



**NVTC EXECUTIVE COMMITTEE MEETING
THURSDAY, MAY 1, 2014
MAIN FLOOR SMALL CONFERENCE ROOM
2300 Wilson Blvd, Arlington, VA 22201**

6:30 P.M.

AGENDA

1. Review of the Commission Meeting Agenda for May 1, 2014
2. Update on Formula Funding Issues and Project Agreement Streamlining
3. Appointment of Legal Counsel
4. Future Agenda Items

Committee Members:

Paul Smedberg, Chairman
Sharon Bulova
Jim Dyke
Bill Euille
Jay Fisette
Cathy Hudgins
Mary Hynes
Jeff McKay
Tom Rust
Dave Snyder



**NVTC COMMISSION MEETING
THURSDAY, MAY 1, 2014
MAIN FLOOR CONFERENCE ROOM
2300 Wilson Blvd.
Arlington, VA 22201
8:00 P.M.**

NOTE: Executive Committee will meet at 6:30 P.M. Dinner is also available at that time.
Legislative and Policy Committee Meeting begins at 7:00 P.M.

AGENDA

1. NVTC's 50th Anniversary Resolution
2. ACTION ITEM: Approve the April 3, 2014 NVTC Minutes
3. ACTION ITEM: Approve the **CONSENT AGENDA** (subject to approval by Chairman)
 - A. Resolution #2246: Appointment of NVTC Legal Counsel
 - B. Resolution #2247: Appoint Member to the Joint Audit Committee
 - C. ACTION ITEM: Resolution #2248: Endorsement of the DDOT Long Bridge TIGER Grant Application
4. Executive Director's Report
 - A. NVTC Financial Report
 - B. VRE Management Audit: Commissioner Participation
 - C. Draft Six Year Improvement Plan (SYIP)
 - D. Draft Business Outreach Plan
 - E. Rt. 7 Alternatives Analysis (Phase II)
 - F. I-66 Inside the Beltway Bus on Shoulder (BOS) Pilot
 - G. Key WMATA Milestones/Dates
5. ACTION ITEM: Resolution #2249: Authorization to Award a Contract for New Electronic Payments Program (NEPP) Technical Consulting Support Services

6. ACTION ITEM: Virginia Railway Express (VRE)

- A. VRE CEO Report and Minutes
- B. ACTION ITEM: Resolution #2250: Approve Fifth Year of the Operations and Maintenance Contract with Keolis Rail Services Virginia

7. ACTION ITEM: Approve FY 2015 Budget

8. INFORMATION ITEM: Commonwealth and Regional Agency Reports

A. WMATA

- Budget Development
- New *ConnectGreaterWashington* (CGW) Study: Alternatives to Expanding the Region's Transit System
- FTA Financial Management Oversight (FMO) Audit
- WMATA Sustainability Initiatives
- Key WMATA Milestones/Dates

B. Department of Rail and Public Transportation (DRPT)

C. Northern Virginia Transportation Authority (NVTa)

- Standard Project Agreements
- General Assembly Update
- Bond Validation Lawsuit
- Monica Backmon New Executive Director

D. Transportation Planning Board (TPB)

- MWCOG Round 8.3 Cooperative Forecasts
- 2014 Update to the Financially Constrained Long-Range Transportation Plan (CLRP)
- Initial Assessment of the 2014 CLRP Update and Regional Transportation Priorities Plan (RTPP)



AGENDA ITEM #1

MEMORANDUM

TO: Chairman Smedberg and NVTC Commissioners

FROM: Kelley Coyner

DATE: April 24, 2014

SUBJECT: NVTC's 50th Anniversary Resolution

Delegate Tom Rust will present NVTC with a copy of House Joint Resolution #248 passed by the General Assembly on February 13, 2014, which honors NVTC and its Commissioners and staff for 50 years of work promoting and funding the transit network in Northern Virginia. This innovative network of transit and ridesharing provides 550,000 commuter trips each work day and 164 million passenger trips on bus and rail in NVTC's jurisdictions annually. The resolution further notes NVTC's leadership in transit system development, expansion, funding and research has played an integral role in securing the transit network required to build and sustain the regional economy and benefit the entire Commonwealth. Delegate Rust recognized NVTC from the floor of the House on February 6, 2014.



AGENDA ITEM #2

**MINUTES
NVTC COMMISSION MEETING – APRIL 3, 2014
NVTC CONFERENCE ROOM – ARLINGTON, VIRGINIA**

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Smedberg at 8:09 P.M.

Members Present

Richard Black
Sharon Bulova
John Cook
James Dyke
William Euille
Jay Fiset
John Foust
Jeff Greenfield
Catherine Hudgins
Mary Hynes
Jeff McKay
David Ramadan
Ken Reid
Paul Smedberg
David F. Snyder
J. Walter Tejada

Members Absent

Barbara Comstock
Thomas Rust

Staff Present

Kelley Coyner
Rhonda Gilchrest
Claire Gron
Scott Kalkwarf
Jillian Linnell
Kala Quintana
Melissa Walker
Doug Allen (VRE)
Tom Hickey (VRE)
Bryan Jungwirth (VRE)
Steve MacIsaac (VRE)
Joe Swartz (VRE)

Presentation by WMATA General Manager and CEO

Mrs. Hudgins introduced Richard Sarles, WMATA's General Manager and CEO. Mr. Sarles thanked the Commission for giving him an opportunity to update NVTC on WMATA activities and issues. He reported that progress is being made on Momentum, WMATA's strategic plan. He noted that the District of Columbia, Maryland and Virginia have committed to provide \$75 million for a down payment on Momentum to be used for FY 2015. The key points of Momentum are:

- Increased capacity of Metrorail to meet growth by 35 percent in peak periods, especially addressing the growth in Virginia. This includes making improvements to the supporting infrastructure, yard and station improvements, and upgrading traction power to support eight-car railcars.
- Increased bus service (existing service, Bus Priority Network, transit ways).
- Increased track capacity, which will be even more important as the Silver Line opens.

Mr. Sarles observed that the Metro system has had a big impact on this region and is now a game changer for Tysons Corner as Metro service moves into that area. Virginia residents save over a half a million dollars each year because of public transit, with half of that attributable to Metro service. If Metro did not exist, the region would have to spend billions of dollars to construct highways and parking facilities. There is no better way to understand the regional importance of Metrorail than by looking at ridership in the Core. Mr. Sarles displayed a poster that shows how many Virginia residents are using Metro in the Core. Many of the stations in the Core show that Virginia residents make up to more than half of the ridership. The only Core station that has a majority of D.C. residents is DuPont Circle.

Mr. McKay joined the meeting at 8:14 P.M.

Mr. Sarles stated that over the next six to eight months the jurisdictions need to agree on a Capital Funding Agreement (CFA). There is also a window of opportunity to purchase additional railcars before the final options expire in July and August 2015. After that it will be five years before another procurement can be done.

