvtc.org) • [www.thinkoutsidethecar.org](http://www.thinkoutsidethecar.org)

WMATA briefed NVTC staff on the outcome of the new unified pricing structure. NVTC and WMATA will conduct a workshop on October 3 to discuss the new NVTC pricing and compare it to the individual transit system prices. In addition to the NVTC local transit systems, PRTC and VRE also asked to participate in the unified pricing proposed and are part of this NVTC pricing structure.

NVTC will formalize this role, responsibilities and authorities in an agreement with the transit systems, VRE, and PRTC. The agreement will give NVTC authority to do the following:

- Represent the transit systems
- Coordinate regional participation in the NEPP pilot program
- Coordinate regional participation in implementation committees
- Negotiate and execute a contract with the selected vendor
- Hire a consultant if needed
- Obtain legal support
- Determine whether federal or state funding is available to offset the cost to the localities of the acquisition, maintenance, and program management of the NEPP.

Consistent with NVTC practice, all participating systems would be included in meetings, decisions and communications with regard to the procurement and implementation of NEPP.

Action: A motion is requested to confirm that New Electronic Payment Program is a priority under the 2013 Work Plan and that the Executive Director report on the resources required to complete this new work plan item

#### **D. Silver Line**

WMATA staff presented its Silver Line Marketing Plan (attached) to the WMATA Board in September. As part of this effort, WMATA unveiled a new Metrorail map and Silver Line website ([www.silverlinemetro.com](http://www.silverlinemetro.com)). WMATA expects service to begin early next year.

#### **E. Metrobus Service Changes**

WMATA held public hearings on proposed FY14 Metrobus service adjustments in September. Proposed adjustments are needed in order to maintain a State of Good Operations (SOGO) by improving service effectiveness and customer satisfaction. WMATA's proposed service adjustments for FY14 are budget neutral. Service adjustments in past years resulted in improvements to on-time

performance and increased ridership. NVTC will host a meeting with WMATA and jurisdiction staff on October 1 to discuss the outcomes of the public hearings.

#### **F. Rosslyn Station Elevator Opening**

A new entrance to the Rosslyn Station will open on October 6. The new entrance is located on N. Moore Street, between 19<sup>th</sup> Street North and Wilson Boulevard, and includes three high-speed, high-capacity elevators and a mezzanine. A ribbon-cutting ceremony is scheduled for Monday, October 7.

**NVTC Quarterly Summary of Systemwide  
Metrorail and Metrobus Performance  
Through June, 2013**

**On-Time Performance**

Metrobus				Metrorail			
		FY 2012	FY 2013			FY 2012	FY 2013
	Jun	74.9%	75.5%		Jun	90.8%	91.5%
	May	74.8%	75.6%		May	90.0%	91.9%
<i>Target</i>	Apr	77.2%	76.5%	<i>Target</i>	Apr	90.8%	92.4%
<i>= 78%</i>	Mar	76.4%	78.4%	<i>= 90.5%</i>	Mar	90.8%	92.1%
	Feb	77.8%	79.4%		Feb	89.2%	92.2%
	Jan	78.3%	78.8%		Jan	89.3%	92.3%

**Safety**

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

	FY 2012	FY 2013
Jun	2.61	2.05
May	2.79	1.78
Apr	1.69	2.6

\*Includes Metrorail, rail facilities, Metrobus, and MetroAccess

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

	FY 2012	FY 2013
Jun	143	132
May	123	129
Apr	120	124

**Crime Rate  
(per million passengers)**

	Apr-13	May-13	Jun-13
Bus	1.38	1.46	0.82
Rail	4.92	9.03	8.97
Parking	1.37	1.68	1.00

**Reliability**

**Bus Fleet Reliability  
by Fuel Type  
(miles without service interruption)**

	Jun-12	Jun-13
CNG (30%)*	6,493	6,701
Hybrid (27%)	11,451	8,067
Clean Diesel (8%)	7,027	8,369
Other (35%)	4,604	4,031

\* Percentage of fleet.