Mr. Sarles reported that the WMATA Board approved the FY 2015 Operating Budget. The Capital Budget will be adopted in the next few months. He reviewed the fare changes, which were approved as part of the budget, which will go into effect July 1, 2014:

- Metrorail fares: Increased by an average of three percent (about 10-cents per trip).
- Metrobus fares: Regular fares will become \$1.75, regardless of whether using cash or SmarTrip compared to the current fares of \$1.60 for SmarTrip

and \$1.80 cash. Express bus fares will increase from \$3.65 to \$4.00. Senior/disabled fares will increase to 85-cents from 80-cents. There are no changes to existing transfer discounts.

- Parking: Rates will increase by 10-cents at all Metro-operated facilities. At selected stations in Prince Georges County, parking rates will increase another additional 50-cents.
- MetroAccess: The maximum MetroAccess fare will be lowered to \$6.50 from \$7.00.

Mr. Sarles gave a brief update on the New Electronic Payment Program (NEPP), which will serve as the fare system for the entire region. In January, WMATA awarded a contract to Accenture to replace the existing fare collection systems for Metrorail, Metro-operated parking facilities, Metrobus and MetroAccess services. Accenture is currently working on the design of the system. The pilot program will be tested next year before final design and production is completed.

Mr. Euille arrived at 8:18 P.M.

Mr. Sarles briefed the Commission on the progress being made on the Silver Line. The Metropolitan Washington Airports Authority (MWAA) is constructing the line and will turn the system over to WMATA to operate the system. Once WMATA takes over, it will take 90-days to implement service. During that time WMATA will run system tests, conduct emergency service provider drills, and initiate major outreach to the public.

Mr. Sarles also reported that the Federal Transit Administration (FTA) just released a draft Financial Management Oversight Review Report on WMATA examining the period between April 2012 to March 2013. FTA conducts these oversight reviews every five year. FTA has sent a letter to WMATA restricting draw down of federal grant money and requiring WMATA to now submit documentation. Mr. Sarles stated that WMATA plans to fully cooperate and provide all the necessary documentation. WMATA is preparing an official response to the draft FTA report on what initiatives WMATA has already implemented and what it will do over the next 90-days to bring WMATA into compliance. WMATA accepts the findings and will fix the problems and move forward. The WMATA Board is holding a special public meeting on Monday, April 7th to discuss its draft response to FTA. Mr. Sarles stated that safety continues to be WMATA's number one priority.

Mr. Reid stated that he is impressed with Mr. Sarles hard work as he has had to address a lot of issues. He expressed concern over the amount of revenue lost (\$9 million) when the federal government shut down due to weather. He also asked if WMATA is working with the Metropolitan Washington Airports Authority (MWAA) to get the Silver Line operational and to address the issues that have caused the delays. Mr. Sarles stated that WMATA staff and engineers have been working hard for many months to try to resolve the issues that are delaying the opening of the line. He stated that Jack Potter, MWAA President/CEO, has made assurances that the Silver Line will

be turned over to WMATA in good shape and ready for service. In response to a question from Mr. Foust, Mr. Sarles responded that WMATA will not take over the Silver Line until it is confident that service will be successful. He expects only minor issues during the 90-day period that can be easily mitigated by WMATA.

Mr. Fisette also noted that the region is fortunate to have Mr. Sarles in the role of General Manager and CEO of WMATA. Mr. Fisette stated that a few years ago Arlington County created a community energy plan task force that looked at sustainability and efficiency and WMATA was part of that initiative. Since WMATA is the major transit provider in the region and uses a lot of energy, he asked what WMATA is doing to improve energy efficiency of the Metro system, which usually ultimately results in cost savings.

Mr. Sarles responded that WMATA continues to look for ways to improve energy efficiency. For example, WMATA recently awarded a contract to change the lighting at all parking garages, which is not only more energy efficient but also resulted in savings that paid for the installation. WMATA also uses regenerative braking which means that the heat/energy is being captured and used as energy for things like lighting. WMATA has an employee that is focused on sustainability issues. Mr. Sarles said he would be happy to have WMATA provide a briefing to NVTC on its energy efficiencies. Mr. Fisette state that he would like more information on the progress WMATA is making in this area.

Chairman Smedberg thanked Mr. Sarles for his presentation and for taking time to answer Commissioner's questions.

Delegate Ramadan arrived at 8:35 P.M.

Changes to the Agenda

Chairman Smedberg noted that several Commissioners requested that action items be discussed first. There were no objections.

Approval of the Minutes

Mr. Dyke moved, with a second by Mr. Snyder, to approve the minutes of the March 6, 2014 NVTC Meeting. The vote in favor was cast by Commissioners Black, Bulova, Cook, Dyke, Fisette, Foust, Hudgins, Hynes, McKay, Smedberg, Snyder and Tejada. Commissioners, Euille, Greenfield, Ramadan and Reid abstained.

Consent Agenda

On a motion by Mrs. Hynes and a second by Mr. Snyder, the Commission unanimously approved the Consent Agenda, which includes the following items:

- Authorize the Chairman to Send a Letter Regarding Implications of the Exhaustion of Highway Trust Funds (MAP-21)
- Resolution #2241: Authorize the Executive Director to Execute a Project Agreement with the Northern Virginia Transportation Authority (NVTA) for Transit Alternatives Analysis Study in the Route 7 Corridor (Phase II)
- Authorize the Chairman or His Designee to Submit Testimony on the Preliminary Six-Year Improvement Program (SYIP) for FY 2015 at the Commonwealth Transportation Board (CTB) Meeting

The vote in favor was cast by Commissioners Black, Bulova, Cook, Dyke, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Ramadan, Reid, Smedberg, Snyder and Tejada.

Request from Loudoun County for NVTC Support of TIGER Grant Application

Ms. Coyner stated that NVTC received a request today from Loudoun County for a letter of support from NVTC for the County's TIGER grant application for the development of three regional transit hubs throughout Loudoun County.

Mr. Reid moved, with a second by Delegate Ramadan, to authorize NVTC's Chairman to send a letter supporting Loudoun County's application for this TIGER Grant.

Chairman Smedberg asked if there is precedence for NVTC supporting these types of grant applications. Ms. Coyner stated that NVTC has supported similar requests in the past. In 2010, NVTC supported and partnered with Fairfax County for a TIGER grant application. Loudoun County's request would have no financial or legal obligation to NVTC. Mr. Fisette asked if any other jurisdictions are submitting TIGER grant applications. If there are other applications from member jurisdictions, then NVTC should also support their applications even if they are competing for the same funding. There was discussion of timing since the applications are due April 28th. Chairman Smedberg stated that it is his understanding that Alexandria is submitting an application and Mrs. Bulova noted that Fairfax County is also submitting an application.

Mr. Reid amended his motion to include NVTC support of any member jurisdiction seeking the Commission's support for their TIGER grant application. Delegate Ramadan agreed to the amendment.

The Commission then voted on the amended motion and it passed. The vote in favor was cast by Commissioners Black, Bulova, Cook, Dyke, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Ramadan, Reid, Smedberg, Snyder and Tejada.

Chairman Smedberg stated that NVTC may want to look at formalizing some sort of policy moving forward.

NVTC's FY 2015 Budget

Ms. Coyner gave an overview of the FY 2015 Budget. She explained that the proposed budget provides resources to allow NVTC to promote high quality, high capacity transit to the region and to sustain activities that were begun last year, as well as to make progress in reaching objectives set forth in the Work Program. Two new permanent positions are being proposed to provide important internal management of NVTC's team as well as programmatic and transit expertise. The new positions and the costs associated with accommodating them account for the largest share of the \$400,000 increase in total expenditures over the FY 2014 Budget.

Ms. Coyner explained that the two positions include a hybrid executive officer/senior program officer and a mid-to senior transit professional. Along with the Transit Fellows, these positions will fill gaps in core capacities such as management and coordination of the NVTC team, internal management in areas such as performance management and professional development as well as allowing NVTC to both complete specific projects and implement new strategies in case making and regional planning. These activities support high value matters to the region and the state, items that have millions of dollars at stake.

Ms. Coyner stated that the proposed increase would be funded by the portion taken off the top of the state assistance NVTC receives on behalf of its member jurisdictions. Local direct contributions would remain constant in total at the FY 2014 and FY 2013 levels. She stated that NVTC staff is committed to being accountable for the investments that are made. She will continue to work closely with the Commission as a whole and the Executive Committee to ensure NVTC is applying its resources frugally and efficiently.

Delegate Ramadan observed that the budget is increasing by 50 percent but there are only two positions being added. Ms. Coyner explained that the budget increase is not entirely personnel costs. Mr. Kalkwarf explained that the FY 2015 Budget builds off the FY 2014 Budget which converted two part-time employees into full-time, so it's more than just adding two new positions. Mr. Kalkwarf stated that the main increase is from the salary line (\$221,000) which is a 28 percent increase representing the two new positions and the full budget year of the two converted part-time to full-time employees, and a small increase for existing staff. The Transit Fellows Program is anticipated to be funded 95 percent from a DRPT grant and shows up as a source of revenue. He explained that benefit costs increased by 56 percent, with the biggest increase in health insurance. NVTC has a budget provision for each full-time employee to provide the cost of health insurance coverage regardless of whether an employee claims that benefit. In response to a question from Mr. Euille, Mr. Kalkwarf stated that employees contribute 10 percent towards their health insurance benefit.

Senator Black sought clarification about whether NVTC is increasing its personnel costs by \$400,000 for two new positions. To put it into context, Virginia's Governor only makes \$175,000 a year. He also asked if the new position is a lobbying position. Ms. Coyner explained that the budget assumes up to \$135,000 for the hybrid executive officer position and up to \$80,000 for the senior planner position. These

positions are not lobbyist positions. Ms. Coyner stated that the FY 2014 Budget approved in November authorized her to retain legislative and agency liaison services for a very modest amount to provide support to the jurisdictional staff in Richmond, as well as working with the General Assembly. It is a modest investment but very important. The other outreach activity has been primarily done by the Executive Director in working directly with General Assembly members and providing support through Northern Virginia Delegation briefings. Senator Black expressed his opinion that staff is doing a good job and he does not see the need to add other positions.

Mr. Reid stated that in regards to the lobbying efforts, the Loudoun County Board of Supervisors was very clear in December 2011 when it sent a letter to NVTC opposing NVTC's proposal to add \$250,000 for legislative representation in Richmond. At that time, NVTC removed it from consideration. He stated that this seems to be resurfacing again and being couched in different terms like "case making" and "General Assembly outreach" but it sounds like lobbying to him.

Chairman Smedberg replied that he remembers the NVTC meeting in December 2011 and it was a whole different outreach proposal being discussed. He stated that to be fair to staff they are not trying to sneak through a lobbyist position with this proposed budget. He explained that it is about creating a core capacity to pursue and enhance transit in Northern Virginia through the Work Program adopted by the Commission at the last meeting and to bring some technical expertise to help achieve these goals. For the small investment being requested, the return could be large.

Mr. Reid stated that he has no direction from his Board except for the December 11, 2011 letter and therefore he is opposed to a position that includes lobbying. Unfortunately, he was not able to participate in the Planning Session and the last few NVTC meetings for several different reasons, including knee surgery.

Mr. McKay stated that although he is sympathetic to the concerns raised, for those Commissioners who have been fully engaged in these discussions, the world has changed since 2011. The region has a transportation plan in place with HB2313 being passed with more money flowing to the region for transit; NVTC has come through some difficult times and now can focus on moving forward; the December Planning Session included discussion about aspects of those high value high impact activities and the future direction NVTC should take; NVTC hired a new Executive Director; and the Executive Committee members feel it is time to take this organization to the next level, which includes being more involved in the legislative process in Richmond and among the localities. For jurisdictions who have rail service, like Fairfax County and soon for Loudoun County, the stakes are higher than ever to make sure the transit presence is well known and the message about how important transit is to the region is being conveyed.

Mr. McKay stated that these items did not just "pop up" for this budget request. They were discussed last summer in discussions about the Work Program, at the Planning Session in December, and most recently when the Commission adopted the 2014 Work Program. He stated that if NVTC is going to implement what was agreed to at the Planning Session and in the Work Program, as well as what the Commission

hired the new Executive Director to do, then it is not possible to do all that without additional resources. He is open to discussing the salary amounts and descriptions of the new positions, but he is not open to discussing whether NVTC should return to a position in 2011 without recognizing the great number of changes that have occurred since then. He observed that many Commissioners want to move this organization forward and capitalize on some of its recent successes.

Mrs. Bulova stated that she has some concerns about whether NVTC needs two new positions. She agreed that the December Planning Session discussion articulated where Commissioners wanted to see NVTC headed and it is important to support that. She expressed her opinion that she can clearly see that the senior planner position is critical to carrying out the Work Program and the enhanced vision of NVTC. She is not sure about the executive officer position and is not convinced that this position needs to be filled right now. She suggested NVTC approve the senior planner position and evaluate the other position at a later time.

Mrs. Bulova moved to adopt the FY 2015 Budget and fund only the senior planner position. Chairman Smedberg asked if she was suggesting putting the second position in contingent reserve. Mr. Euille asked for clarification if the motion is to approve the full funding of the proposed FY 2015 Budget with a caveat that the executive officer position be put on hold and funds put in a contingent reserve or to reduce the total budget and take out the costs associated with the executive officer position. Mrs. Bulova clarified her motion is to approve the FY 2015 Budget without the costs associated with the executive officer position. Mr. Reid seconded the motion.

Delegate Ramadan observed that Mrs. Bulova's motion is reasonable. However, the numbers don't add up on the personnel and benefit amounts listed in the budget. He also asked why the budget is funded "off the top" and not taken proportionately from the jurisdictions.

Ms. Coyner reviewed the proposed budget changes regarding benefits. Health insurance is budgeted for each employee irrespective of the employee taking the benefit. The funds are not drawn down unless the benefit is claimed by the employee. There is also an \$18,000 increase in retirement benefits to allow the two part-time employees converted to full-time to participate fully and fairly in the retirement benefits program. Mr. Greenfield stated that Commissioners should not assume that overall health care coverage has not increased. Mr. Kalkwarf confirmed that the budget includes an assumption of a premium increase.