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

	FY 2012	FY 2013
Jun	32,526	61,745
May	42,556	62,418
Apr	42,237	64,890

**Escalator  
Availability**

*Target = 89%*

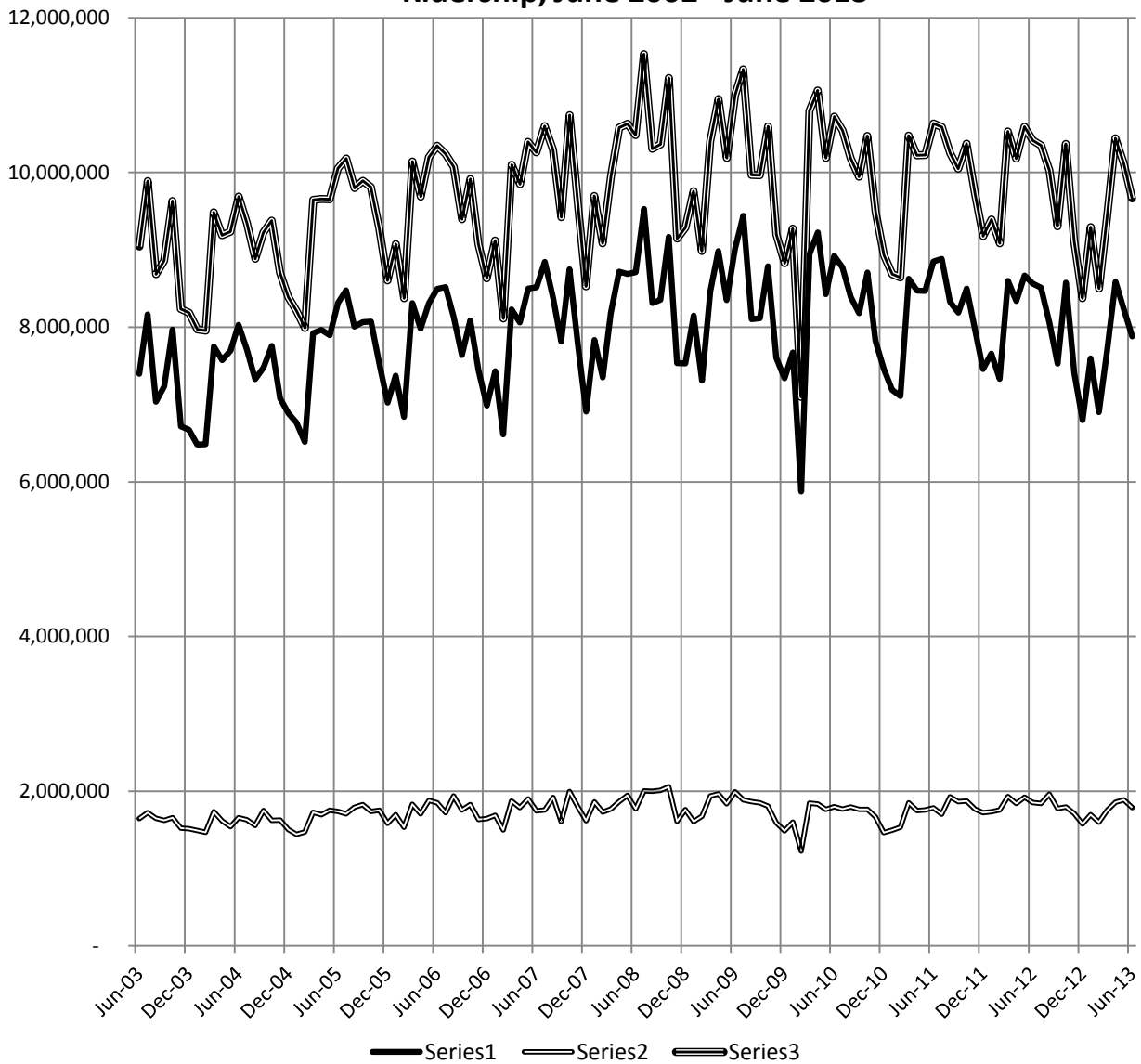
Jun-12	Jun-13
90.6%	91.6%

**Elevator  
Availability**

*Target = 97.5%*

Jun-12	Jun-13
98.0%	94.9%

### Northern Virginia Metrobus, Metrorail, and Combined Monthly Ridership, June 2002 - June 2013



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

	Jan	Feb	Mar	Apr	May	Jun
<b>Metrorail</b>						
CY 2013	7,595.6	6,902.7	7,707.8	8,587.6	8,231.8	7,879.8
CY 2012	7,657.4	7,331.3	8,600.0	8,337.6	8,669.5	8,565.1
5 yr. Avg.	7,701.6	6,995.1	8,563.3	8,747.7	8,519.4	8,811.5
<b>Metrobus</b>						
CY 2013	1,696.3	1,597.5	1,753.5	1,855.6	1,887.6	1,786.5
CY 2012	1,734.8	1,755.3	1,929.4	1,841.0	1,921.6	1,851.1
5 yr. Avg.	1,659.4	1,584.8	1,866.2	1,850.2	1,845.3	1,839.9



# OPERATING BUDGET REPORT

4th Quarter FY2013

## OPERATING BUDGET (\$ in Millions)

### OPERATING BUDGET (\$ in Millions)

QTD	Q4-FY2012		Q4-FY2013		Variance FY13	
	Actual		Actual	Budget	\$	Percent
Revenue	\$ 217.6		\$ 233.0	\$ 232.0	\$ 1.0	0.4%
Expense	\$ 361.9		\$ 399.1	\$ 401.6	\$ 2.5	0.6%
Subsidy	\$ 144.2		\$ 166.1	\$ 169.6	\$ 3.4	2.0%
Cost Recovery	60.1%		58.4%	57.8%		

YTD	FY2012	FY2013		Variance FY13	
	Actual	Actual	Budget	\$	Percent
Revenue	\$ 809.9	\$ 853.6	\$ 874.0	\$ (20.3)	-2.3%
Expense	\$ 1,434.7	\$ 1,525.6	\$ 1,576.1	\$ 50.5	3.2%
Subsidy	\$ 624.8	\$ 672.0	\$ 702.1	\$ 30.2	4.3%
Cost Recovery	56.4%	56.0%	55.5%		

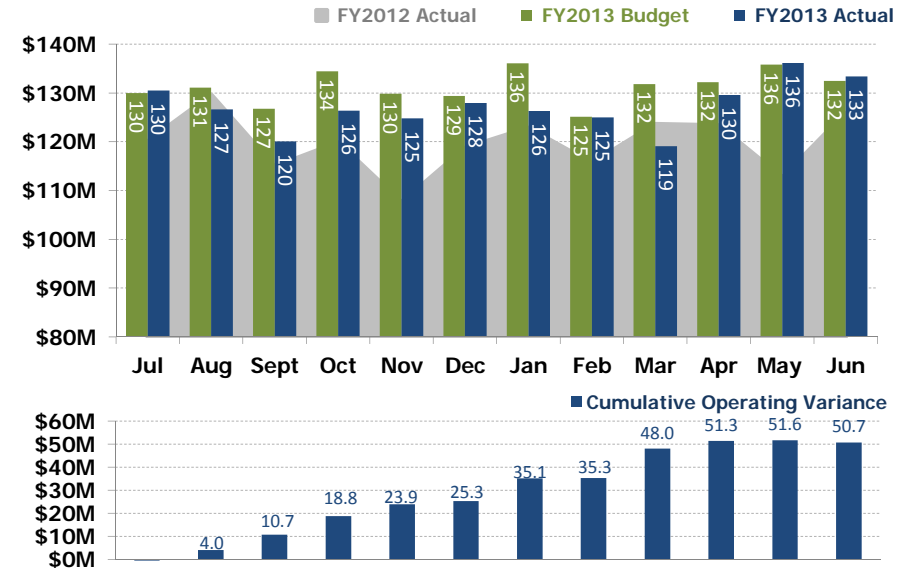
## OPERATING PROGRAM HIGHLIGHTS

Metro delivered the FY2013 operating budget with a net positive year-end position of \$30.2 million. Total operating expenses were \$1,525.6 million, \$50.5 million less than budget. Total operating revenues were \$853.6 million, \$20.3 million below budget.

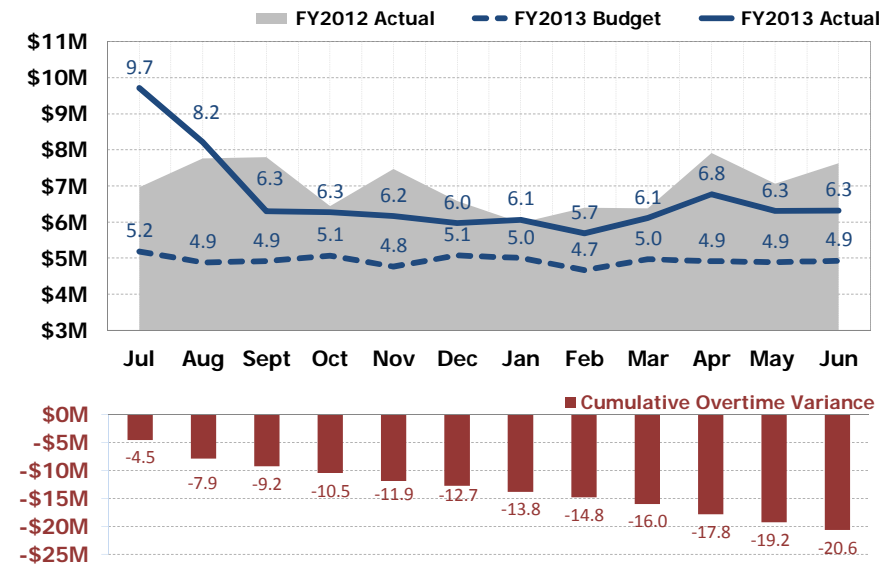
Year-to-date expenditures \$50.5 or 3.2% favorable to budget.