Ms. Coyner stated that "off the top" is off the portion of funding that comes to NVTC on behalf of its jurisdictions. It is a local decision of how the funds are used. It is not funds for state project funding.

Mrs. Hynes stated that she keeps coming back to the small inset graph on Page 7 which shows that the proposed FY 2015 Budget is equivalent of one percent of the state assistance received by Northern Virginia. She asked how many other organizations can function at a one percent overhead level. She has been a member of NVTC for six and a half years and the first five years of that was basically starving the

organization. Her view is this is not about lobbying but is about Northern Virginia being able to articulate to itself the incredible benefit that comes back to our taxpayers from these significant investments made in transit. It gives advantages to our businesses as well as money back to the Commonwealth and this region. She looks at this one percent as a small amount in light of the fact that NVTC has a talented Executive Director, as well as the amount of time the Commission has spent talking about how to change this organization from being a "rubber stamp" into something that helps build the transit case for the people who live in this region. To put it in perspective, Mrs. Hynes observed that Commissioners are arguing over a \$135,000 expenditure that could in fact help NVTC take an important step forward for transit in the region.

Mrs. Hudgins stated that there have been vast changes in NVTC over the last year. The Planning Session gave NVTC an opportunity to talk about what Commissioners want NVTC to accomplish and the direction it should take. The challenge is to recognize the enormous return on investment the region realizes and why transit is so critical. She observed that the executive officer position may need some clarification but she is concerned that if it is removed from the budget then there is no way to add it back in the budget. She expressed her opinion that it would be wiser to adopt the full budget and keep the funds in contingency.

Mr. McKay asked what activities won't be accomplished if the positions are not funded. Ms. Coyner responded that the senior planner position is critical to meeting the commitments NVTC made last year in supporting the implementation of HB2313, working on the Project Selection Model (PSM), participating in NVTA's Project Implementation Working Group (PIWG), working on the TransAction 2040 Plan and the implementation of HB2. These are not new activities in the 2014 Work Program; they are part of the goals established by NVTC last summer. If the executive officer position is not funded, the Transit Fellows Program won't be able to be managed, business outreach beyond what NVTC has done to this point won't be completed, and NVTC won't be able to move forward on basic groundwork in identifying existing gaps and ways to establish transit ways. All this work would be delayed. She explained that this position is not solely a senior management position. It is modeled after an executive officer in the military or Department of State to marry very senior executive experience with technical expertise. She stated that if the Commission chooses to not fund these positions, she will provide a reprioritized Work Program. This budget increase is really not enough to do the things NVTC has talked about doing at the Planning Session and Work Program. This is meant to be a focused targeted effort to move NVTC forward.

Mr. Dyke stated that when NVTC was searching for a new Executive Director, there were discussions about the future direction of NVTC. Following the Planning Session, he thought the Commission was prepared to move forward as an organization. This budget seems modest in light of everything that has been discussed of where we want to see NVTC moving forward. He is frankly surprised by the lengthy discussion and assumed this budget proposal would be adopted. He acknowledged that there may need to be some clarification about the position descriptions. NVTC hired Ms. Coyner to move NVTC forward and in his opinion she has made a modest and reasonable proposal and he is ready to approve the proposed budget.

Mr. Cook stated that he supports Mrs. Bulova's motion. He stated that he is not opposed to adding staff but does not feel that it all has to be done in a single calendar year. The senior planner position makes sense but he would like to have a better understanding of the executive officer position. He also suggested to Ms. Coyner that it would be helpful to understand how the work load is divided among current staff, which could help assess the needs of what the next position should be. He suggested having another discussion later this year after staff better defines the executive officer position and then include funding in next year's proposed budget. He stated that he is also hesitant to vote on big salary increases since Fairfax County has to make tough budget decisions that affect its own employees.

Chairman Smedberg noted that some of what is proposed in this budget just begins to bring NVTC back to a basic level. This organization was financially starved for a long time and it is important to bring it to a level respectful to current employees and on par with what is done for its own member jurisdictions.

Mr. Reid stated that he supports Mrs. Bulova's motion to approve the budget without the executive officer position. In response to a question from Mr. Reid, Ms. Coyner explained that the Transit Fellows Program cannot be managed with the current staff capacity. She also noted that the proposed budget changes reflect the priorities that the Commission set last summer in July and identified four key areas: financial management, regional planning, collaboration with NVTA, and maintaining a high level of performance. The budget proposal reflects increased engagement and an oversight role that Commissioners have asked for with respect to VRE and WMATA. NVTC cannot do the work it committed to do with respect to activities such as the VRE Management Audit and the Capital Funding Agreement without increased staff capacity. She reiterated that these new positions are not lobbyist positions. The Work Program was developed with input from jurisdictional staff and the Executive Committee. She is glad to answer any questions and be accountable for every penny of the budget increase. If NVTC does not address some of these resource issues NVTC cannot move forward. Mr. Reid observed that the Metropolitan Washington Council of Governments (MWCOCG) does planning work and can be a resource. He thanked Mrs. Bulova for her compromise motion.

Delegate Ramadan also agreed that Mrs. Bulova's motion is a good compromise. Regardless of the details, the budget is increasing in personnel by 50 percent, and he expressed his concern that this is a huge increase for any organization.

Mr. Foust stated that he will support the motion. He stated that there is little detail in the budget, which is increasing by 32 percent and he would like to see more information provided. He asked what constitutes a small salary increase for existing staff. Mr. Kalkwarf replied that the budgeted amount is up to five percent but the average is approximately 3.5 percent based on performance.

Mr. Greenfield moved to defer action out of respect for staff to give them another month to answer some of these questions. Mr. Tejada seconded the motion. He stated that he wished he could have attended the Planning Session. He is interested in NVTC

moving forward as an organization and would like staff to have more time to provide answers to the questions raised.

Mrs. Hudgins also expressed her support for the substitute motion because she would like to see the Commission come to consensus. She asked staff to provide past budgets for comparison. She agreed that for years NVTC did not compensate its past Executive Director or approve staff increases and did not think strategically about the future direction of NVTC. It is important to have a discussion of where Commissioners want to see NVTC go in the future and the costs needed to fund that. She expressed her hope that Commissioners come back next month without their jurisdictional hats on and discuss what can be done as a region. The Northern Virginia region is changing but NVTC is changing even more.

Delegate Ramadan expressed his opinion that receiving clarification will not change the vote. However, if action is deferred, he would like to see two budget options brought back, including one without the executive officer position.

Mr. Snyder stated that the real value of NVTC is coordination, which means pooling resources together so individual jurisdictions aren't all doing the same thing and spending more funds. Secondly, it is important to engage in initiatives to improve public service and this proposed budget provides for a higher technical level of assistance in project management to deliver those initiatives that the public expects. Finally, he stated that there is a communication and information element needed to reach the general public, which in his mind also includes the General Assembly. He supports the original proposed budget because it is essential that NVTC does these initiatives. He is willing to vote for Mrs. Bulova's motion out of respect for her, but he does not think deferring action will do any good. He believes in NVTC and what it does and its strong track record and knows the organization can do even more, but it needs to be adequately funded.