- Metro's recruitment efforts were largely successful in FY2013: 1,419 employees were hired during the year. Metro is achieving annual hiring goals. Metro experienced savings in salary and wage expenses primarily due to higher than budgeted attrition rates and the timing of hires during the year compared to the FY2013 budget. FY2013 salary and wage expenses were under budget by \$42.3 million or 6.0 percent.
- FY2013 operating budget overtime costs were \$4.5 million lower than the prior year overtime costs. In FY2013, Metro actively increased investment in railcar maintenance in order to improve reliability and prepare for the introduction of service on the Silver Line. Metro's overtime costs were above budget in part to advance this increased investment in railcar and other maintenance. As a result, FY2013 budget savings in salaries, wages and fringes were partially offset by overtime costs, which were over budget by \$20.6 million or 34.8 percent.
- Fringe benefits were under budget by \$23.8 million or 6.6 percent, mainly due to higher than anticipated vacancy rates and lower than projected pension costs primarily resulting from favorable market conditions.
- Materials and Supply expenses are \$27.1M unfavorable mostly due to overruns in TIES (\$22.1M) attributed mainly to CMNT 2K, 3K and 5K maintenance and Bus material usage (\$6.5M). As described above, railcar maintenance has increased to prepare for Silver Line service. The CMNT overhaul is expected to continue through FY13 and into FY14. This unfavorability is offset mainly by DGMO Admin TSP training materials and CSCM bus and rail schedule printing materials expense.
- Service expenses were \$11.4M favorable due to savings in paratransit expenses (\$7.8M), under-utilized TIES contract awards (PLNT, SMNT, CMNT and ELES), timing of various contracts (\$4.0M) and under-utilized contract and printing services for CSCM (\$854K), timing of COUN (\$496K), HR (\$457K); this favorability was offset by Financial services (\$2.2M).
- Propulsion/Diesel and Utilities were favorable to budget by \$22.3M due to lower than projected power consumption and favorable diesel rates resulting from Metro hedges. The passage of the American Taxpayer Relief Act of 2012 included a Compressed Natural Gas (CNG) credit which had a favorable impact of \$4.9M on Metro's FY2013 expenditures.

## OPERATING EXPENDITURES (\$ in Millions)



## YTD OVERTIME BUDGET VS ACTUAL (\$ in Millions)





# REVENUE AND RIDERSHIP REPORT

4th Quarter FY2013

## RIDERSHIP (trips in Thousands)

### RIDERSHIP (trips in Thousands)

QTD	Q4-FY2012	Q4-FY2013		Variance FY13	
	Actual	Actual	Budget	Prior Year	Budget
MetroRail	57,506	56,159	58,181	-2.3%	-3.5%
Metrobus	33,307	34,545	33,207	3.7%	4.0%
MetroAccess	529	534	551	1.0%	-3.0%
System Total	91,342	91,238	91,939	-0.1%	-0.8%

YTD	FY2012	FY2013		Variance FY13	
	Actual	Actual	Budget	Prior Year	Budget
MetroRail	218,244	208,969	218,257	-4.2%	-4.3%
Metrobus	132,220	132,043	129,756	-0.1%	1.8%
MetroAccess	2,083	2,033	2,206	-2.4%	-7.8%
System Total	352,547	343,046	350,219	-2.7%	-2.0%

## REVENUE AND RIDERSHIP HIGHLIGHTS

### FY2013 Revenue

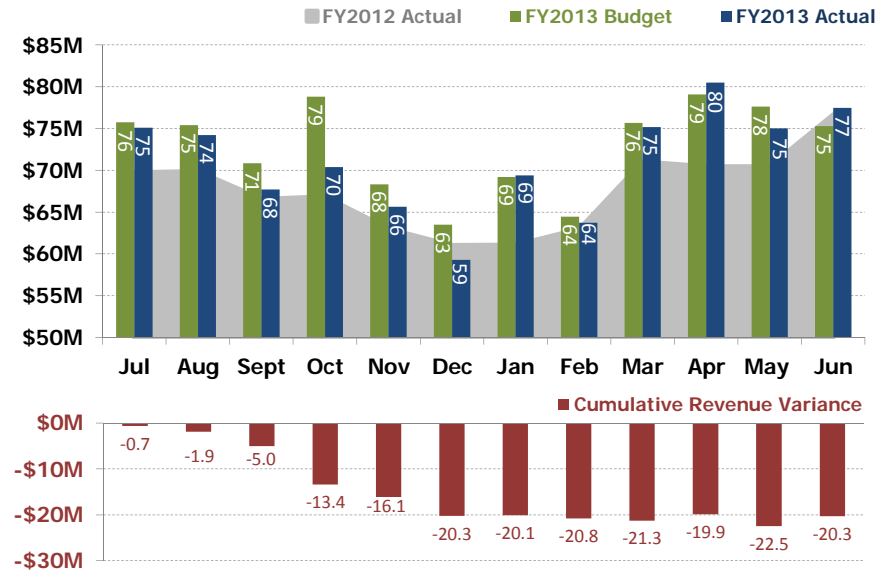
Total operating revenue in FY2013 was \$20.3M below budget, or -2.3%. Passenger revenues plus parking were \$22.7M below budget, while non-transit revenue was \$2.3M above budget.

- **Rail passenger fare revenue** was \$20.6M below budget for FY2013, primarily as a result of lower rail ridership; average fare for the year was \$2.90, which reflects the impact of the July fare increase and was slightly above the budgeted average fare for FY13 of \$2.87. Rail revenue also experienced negative impacts from Hurricane Sandy in October and the unanticipated federal Christmas Eve holiday as well as a positive impact from greater-than-expected Inauguration attendance.
- **Bus passenger revenue** was on budget at \$0.3 million above plan for FY2013. However, average fare for the year was \$1.05, below the budgeted average fare for FY13 of \$1.07. Bus revenue was also negatively impacted by Hurricane Sandy.
- **MetroAccess revenue** was \$0.6 million above budget for FY2013; although ridership was below budget, average fare was substantially higher at \$4.07 versus \$3.50 budget.
- **Parking revenue** was below budget YTD by \$3.0M or -6.1%; fourth quarter performance was generally in line with rail after prior months of performing below rail.
- **Other revenues** were \$2.3M above budget, with positive variances in advertising and fiber optic revenues outweighing negative variances in joint development rents and subrogation collections. Metro also received a one-time gain of \$3M from the recognition of unredeemed/expired SmartBenefits vouchers.

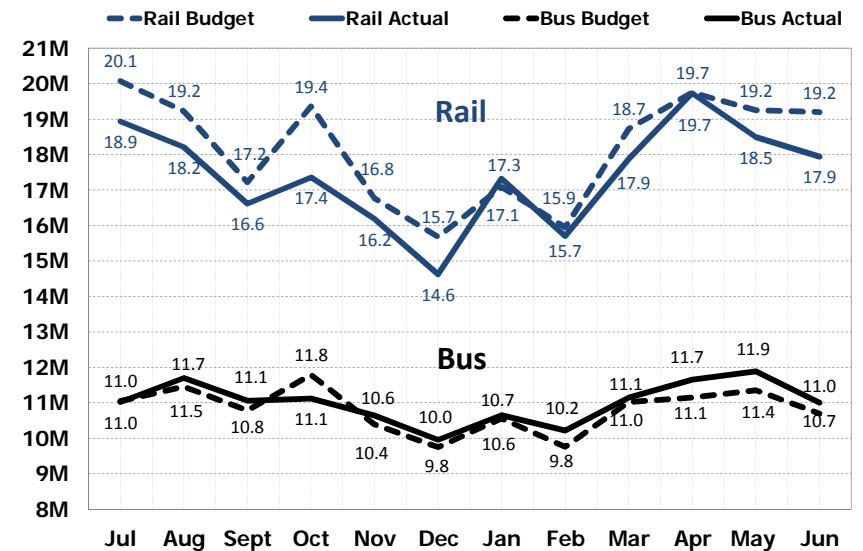
### FY2013 Ridership

- **Rail ridership** for FY2013 was 9.3M below budget, or -4.3%; rail ridership for the year was also down 9.3M compared to FY2012.
- **Bus ridership** was 2.3M above budget for FY2013, or 1.8%; however, bus ridership compared to FY2012 was essentially flat (down 0.2M).
- **MetroAccess ridership** was 7.8% below budget for FY2013; Access ridership for the year was also down 2.4% compared to FY2012.