Mr. Reid stated that he will not support the substitute motion to defer and encouraged Commissioners to vote for Mrs. Bulova's compromise motion to move the budget forward. He personally would like to see NVTC do more oversight of WMATA and its budget. Chairman Smedberg clarified that it's not NVTC's role to oversee WMATA and if that were the case, NVTC would be looking at a budget probably double to what is being proposed.

Mr. McKay stated that if the budget is deferred then staff should come back with more details on the job descriptions of the new positions, as well as a list of activities that won't happen if these positions are not funded. The vote next month should reflect whether Commissioners want NVTC to move forward or not.

Senator Black stated that with respect to the substitute motion, he feels that NVTC has spent a great deal of time talking about the budget at this meeting and there seems to be consensus for Mrs. Bulova's motion, so he will support her motion.

Mr. Fisette stated that he will support Mr. Greenfield's substitute motion out of respect for staff to give them a chance to make their best argument. He asked staff to

defend or advocate for the budget increase and clearly revise it based on tonight's discussion. He encouraged staff to define the two positions and their responsibilities and how they connect to the Work Program; provide budget options; clarify the increased benefit costs; identify an average from surveying the jurisdictions regarding their proposed salary increases; reevaluate if \$135,000 is needed to accomplish all or many of these tasks for the executive officer position since it seems high; and get feedback from MAC members. Ms. Coyner stated that at the direction of the Executive Committee, she did engage with MAC members and had one-on-one discussions with representatives from each jurisdiction. Mr. Euille observed that even if the Commission votes on Mrs. Bulova's motion, he will not vote on a budget that does not have a final number.

Mrs. Bulova stated that she appreciates all the support for her motion but she is going to support Mr. Greenfield's substitute motion because it is fair to allow staff to provide the additional information prior to approving the budget.

The Commission then voted on the substitute motion. The motion passed. The vote in favor was cast by Commissioners Bulova, Cook, Dyke, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Smedberg, Snyder and Tejada. Senator Black and Mr. Reid voted no and Delegate Ramadan abstained.

The substitute motion to defer then became the main motion. The Commission voted on that motion and it passed. The vote in favor was cast by Commissioners Bulova, Cook, Dyke, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Smedberg, Snyder and Tejada. Senator Black and Mr. Reid voted no and Delegate Ramadan abstained.

Delegate Ramadan requested staff come back with two budget options, including a budget option that does not include the executive officer position. Ms. Coyner confirmed her understanding of what information the Commission has requested:

- Profiles of the two new positions, as well as what work will be completed under each position.
- If not funded, what activities will not be addressed.
- Clarification in writing, as well as an offer to meet with each Commissioner either individually or together, to explain the benefits in further detail.
- Provide two different budget options, with additional details in budget notes.
- Further clarification of what "draw down" means.

Mr. Foust also requested some explanation of how the executive officer position differs from the current Executive Director position description. Ms. Coyner stated that when she was hired, performance objectives were established. Although these are not the same as a job description, they are important. She has been evaluated against these and will continue to be.

VRE

Operating Access Agreement with Norfolk Southern. VRE has reached agreement with Norfolk Southern on an Amended Operating Access Agreement for track access in the Manassas to Alexandria corridor. The original agreement from 1989 has been amended and extended numerous times with the most current extension to July 31, 2014. The agreement maintains the current level of liability insurance at \$250 million. Also, Norfolk Southern has required the effective date of the new agreement become retroactive to July 1, 2013. The VRE Operations Board recommends Commission approval of Resolution #2242, which authorizes the VRE CEO to execute the VRE Operating Agreement with Norfolk Southern.

Mrs. Bulova moved, with a second by Mr. Cook, to approve Resolution #2242 (copy attached). The vote in favor was cast by Commissioners Black, Bulova, Cook, Dyke, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Ramadan, Smedberg, Snyder and Tejada. Mr. Reid abstained.

Authorization to Execute the Northern Virginia Transportation Authority (NVTA) VRE Project Agreements. NVTA has developed a Standard Project Agreement for Funding and Administration that needs to be executed for each approved project. The VRE Operations Board recommends that the Commission approve Resolution #2243, which will authorize the VRE CEO to execute the agreements for the following projects:

- Alexandria station tunnel and platform improvements (\$1.3 million)
- Lorton station second platform (\$7.9 million)
- Gainesville-Haymarket expansion project development (\$1.5 million)

Mrs. Bulova moved, with a second by Mr. Cook, to approve Resolution #2243. The vote in favor was cast by Commissioners Black, Bulova, Cook, Dyke, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Ramadan, Smedberg, Snyder and Tejada. Mr. Reid abstained.

VRE Management Audit

Ms. Coyner gave a brief update on the progress that has been made on the VRE Management Audit. Following a competitive procurement process, the Evaluation Committee, comprised of NVTC's and PRTC's Executive Directors, recommends the contract be awarded to Parsons Brinckerhoff for \$170,000, as well as a contingency allowance of \$30,000 for follow-on tasks as the Joint Audit Committee may recommend. An updated Resolution #2244 was provided to Commissioners.

Ms. Coyner stated that the audit is expected to take six months to complete. Mr. Cook, Chairman of the Joint Audit Committee (JAC), explained that part of the audit will look at the oversight role of the two Commissions. He stated that any NVTC Commissioners who has an interest in speaking with the consultant is welcome to participate. Mrs. Hynes asked for more information about NVTC's current role in VRE.

Mr. Cook moved, with a second by Mrs. Bulova, to approve Resolution #2244 (copy attached). The vote in favor was cast by Commissioners Black, Bulova, Cook, Dyke, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Ramadan, Smedberg, Snyder and Tejada. Mr. Reid abstained.

Personnel Item

Chairman Smedberg stated that the VRE Operations Board concluded an evaluation of Doug Allen for the first year of his service as VRE's Chief Executive Officer and the Board recommends that the Commissions approve an amendment to Mr. Allen's employment contract. Resolution #2245 would accomplish this. A copy of the amendment was handed out to Commissioners.

Mrs. Bulova moved, with a second by Mr. Tejada, to approve Resolution #2245 (copy attached). The vote in favor was cast by Commissioners Black, Bulova, Cook, Dyke, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Ramadan, Smedberg, Snyder and Tejada. Mr. Reid abstained.

Mr. Reid left the meeting at 10:07 P.M. and did not return.

Virginia Department of Rail and Public Transportation (DRPT)

Mr. McKay reminded the Commission that jurisdictions are now required to process individual project funding agreements because of a past DRPT policy change. Currently, Fairfax County has to process 19 different agreements. This is not efficient. He requested that NVTC ask DRPT's new Director, Jennifer Mitchell, to evaluate the process and work with NVTC staff to find a more efficient solution. Mr. Dyke stated that Ms. Mitchell is aware of these issues and looks forward to discussing this with NVTC. He stated that it would certainly be appropriate for NVTC to send a letter. Mrs. Bulova agreed that this new process is more cumbersome and takes more staff time than the previous process.