## REVENUE (in Millions)



## MONTHLY RIDERSHIP FOR RAIL AND BUS (in Millions)







# CAPITAL PROGRAM REPORT

4th Quarter FY2013

## SOURCES OF FUNDS (\$ in Millions)

	Expenditure-Based Year to Date Sources of Funds				
	Budget	Forecast	Awarded	Received	To be Rec.
FY2012 CIP	\$ 1,042	\$ 917	\$ 882	\$ 672	\$ 370
FY2013 CIP	\$ 1,073	\$ 975	\$ 936	\$ 844	\$ 229

	Obligation-Based to Date Sources of Funds				
	Budget		Awarded	Received	To be Rec.
Safety & Security	\$ 38		\$ 38	\$ 21	\$ 17
ARRA	\$ 8		\$ 8	\$ 11	\$ (3)
Reimbursable	\$ 57		\$ 57	\$ 67	\$ (10)
Total	\$ 104		\$ 104	\$ 99	\$ 5

## USES OF FUNDS (\$ in Millions)

	Expenditure-Based Year to Date Uses of Funds					
	Budget	Plan	Obligated	Expended	% Obl.	% Exp.
FY2012 CIP	\$ 1,042	\$ 917	\$ 854	\$ 770	93.1%	84.0%
FY2013 CIP	\$ 1,073	\$ 975	\$ 973	\$ 846	99.8%	86.8%

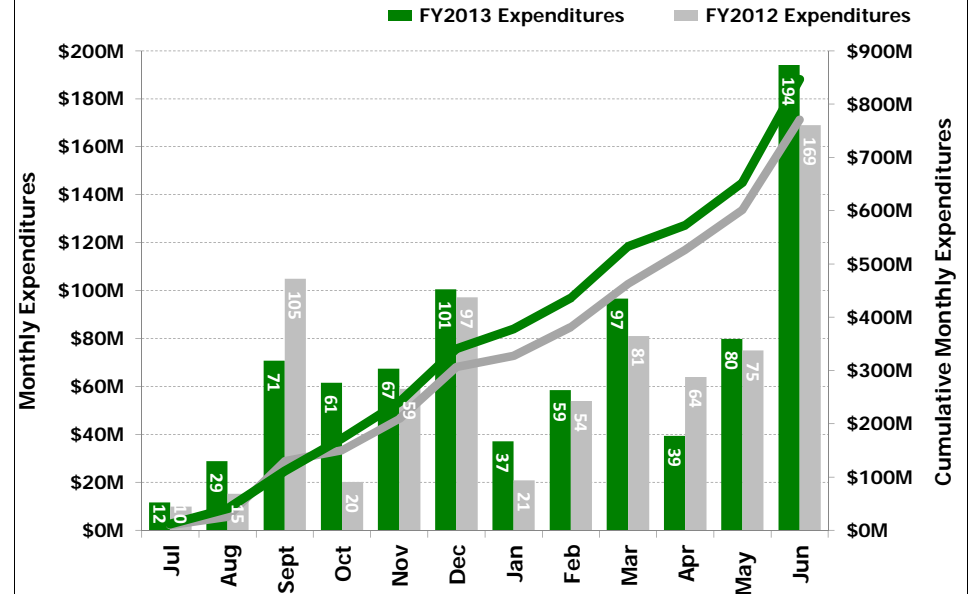
	Obligation-Based to Date Uses of Funds					
	Budget		Obligated	Expended	% Obl.	% Exp.
Safety & Security	\$ 39		\$ 45	\$ 27	114.3%	68.5%
ARRA	\$ 8		\$ 7	\$ 11	83.4%	137.3%
Reimbursable	\$ 57		\$ 53	\$ 82	93.0%	145.8%
Total	\$ 104		\$ 104	\$ 120	100.3%	116.0%

## CAPITAL PROGRAM HIGHLIGHTS

Metro successfully delivered \$846 million of CIP investments during FY2013, 87 percent of the \$975 million plan for the year. Metro has invested \$2.2 billion through the CIP since the beginning of the major rebuilding effort that started in FY2011. Capital investment in FY2013 was more than double the investment delivered in FY2010; delivery has progressively increased from \$382 million in FY2010, to \$611 million in FY2011, to \$770 million in FY2012, to \$846 million in FY2013.

- Bus Replacement:** 99 of the planned 99 forty-foot hybrid/electric buses have been received and all are in service. Six additional buses funded through the Reimbursable Program have also been delivered.
- MetroAccess Vehicle Replacement:** 138 of the planned 138 new paratransit vehicles have been delivered and 114 are in service. The remaining 24 vehicles are expected to be in service in August.
- Escalator Rehabilitation:** 36 of the 54 planned FY2013 escalator rehabilitations/modernizations are complete and eight are in progress. The multi-year escalator rehabilitation plan has been updated due to schedule delays. Ten escalator rehabilitations previously planned for FY2013 will now be completed in the FY2014-2019 CIP.
- Pentagon Station Escalator Replacement:** The escalator replacement project at Pentagon Station is underway and is on schedule. This project replaces escalators that were produced by a manufacturer who no longer makes replacement parts with three new, more reliable units. The project is expected to be complete in the fall of 2013.
- Elevator Rehabilitation:** 11 of the 25 planned FY2013 elevator rehabilitations/modernizations are complete and seven are in progress. The multi-year elevator rehabilitation plan has been updated due to schedule delays. Eight elevator rehabilitations previously planned for delivery in FY2013 will now be completed in the FY2014-2019 CIP and one elevator previously planned for future rehabilitation was accelerated into FY2013.
- Station Rehabilitation:** 12 of the 12 planned full station enhancement projects are complete; 12 of the planned 12 mini station enhancements are complete.
- Track Rehabilitation:** welded 819 open weld joints, retrofitted 705 linear feet of floating slabs, rehabilitated 9,084 linear feet of grout pads, tamped 40.59 miles of track, repaired 2,536 leaks, and replaced 11.85 miles of running rail, 5.84 miles of third rail, 17,566 cross ties, 20,036 fasteners, 8,970 insulators, 1,502 safety signs, 14 yard turnouts, 34 yard switches, and 7,012 direct fixation fasteners.
- 4000 Series Railcar Replacement:** Metro recently awarded a contract option to initiate the replacement of the 100 existing 4000 Series railcars with new 7000 Series vehicles. The 100 replacement vehicles are scheduled for delivery to Metro in late 2017.

## CIP EXPENDITURES (\$ in Millions)



## CAPITAL PROGRAM REPROGRAMMING



**Washington Metropolitan Area Transit Authority**

# **Silver Line Marketing & Communications Plan**

Customer Service and Operations Committee  
September 12, 2013



# Anticipated Usage of the Silver Line

## COMMUTING TO WORK

*"I think of less stress and more time with my family because I would use it to commute instead of driving and sitting in all that traffic." (MD Rider)*

*"I think of all the jobs at Dulles that they advertise that will now be easy to get to." (MD Rider)*

## NEW LEISURE & ENTERTAINMENT

*"I think of the biggest mall in the area [Tysons and the variety of stores and restaurants there." (DC Rider)*

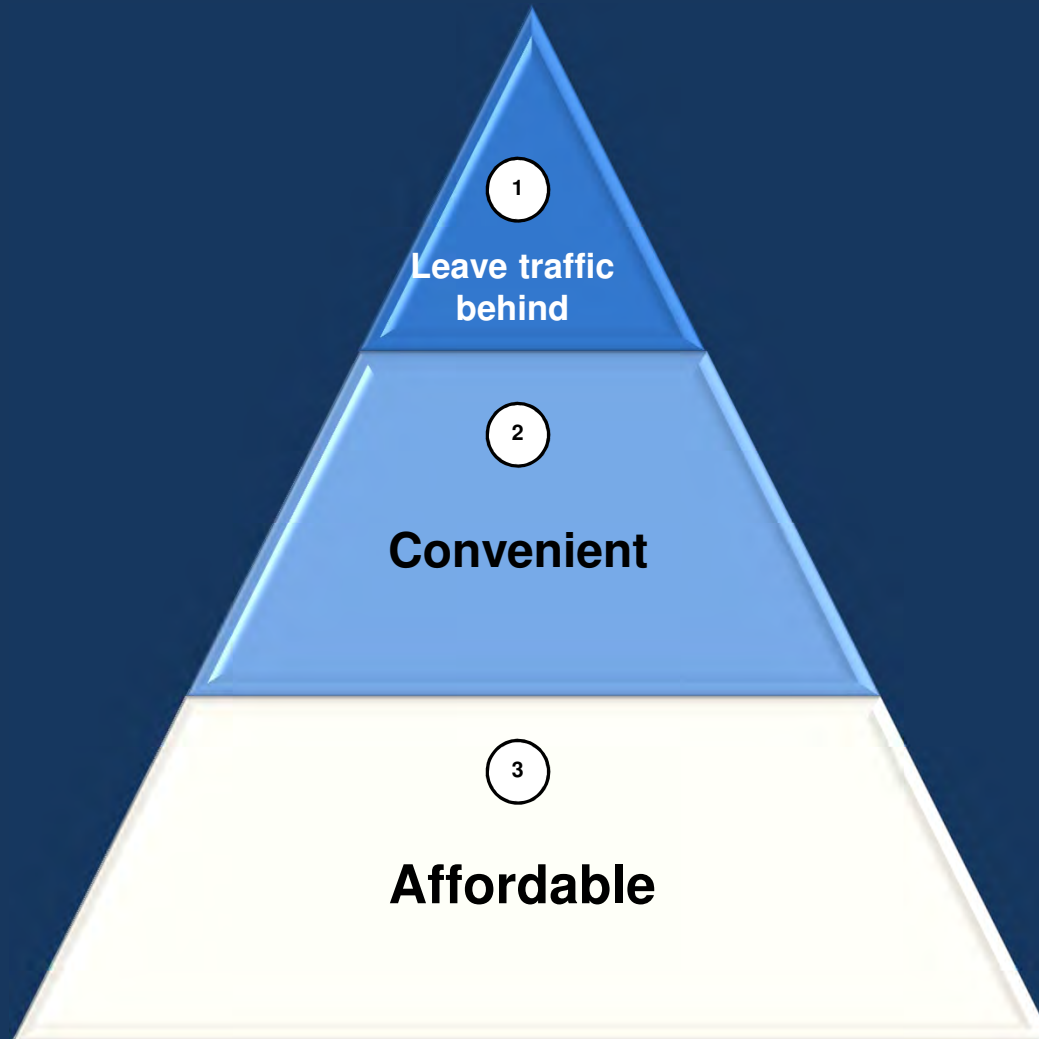
*"It offers people a chance to get out of the city on weekend outings, especially young people and whole families." (DC Rider)*

## DULLES AIRPORT

*"I feel the Silver Line will ease congestion to Dulles and from there you can travel around the world." (MD Rider)*



# Messages





# Strategy

## Pre-ORD

- Awareness Building

## ORD

- Learning

## Post-ORD

- Now Arriving



# Pre-ORD: Tactics

## July-Aug

- Trademark SV
- Stakeholder Coordination Meetings
- School Outreach
- PD/OEM Drills

## Sept

- Microsite:  
[silverlinemetro.com](http://silverlinemetro.com)
- New Map Released
- How to Ride Guide Development



# silverlinemetro.com

SILVER LINE SV

[HOME](#) [SV FUTURE](#) [SV CONNECTIONS](#) [SV NEIGHBORHOODS](#) [SV COMMUNITES](#) [SV INFORMATION](#)

[VIEW FULL STATION MAP](#)

Northern Virginia's Dulles Corridor is home to several of the region's most dynamic and rapidly growing economic centers, including Tysons Corner, Reston, Herndon, Dulles International Airport and eastern Loudoun County. Metro's Silver Line will support future development along the corridor to ensure that the region remains economically competitive and prosperous. Coupled with integrated bus service, it will provide high-quality, high-capacity transit service along the Dulles Corridor.

SV Learn

[SV to Reston](#)

[SV to Dulles](#)

[SV to Herndon](#)

SV Explore

What is your current mode of transportation?

[RAIL](#)

[BUS](#)

[CAR](#)

How will you use the SV?

[EMPLOYMENT](#)

[ENTERTAINMENT](#)

SV Plan

[Rail Connections](#)

[Bus Connections](#)

[Access Connections](#)

[Map](#)



## First year projected ridership per day

Station	First year ridership per day
McLean	7,600
Tysons Corner	10,400
Greensboro	6,600
Spring Hill	8,000
Wiehle-Reston East	16,400





# McLean Station – July 2013



***Newly landscaped pedestrian pavilion for the McLean Station at the corner of Route 123 and Colshire Drive.***

*Photo courtesy Chuck Samuelson, DCMP*



# Tysons Corner Station – July 2013



***The barrel canopy is complete; curtain wall and wire mesh infill are under construction.***

*Photo courtesy Stephen Barna, DCMP*





# Greensboro Station – July 2013



***Mezzanine level finishes. Station manager kiosk installation has begun.***

*Photo courtesy Stephen Barna, DCMP*



# Spring Hill Station – July 2013



***Eastbound Leesburg Pike streetscape installation at  
Spring Hill Station.***

*Photo courtesy Stephen Barna, DCMP*





# Wiehle-Reston East Station – July 2013



***Platform level finishes and signage***

*Photo courtesy David Claypool, Kalorama*



# Rail Service Plan

Line	From	To	Peak Headway	Mid-Day Head way
Silver	Wiehle Ave	Largo	6 min	12 min
Orange	Vienna	New Carrollton	6 min	12 min
Blue	Franconia - Springfield	Largo	12 min	12 min
Green	Greenbelt	Branch Ave	6 min	12 min
Yellow A	Huntington	Mount Vernon	6 min	n/a
Yellow B	Huntington	Ft. Totten	n/a	12 min
Yellow +	Franconia- Springfield	Greenbelt	12 min.	n/a
Red	Shady Grove	Glenmont	3-6 min	6-12 min