Mr. McKay moved, with a second by Mrs. Bulova, to authorize the Chairman to send a letter to DRPT Director Mitchell requesting DRPT work with NVTC to seek a solution to the funding agreement issue. The vote in favor was cast by Commissioners Black, Bulova, Cook, Euille, Fisette, Foust, Greenfield, Hudgins, Hynes, McKay, Ramadan, Smedberg, Snyder and Tejada. Mr. Dyke abstained.

Executive Director's Report

Ms. Coyner stated that Aimee Perron Seibert, NVTC's legislative liaison, was prepared to give a presentation on recent General Assembly activity. Due to the lateness of the hour, Ms. Coyner suggested that the update be postponed. She directed Commissioner's attention to a handout showing a timeline recapping General Assembly

activity and NVTC significant activities with respect to its Legislative and Policy Agenda, specifically highlighting high impact and high value activities.

Ms Coyner announced that NVTC's Legislative and Policy Committee is planning to meet on May 1st at 7:00 P.M. followed by NVTC's regular meeting at 8:00 P.M. She invited all Commissioners to attend this committee meeting. Mr. McKay continues to serve as Chairman of this committee and now Mr. Greenfield has agreed to Co-Chair alongside Mr. McKay.

NVTC Financial Items

The Financial Reports for February 2014 were provided to Commissioners. There were no questions.

Adjournment

Mrs. Bulova moved, with a second by Mr. McKay, to adjourn the meeting. Without objection, Chairman Smedberg adjourned the meeting at 10:14 P.M.

Approved this first day of May, 2014.

Paul C. Smedberg
Chairman

Jay Fisette
Secretary-Treasurer



Resolution #2241

SUBJECT: Authorize Executive Director to Execute Project Agreement with Northern Virginia Transportation Authority (NVTA) for Transit Alternatives Analysis Study in the Route 7 Corridor (Phase II)

WHEREAS: The passage of House Bill (HB) 2313 requires the Northern Virginia Transportation Authority (NVTA) to fund highway projects that contribute to congestion relief and emergency evacuation or mass transit capital projects that increase capacity;

WHEREAS: NVTA approved an initial FY 2014 Project List in July 2013 that included funding for the Transit Alternatives Analysis Study in the Route 7 Corridor (Phase II); and

WHEREAS: NVTA has developed a Standard Project Agreement for Funding and Administration that will be executed for each approved project.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission authorize the Executive Director to make any necessary corrections to project amounts or descriptions for the initial FY 2014 projects, and to execute the agreement for the Transit Alternatives Analysis Study in the Route 7 Corridor (Phase II).

Approved this 3rd day of April 2014.

A handwritten signature in cursive script, reading "Jay Fisette".

Jay Fisette
Secretary-Treasurer

A handwritten signature in cursive script, reading "Paul C. Smedberg".

Paul C. Smedberg
Chairman



Resolution #2242

SUBJECT: Authorize the VRE CEO to Execute an Amended Operating Agreement with Norfolk Southern.

WHEREAS: The Commissions currently have an amended Operating Access Agreement with Norfolk Southern Corporation with Commission authority to extend through July 31, 2014;

WHEREAS: Following detailed negotiations with Norfolk Southern Corporation representatives, an agreement has been reached for a new amended and restated Operating Access Agreement;

WHEREAS: The new Agreement allows for renewal after five (5) years if no major changes are necessary to the existing Agreement;

WHEREAS: Escalation of the base payment and train mile fees are now based on the AAR index adjusted annually;

WHEREAS: Funding for the Norfolk Southern track access fees has been included in the FY 2014 and FY 2015 VRE budgets, including an estimated annual escalation of four percent;

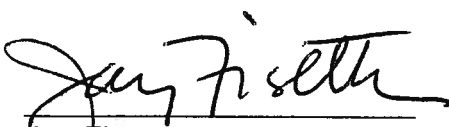
WHEREAS: Funding for additional fiscal years will be included in the annual budgets submitted for approval to the VRE Operations Board and Commissions;

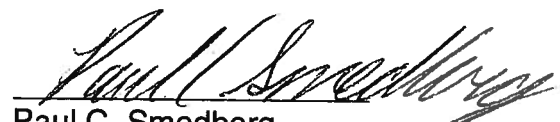
WHEREAS: Norfolk Southern requires the effective date of the new agreement become retroactive to July 1, 2013; and

WHEREAS: The VRE Operations Board recommends the following action.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission authorize the VRE Chief Executive Officer to execute an amended Operating Access Agreement with Norfolk Southern Corporation for track access with a retroactive effective date of July 1, 2013.

Approved this 3rd day of April 2014.


Jay Fisette
Secretary-Treasurer


Paul C. Smedberg
Chairman



Resolution #2243

SUBJECT: Authorize the VRE CEO to Execute Northern Virginia Transportation Authority (NVTA) Project Agreements.

WHEREAS: The passage of House Bill (HB) 2313 requires the Northern Virginia Transportation Authority (NVTA) to fund highway projects that contribute to congestion relief and emergency evacuation or mass transit capital projects that increase capacity;

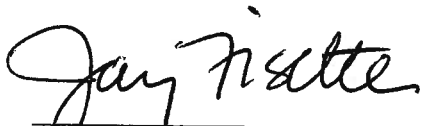
WHEREAS: NVTA approved an initial FY 2014 Project List in July 2013 that included funding for VRE projects;

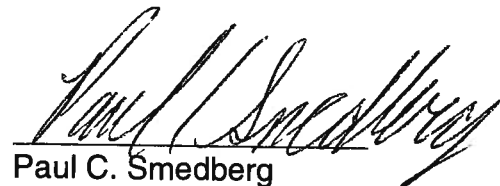
WHEREAS: NVTA has developed a Standard Project Agreement for Funding and Administration that will be executed for each approved project; and

WHEREAS: The VRE Operations Board recommends the following action.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission authorize the VRE Chief Executive Officer to make any necessary corrections to project amounts or descriptions for the initial FY 2014 projects, and to execute the agreements for Gainesville-Haymarket expansion project development, Lorton station second platform project and the Alexandria station tunnel and platform improvements project on behalf of the Commissions.

Approved this 3rd day of April 2014.


Jay Fisette
Secretary-Treasurer


Paul C. Smedberg
Chairman



Resolution #2244

SUBJECT: Authorize the Award of Contract for the VRE Management Audit.

WHEREAS: The Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC) ("the two Commissions") have decided that a VRE Management Audit should be undertaken, and have created a VRE Joint Audit Committee (JAC) to oversee it;

WHEREAS: A scope of services for the Management Audit was prepared by the two Commissions' Executive Directors in consultation with VRE management and the JAC;

WHEREAS: A competitive procurement authorized by the two Commissions to arrange for needed contracted assistance has been conducted, led by the two Commissions' Executive Directors as the Evaluation Committee;

WHEREAS: The JAC has been briefed on the procurement and is in accord that the two Commissions' Executive Directors will make an award recommendation directly to the Commissions to expedite the start of work;

WHEREAS: The scope of services for the Management Audit envisions the possibility of follow-on tasks based on the results of the five defined tasks;

WHEREAS: Any such follow-on tasks would be initiated as recommended by the JAC; and

WHEREAS: The two Commissions' Executive Director are recommending that a contract be awarded to Parsons Brinckerhoff for \$170,000, the negotiated cost for the five defined tasks of the Management Audit and contingency of \$30,000 for the conduct of follow-on tasks as the JAC may recommend.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission does hereby authorize the award of a contract to Parsons Brinckerhoff for \$170,000 for the Management Audit, as well as a contingency allowance of \$30,000 for follow-on tasks as the JAC may recommend.