## ORD: Tactics

### Commemorative SmarTrip card

- Advertising
- Connector bus
- Employee education
- Merchandise for sale

**SmartBenefits®**





# Post-ORD: Tactics

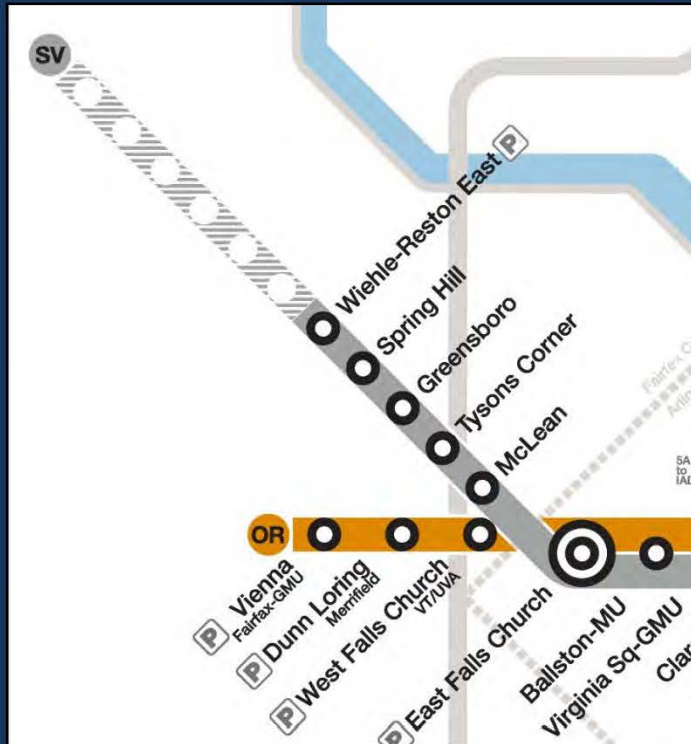
- Online chats with GM
- Videos: Behind the scenes, feature destinations
- Value-add discounts from local businesses
- Exhibit/display at Tysons Corner
- Launch E-newsletter

- Festivals and Community Events
- Civic and Business groups
- In-system ads begin: rail cars, station posters, dioramas and floor graphics
- Direct mail
- Sneak preview station tour
- Social media contest for Inaugural rides





# Updated Map





## MEMORANDUM

**TO:** Chairman McKay and NVTC Commissioners

**FROM:** Commissioner Dyke

**DATE:** September 26, 2013

**SUBJECT:** DRPT Update

### Transit and Planning

#### SuperNoVa Transit and TDM Action Plan

A Super NoVa Regional Consortium (RC) meeting was held on 9/24/13. The Study Team presented an overview of the Super NoVa Transit and TDM Vision Plan, as requested, they provided an example of the Action Plan items that were being developed. Excellent discussion took place regarding the path forward for the Regional Consortium. The Study Team presented a draft resolution to the RC for review and comment; the resolution will be updated based on the comments received and circulated to the RC members.

#### Route 1 Multimodal Alternatives Analysis

The Technical Advisory Committee met on 9/25/13 to review the draft purpose and need statement and the draft evaluation methodology report. They also reviewed and comments on the presentation that will be given at the upcoming public meeting that will be held on October 9 from 6-8 p.m. in room 221 at the South County Government Center, located at 8350 Richmond Highway in Alexandria.

#### I-66 Tier I DEIS

The Office of Public Private Partnership has convened two working group meetings comprised of DRPT, VDOT, Fairfax County, Prince William County and FHWA staff. The working group will continue to meet to advance the Tier I DEIS recommendations to the CTB. The Office of Public Private Partnership will take the lead on any upcoming public outreach activities that are necessary to advance recommendations to the CTB.

### TSDAC (SB1140)

DRPT and TSDAC released the Performance-Based Operating Assistance Allocation Methodology Report for a 45-day public comment period, which ended Oct. 1.

DRPT presented the Performance-Based Funding Allocation Methodology to the Commonwealth Transportation Board on September 18th in Fredericksburg.

DRPT and TSDAC held a public hearing on September 18th from 5:30 – 7:30 at the VDOT Auditorium in Richmond. Two people addressed the meeting – Noelle Dominguez (Fairfax County) and Linda

McMinimy (Virginia Transit Association). A brief presentation was given at 6:00 followed by a brief question and answer period. There were no questions. The Performance-Based Funding Allocation Methodology Report may be located on DRPT's website.

DRPT staff continues to work with TSDAC on the Capital Tiering methodology.

A question remains regarding DRPT's decision to use WMATA methodology to count Virginia riders. There have been several comments that DRPT should count boardings and alightings within the Commonwealth. In order to do that DRPT feels that all transit companies should be afforded the same way to count riders which would have a significant, negative impact on the WMATA ridership. In short any counting method should end up with WMATA ridership, between the three jurisdictions, totaling 100%. The method proposed would mean that VA, DC and MD ridership would total 158.7% of WMATA ridership. The method that is being used is consistent with how riders are counted in MD as well. There, only the two primary counties are counted. If NoVa prefers DRPT can count boardings as the metric. However that model does not provide the ridership number that the method chosen yields. It is important to note that in reviewing the combined allocation (old and new funding) that NoVa is 77.2% of total expenditures and will receive 79% of the funding. In regards to a comparison of the old formula and the new metrics for the new funding WMATA gains 9% over using the old formula. DRPT does feel this formula and metrics selected are fair to NoVa. In regards to a statement that the metrics are not rating "effectiveness" DRPT would disagree. The two metrics of customers per revenue mile and customers per revenue hour do create the effectiveness model.

#### Rail

The Commonwealth of Virginia was the first state to sign regional train funding agreements with Amtrak. Passage of HB2313 allowed the state to fully fund all the regional Amtrak service and on October 1 the Virginia sponsored and regional trains, of which there are six, continued to run.



AGENDA ITEM #12

**TO:** Chairman McKay and NVTC Commissioners  
**FROM:** Kala Quintana  
**DATE:** September 19, 2013  
**SUBJECT:** Northern Virginia Transportation Authority (NVTA)

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The Legal Working Group and Council of Counsels continue to prepare for the Bond Validation Suit hearing scheduled for September 30, 2013. A pre-hearing was held on September 10, 2013. Defendant Marshall was required to file his trial brief on September 17, 2013.

NVTA's six year planning process calendar has been drafted. The Project Implementation Working Group (PIWG) is waiting for an update from VDOT on the HB599 project prioritization and evaluation requirements. AECOM has been selected by VDOT as the contractor to review the projects.

NVTA met on September 26, 2013 in the city of Fairfax (agenda attached). John Mason, NVTA's interim Executive Director has relocated NVTA offices to 3060 Williams Drive in Fairfax, Virginia.

Additional updates following the NVTA meeting will be provided on October 3, 2013.

# Northern Virginia Transportation Authority

[www.thenovaauthority.org](http://www.thenovaauthority.org)

## **AGENDA**

**Thursday, September 26, 2013**

**7:00 pm**

**City of Fairfax City Hall**

10455 Armstrong Street

Fairfax, Virginia 22031

1. **Call to Order.....Chairman Nohe**
2. **Roll Call**
3. **Approval of the Minutes of the July 24, 2013 Meeting**
4. **Presentations**
  - A. **DRPT's SuperNoVA Action Plan**
  - B. **VDOT-HB599 Prioritization Study**
5. **HB 2313 - Working Group Reports/Recommendations**
  - A. **Public Outreach**
  - B. **Organizational**
  - C. **Project Implementation**
  - D. **Financial**
  - E. **Legal**
6. **Executive Director's Report**
  - A. **Approval of FY2014 Budget and NVRC Service Agreement**
7. **Information Items-CMAQ/RSTP Reallocation Requests**
  - A. **City of Fairfax**
  - B. **Town of Herndon**
8. **Other Business**
9. **Adjournment**

**Next Scheduled NVTa Meeting:**

**Thursday, October 24, 2013 at 5:30 p.m. at the Northern Virginia Regional Commission, 3060 Williams Drive, Suite 510, Fairfax, VA 22031**



AGENDA ITEM #13

**TO:** Chairman McKay and NVTC Commissioners  
**FROM:** Kelley Coyner and Claire Gron  
**DATE:** September 19, 2013  
**SUBJECT:** Information Items

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**A. Bus on Shoulder (BOS): Final Reports of the I-66 Inside the Beltway BOS Pilot Project and the TPB BOS Task Force (attachment)**

VDOT released the final report of the I-66 Inside the Beltway Bus on Shoulder Pilot Program. The engineering analysis resulted in the extension of the length of two pilot locations. Loudoun County Transit (LCT) assisted VDOT with a trial run in May. Construction will occur between March and October 2014.

**B. MWCOG Economy Forward: One Year of Progress Event on Sept. 27**

Key stakeholders from government, business and philanthropy will meet on September 27<sup>th</sup> to discuss Economy Forward. Discussion will focus on activity centers as well as proposed regional transportation priorities.

**C. MAP-21: USDOT's Schedule for Implementing Performance Measures (attachment)**

MWCOG TPB staff prepared a memorandum detailing USDOT's proposed schedule for implementing MAP-21's performance provisions. USDOT will release proposed rules beginning in September.



# **I-66 Inside the Beltway Bus on Shoulder (B-o-S) Pilot Program**

**Update To TPB Task Force  
September 18, 2013**

Leonard (Bud) Siegel, Jr., PE  
Arlington/Fairfax Preliminary Engineering Manager  
VDOT NoVA District Office

# Presentation Overview

- Team Introduction
- Pilot Program Update
- Engineering & Implementation Update
- B-o-S Trial Run Video ...*excerpts (full video 22 mins.)*
- Next Steps
- Questions / Comments / Suggestions



# I-66 Bus-on-Shoulder Implementation Team

Genesis: Recommendation of the I-66 MMS

Team Members:

- FHWA
- FTA
- Transit operators
- VDOT (*Study working group...  
...now moving to implementation*)

# B-o-S Pilot Program Update

- **Planning Study Final Report completed May 2013**  
*(5 pilot locations; 2 near-term & 1 long-term)*
- **Engineering Phase: Commenced May 2013**
  - ✓ Field Inspection
  - ✓ Trial run of B-o-S  
(Pilot locations only; Loudoun County Transit bus; video)
  - ✓ Finalize pilot locations (consider field constraints, etc.)
- **(Re) Construction activities ...2014 “paving season.”**
- **Intent: B-o-S one year pilot period start Fall 2014**

# Project Engineering Phase

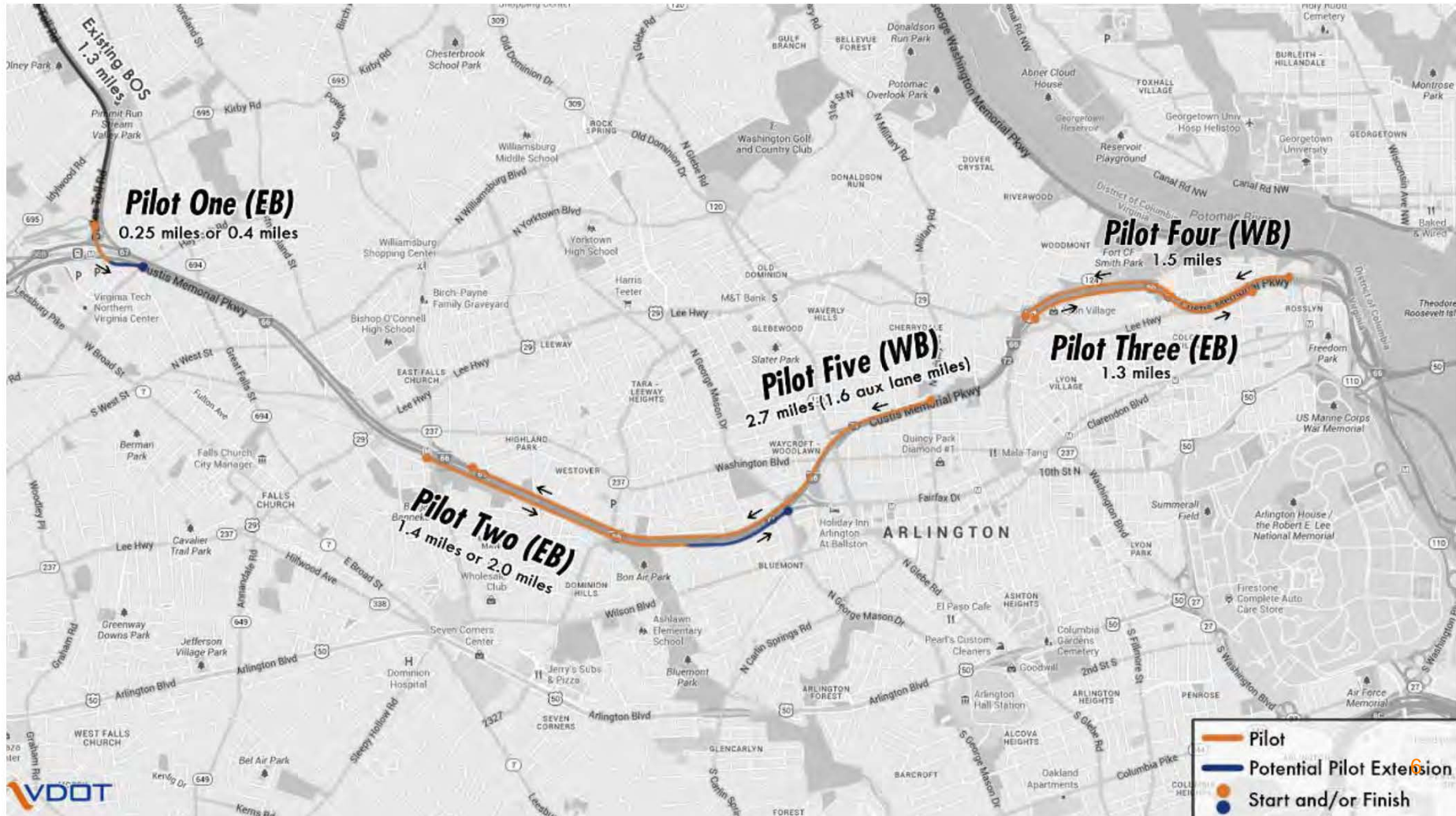
## Design Philosophy:

- Avoid impacts to the travel lanes of mainline I-66
- Limit physical improvements to shoulders and signage
- Minimize cost

## Considerations:

- Technical: Engineering (evaluation underway)
- Procurement: Delivery mechanism (evaluation underway)
- *Legislative: Authority for B-o-S operations*
- *Procedural: Agreements, Driver Training, etc.*
- *Evaluation: Measures of effectiveness ...and performance*

# Updated Pilot Locations



# The Video

## Some general remarks:

- Represents a “field-test” scenario
- Test date: May 22, 2014 mid-morning, good weather.
- Transit bus with VSP and VSSP escort.
- “Real-life” incidents and operational conditions
- Annotated improvements within pilot locations
- Potentially used as a driver training or outreach tool