Approved this 3rd day of April 2014.

A handwritten signature in cursive script, reading "Jay Fisette".

Jay Fisette
Secretary-Treasurer

A handwritten signature in cursive script, reading "Paul C. Smedberg".

Paul C. Smedberg
Chairman



Resolution #2245

SUBJECT: Approve Amendment to VRE Chief Executive Officer's Employment Agreement.

WHEREAS: The Virginia Railway Express (VRE) Operations Board has concluded an evaluation of the VRE Chief Executive Officer's performance for the first year of his service;

WHEREAS: The VRE Operations Board is recommending an amendment to the VRE Chief Executive Officer's employment agreement ("the First Amendment") based on its assessment of Mr. Allen's first year performance, and

WHEREAS: The Northern Virginia Transportation Commission has reviewed the VRE Operations Board recommendation and concurs.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission does hereby approve the First Amendment to the employment agreement with Mr. Allen, and authorizes NVTC's Chairman to execute it on behalf of the Commission.

Approved this 3rd day of April 2014.

A handwritten signature in cursive script, reading "Jay Fisette".

Jay Fisette
Secretary-Treasurer

A handwritten signature in cursive script, reading "Paul C. Smedberg".
Paul C. Smedberg
Chairman



AGENDA ITEM #3

MEMORANDUM

TO: Chairman Smedberg and NVTC Commissioners

FROM: Kelley Coyner

DATE: April 24, 2014

SUBJECT: Consent Agenda

A. ACTION ITEM: Resolution #2246: Appointment of NVTC Legal Counsel

In order to formalize NVTC's relationship with legal counsel and assure proper provision of legal services on NVTC matters, the Commission is requested to formally appoint Steve MacIsaac as counsel to NVTC. There is no fiscal impact.

B. ACTION ITEM: Resolution #2247: Appoint Member to the NVTC/PRTC Joint Audit Committee

The Commission is requested to appoint Sharon Bulova to serve as a member of the Joint Audit Committee (JAC) to fill the vacancy left by Mr. Zimmerman's departure from NVTC. The Joint Audit Committee was established by the two Commissions and is comprised of the five members of the VRE Executive Committee plus a sixth appointment made by whichever Commission has fewer members on the VRE Executive Committee. This provision insures that the six-member Joint Audit Committee is always divided equally between NVTC and PRTC. For 2014, Joint Audit Committee members are John Cook (Chair), Paul Smedberg, Paul Milde, Gary Skinner and Maureen Caddigan.

C. ACTION ITEM: Resolution #2248: Endorsement of the DDOT Long Bridge TIGER Planning Grant Application and VRE's Committed Match

VRE has offered to partner with the District of Columbia Department of Transportation (DDOT) on the application and project and to commit funding toward the non-federal match for the grant. As the lead applicant and grant recipient, the

District of Columbia Department of Transportation (DDOT) is submitting a TIGER Grant application to advance project development activities for the Long Bridge Expansion project. These grant funds would allow the next step in planning to refine the bridge concepts developed in the current Long Bridge Study and to initiate National Environmental Policy Act (NEPA) analysis. The VRE Operations Board recommends that the Commissions endorse the TIGER grant application and the commitment of VRE funds (\$300,000) towards the non-federal match for the grant. More information about the grant application is included in the attached [VRE memorandum](#).



RESOLUTION #2246

SUBJECT: Appointment of NVTC Legal Counsel.

WHEREAS: The VRE Operations Board, and its sponsors, NVTC and PRTC, have used the services of Stephen A. MacIsaac as legal counsel for all VRE related matters since its inception;

WHEREAS: Mr. MacIsaac, formerly the Deputy County Attorney for Prince William County, is now the County Attorney for Arlington County;

WHEREAS: The Northern Virginia Transportation Commission has also used the services of Mr. MacIsaac as legal counsel on Commission related issues; and

WHEREAS: Subject to the concurrence of the Arlington County Board, NVTC wishes to formalize its relationship with Mr. MacIsaac as NVTC's legal counsel.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes the continued services of Stephen A. MacIsaac as legal counsel in all NVTC related matters.

Approved this 1st day May 2014.

Paul C. Smedberg
Chairman

Jay Fissette
Secretary-Treasurer



Resolution #2247

SUBJECT: Appointment of NVTC Member to the PRTC/NVTC Joint Audit Committee.

WHEREAS: At its October 2013 meeting, the Northern Virginia Transportation Commission (NVTC) authorized the creation of the Joint Audit Committee (JAC) and approved initial appointments to the Joint Audit Committee;

WHEREAS: The Joint Audit Committee is comprised of the five members of the VRE Executive Committee plus a sixth appointment made by whichever Commission has fewer members on the VRE Executive Committee so the six-member Joint Audit Committee is always divided equally between the two Commissions;

WHEREAS: For 2014, two of NVTC's Commissioners are serving as VRE Executive Committee members (John Cook as VRE Operations Board Vice-Chairman and Paul Smedberg as VRE Operations Board Treasurer/Immediate Past Chairman), having been appointed to these positions by the VRE Operations Board at its January 2014 meeting;

WHEREAS: The Commission needs to appoint one other Commissioner to the Joint Audit Committee for 2014; and

WHEREAS: NVTC Chairman Smedberg has recommended that Sharon Bulova be appointed to the Joint Audit Committee for 2014.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission does hereby appoint Sharon Bulova to serve as the third NVTC Joint Audit Committee member for 2014, joining Commissioners John Cook and Paul Smedberg.

Approved this 1st day of May 2014.

Paul C. Smedberg
Chairman

Jay Fisette
Secretary-Treasurer



Resolution #2248

- SUBJECT:** Endorse the District of Columbia Department of Transportation (DDOT) Long Bridge TIGER Planning Grant Application and VRE's Committed Match.
- WHEREAS:** The VRE System Plan 2040 identified the expansion of railroad capacity, including expansion of the Long Bridge across the Potomac River, as a critical need to support long-term VRE growth and service expansion;
- WHEREAS:** The District of Columbia Department of Transportation (DDOT) is nearing completion of the Long Bridge Study, a comprehensive study of the existing two-track bridge and identification of long-term improvements to expand the capacity of the bridge for commuter rail, intercity passenger rail, freight and other multi-modal uses;
- WHEREAS:** The next step in planning for the expansion of the bridge is to refine the bridge concepts developed in the current DDOT study and to initiate NEPA analysis;
- WHEREAS:** VRE has committed to be a partner with DDOT on the application and project;
- WHEREAS:** The TIGER grant application must identify a minimum 20 percent non-federal match to the TIGER grant amount;
- WHEREAS:** DDOT has committed to provide \$700,000 towards the match requirement;
- WHEREAS:** The VRE FY 2015 Capital Budget allocated funding for project development activities such as those proposed to be completed for the Long Bridge expansion project to advance system investments recommended in the System Plan 2040; and
- WHEREAS:** The VRE Operations Board endorses the District of Columbia Department of Transportation's (DDOT) TIGER planning grant application for the Long Bridge expansion;
- WHEREAS:** The VRE Operations Board authorized the commitment of \$300,000 in VRE project development funds towards the grant's match requirement; and

Res. #2248 Cont'd

WHEREAS: The VRE Operations Board has referred the endorsement of the grant application and match commitment to the Commissions for their formal review and approval.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission endorses the DDOT Long Bridge TIGER Planning Grant application and VRE's match commitment.