## Next Steps Leading To Implementation

- **Engineering:**
  - Finalize design of physical improvements
  - Finalize procurement/delivery mechanism
- **Legislative/Administrative:**
  - *Authority for B-o-S operations*
  - *Measures of effectiveness ...and performance*
- **Procedural:**
  - *MOUs with Transit Operators*
  - *Public Outreach*



**I-66 Inside the Beltway  
Bus on Shoulder Pilot Program**

**Update To TPB Task Force  
September 18, 2013**

**Input, questions, thoughts...**



## National Capital Region Transportation Planning Board

777 North Capitol Street, N.E., Suite 300, Washington, D.C. 20002-4290 (202) 962-3315 Fax: (202) 962-3202

### M E M O R A N D U M

**TO:** TPB Technical Committee

**FROM:** Eric Randall  
Department of Transportation Planning

**SUBJECT:** Update on USDOT Implementation of MAP-21 Performance Provisions

**DATE:** August 30, 2013

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The Technical Committee will be updated on the status of MAP-21 performance provisions being developed by US Department of Transportation (USDOT). MAP-21 calls for States, metropolitan planning organizations (MPOs), and providers of public transportation receiving federal assistance to establish and use a performance based approach to transportation decision making to support national goals. It requires USDOT to establish performance measures related to the national goals for planning processes and for States, MPOs, and public transportation providers to establish performance targets for those measures. This memorandum provides information from a workshop USDOT conducted at the end of June on the development and implementation of the performance provisions, which was attended by representatives from the region's three State DOTs, WMATA, and TPB staff.

#### **MAP-21 Performance Provisions – Nine Rules**

USDOT has identified nine rules, in five categories, for implementation of the MAP-21 performance provisions. Over the course of the next year, draft notices of proposed rulemaking (NPRM) will be announced in the Federal Register. Each NPRM will have a period of at least ninety days for review and submission of comments. USDOT will subsequently develop the final rules for implementation. At this time, no rule is expected to be finalized before the end of calendar year 2014. Accordingly, none of these rules will affect the development or approval of the 2014 CLRP.

*Draft NPRMs  
Scheduled to be Announced*

#### Planning

- Metropolitan and Statewide Planning Rule October 2013

#### Highway Safety

- Safety Performance Measure Rule October 2013
- Highway Safety Improvement Program Rule
- Highway Safety Program Grants Rule

#### Highway Conditions

- Pavement and Bridge Performance Measure Rule December 2013
- Asset Management Plan Rule



## Congestion/System Performance

March 2014

- System Performance Measurement Rule

## Transit Performance

September 2013

- Transit State of Good Repair Rule
- Transit Safety Plan Rule

(Advanced NRPM; Draft NRPM to follow in April 2014)

Development of the final performance provision rules would continue through 2014, followed by publication of the final rules for an effective implementation date of April 1, 2015. The implementation date will start the countdown for actions required by States, MPOs, and public transportation agencies. (The date of final rulemaking may be earlier for some rules; one schedule has the rulemaking for transit safety and highway safety finalized by the end of 2014, beginning the countdown earlier for safety performance measures.)

The TPB will coordinate with State DOTs and public transportation agencies on the review of the proposed rules and the development of any comments for formal submission to USDOT. TPB staff envisions taking the regional lead for any comments on the Planning rule (as it relates to metropolitan planning) and the Congestion/System Performance rulemaking. For the Highway Safety, Highway Conditions, and Transit Performance rulemaking the TPB will provide input as requested to the respective state and public transportation agencies.

It is anticipated the Draft NRPM for the Metropolitan and Statewide Planning Rule will provide some insight on the processes for performance measurement data collection and reporting as envisioned by USDOT, as well as the use of performance measures and targets in the metropolitan planning and programming process and the transportation improvement program (TIP).

## **Establishing Performance Targets**

Once the performance measures are finalized by USDOT, the States, MPOs, and public transportation agencies will set targets for the performance measures.

Actions for the TPB will include:

- Establishing performance targets to address the USDOT established surface transportation system performance measures, coordinating with the States and providers of public transportation to ensure consistency to the maximum extent practicable.
- Tracking progress towards the selected targets for the region.
- Possible adoption of locally defined performance measures and targets.
- Optional scenario development assessed against the performance measures.

The TPB also has specific responsibilities associated with the Congestion Management and Air Quality (CMAQ) Program, Section 1113, as the region is a non-attainment area for fine particulate matter (PM 2.5). The TPB is required to develop a Performance Plan that:

- a) Includes an area baseline level for traffic congestion and on-road mobile source emissions for which the area is in nonattainment or maintenance;
- b) Describes progress made in achieving the performance targets; and

- c) Includes a description of projects identified for funding under Section 1113 and how such projects will contribute to achieving emission and traffic congestion reduction targets. TPB will develop this project list in coordination with the States and public transportation agencies.

Based on the above schedule for the performance provisions rulemaking and the deadlines set forth in the MAP-21 legislation, the current timeline for the implementation of the performance provisions follows. Associated actions by the States, the TPB, and public transportation agencies are listed parenthetically.

#### **Deadline Date    Presumptive MAP 21 Performance Provisions Timeline**

- |         |   |
|---------|---|
| 4/1/15  | USDOT promulgates final rulemaking that establishes performance measures and standards required under MAP-21. <ul style="list-style-type: none"> <li>• <i>States, TPB, and transit agencies begin data collection and analysis for the performance measures.</i></li> </ul>   |
| 7/1/15  | Deadline for public transportation agencies to set targets for transit state of good repair performance measures (three months after final rulemaking).   |
| 4/1/16  | Deadline for States and public transportation agencies to set targets for other performance measures (one year after final rulemaking). <ul style="list-style-type: none"> <li>• <i>Targets set using performance data developed for both baseline (historical) data trends and future projections.</i></li> </ul>  |
| 10/1/16 | Final deadline for the TPB to establish targets for the region (180 days after States and public transportation agencies establish their respective performance targets). <ul style="list-style-type: none"> <li>• <i>TPB collates and/or integrates regional data as necessary to set regional targets, using baseline data and future projections.</i></li> </ul>                 |
| 10/1/16 | States submit a report to USDOT on progress in achieving performance targets.   |
| 10/1/17 | USDOT Secretary submits to Congress a report on the effectiveness of the performance-based planning process of metropolitan planning organizations. <ul style="list-style-type: none"> <li>• <i>Submission of regional planning process description and regional performance data report by TPB likely required prior to this date, including CMAQ Performance Plan.</i></li> </ul> |

The TPB will coordinate with State DOTs and public transportation agencies on the development of regional targets for the required performance measures and any locally defined performance measures. TPB staff envisions taking the lead for developing regional performance data and setting targets for measures in the categories of Planning and Congestion/System Performance for the region. For the Highway Safety, Highway Conditions, and Transit Performance regional targets the TPB will provide assistance as required to coordinate the inputs of the respective state and public transportation agencies and formally approve their targets.

There are many issues associated with coordinating and possibly integrating performance data from the District of Columbia, Maryland, and Virginia, and possibly from local jurisdictions and/or the various public transportation agencies. The TPB looks forward to developing processes; conducting data definition, collection and analysis; and utilizing the data available to set targets for the performance measures in cooperation with our Federal, state and local colleagues.