Approved this 1st day of May 2014.

Paul C. Smedberg
Chairman

Jay Fisette
Secretary-Treasurer

Agenda Item 9-G
Action Item

To: Chairman Milde and the VRE Operations Board

From: Doug Allen

Date: April 18, 2014

Re: Endorsement of the DDOT Long Bridge TIGER Planning Grant Application and Authorization of Committed Match

Recommendation:

The VRE Operations Board is being asked to endorse the District of Columbia Department of Transportation's (DDOT) TIGER planning grant application for the Long Bridge expansion, authorize the commitment of VRE funds towards the non-federal match for the grant, and refer the endorsement and match commitment to the Commissions for their review.

Background:

The District of Columbia Department of Transportation (DDOT) is preparing a planning grant application to advance project development activities, including National Environmental Policy Act (NEPA) studies, for the Long Bridge expansion through the USDOT TIGER Discretionary Grant Program. DDOT is concluding the Long Bridge Study, a comprehensive study of the existing two-track bridge and identification of long-term improvements to expand the capacity of the bridge for commuter rail, intercity passenger rail, freight and other multi-modal uses. The next step in planning for the expansion of the bridge is to refine the bridge concepts developed in the current Long Bridge Study and to initiate NEPA analysis. The TIGER planning grant application would fund those studies. The application is due on April 28, 2014.

VRE has offered to be a partner with DDOT on the application and project. DDOT will submit the TIGER application as the lead applicant and would be the grant recipient if the project is selected for funding.

The estimated cost to complete the Long Bridge NEPA analysis and related studies is \$4-5 million dollars. DDOT has identified approximately \$1 million in an existing ARRA federal grant that can be used for the project. The TIGER grant request will be for an additional \$3 million. There is a minimum 20% non-federal match to the TIGER grant amount or \$600,000. Applicants can increase their competitiveness for the TIGER program by providing an overmatch above and beyond the 20% minimum.

DDOT has also committed \$700,000 towards the non-federal match for the TIGER grant. It is recommended that VRE commit \$300,000 which, when combined with the DDOT contribution, will result in an overmatch and increase the chances of grant approval. A summary of the funding plan for the project is below.

Source of Funds	Federal Grant Amount	Non-federal Match Amount	Total Grant Amount	Source of Match
ARRA Grant	\$800,000	\$200,000	\$1,000,000	DDOT
TIGER Planning Grant	\$3,000,000	\$1,000,000	\$4,000,000	DDOT \$700,000 VRE \$300,000
Total	\$3,800,000	\$1,200,000	\$5,000,000	

The VRE Fiscal Year (FY) 2015 Capital Budget allocates funding for project development activities to advance system investments recommended in the System Plan 2040 including completing planning, NEPA and/or preliminary design. The planning work proposed for the Long Bridge expansion project under the TIGER grant is consistent with those activities.

If the TIGER planning grant application is approved by USDOT, a memorandum of understanding (MOU) or similar document will be developed to formalize VRE's role and responsibilities with respect to DDOT related to this grant and the resulting study. That MOU will be brought to the VRE Operations Board and Commissions for authorization.

Fiscal Impact:

Funding included in the adopted VRE FY2015 capital budget for planning and engineering analysis to advance System Plan recommendations will be used for the VRE contribution towards the grant's non-federal match requirement.

**Virginia Railway Express
Operations Board**

**Resolution
9G-04-2014**

**Endorsement of the DDOT Long Bridge TIGER Planning Grant
Application and Authorization of Committed Match**

WHEREAS, the VRE System Plan 2040 identified the expansion of railroad capacity, including expansion of the Long Bridge across the Potomac River, as a critical need to support long-term VRE growth and service expansion; and,

WHEREAS, the District of Columbia Department of Transportation (DDOT) is nearing completion of the Long Bridge Study; a comprehensive study of the existing 2-track bridge and identification of long-term improvements to expand the capacity of the bridge for commuter rail, intercity passenger rail, freight and other multi-modal uses; and,

WHEREAS, the next step in planning for the expansion of the bridge is to refine the bridge concepts developed in the current DDOT study and to initiate NEPA analysis; and,

WHEREAS, DDOT is preparing a planning grant application for \$3 million to advance the next phase of studies for the Long Bridge expansion through the USDOT TIGER Discretionary Grant Program; and,

WHEREAS, VRE has committed to be a partner with DDOT on the application and project; and,

WHEREAS, the TIGER grant application must identify a minimum 20% non-federal match to the TIGER grant amount; and

WHEREAS, DDOT has committed to provide \$700,000 towards the match requirement; and,

WHEREAS, the VRE Fiscal Year (FY) 2015 Capital Budget allocates funding for project development activities such as those proposed to be completed for the Long Bridge expansion project to advance system investments recommended in the System Plan 2040.

NOW, THEREFORE BE IT RESOLVED, that the VRE Operations Board endorses the District of Columbia Department of Transportation's (DDOT) TIGER planning grant application for the Long Bridge expansion; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board authorizes the commitment of \$300,000 in VRE project development funds towards the grant's match requirement; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board refers the endorsement of the grant application and match commitment to the Commissions for their formal review and approval.

Approved this 18th day of April 2014

Paul Milde
Chairman

Gary Skinner
Secretary



AGENDA ITEM #4

MEMORANDUM

TO: Chairman Smedberg and NVTC Commissioners
FROM: Kelley Coyner
DATE: April 24, 2014
SUBJECT: Executive Director's Report

A. NVTC Financial Report

NVTC's audit firm, PBMAres, LLC, will be on-site the first week of June to perform preliminary field work for the fiscal year 2014 audit and is scheduled to return in early September to complete the audit work. In addition to issuing an opinion on NVTC's financial statements, PBMAres will also issue a report on NVTC's internal controls over financial reporting, and on tests of compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. Because NVTC is the designated recipient of federal funds on behalf of some of the member jurisdictions, PBMAres will also issue a report on NVTC's compliance of each major federal program and report on the internal control over compliance as required by the Office of Management and Budget.

As of March 31st, NVTC has received all outstanding grant revenue that was held up due to delays in executing the project agreements, with the exception of the supplemental TSDAC operating assistance for one jurisdiction. It is expected that agreement will be fully executed by the end of April, with the revenue received early May. The [Financial Report for March 2014](#) is attached.

B. VRE Management Audit: Commissioner Participation

NVTC is in the process of executing a contract with Parsons Brinckerhoff (PB) for the VRE Management Audit. First, the consultant will review previous audits, interview the Chief Executive Officers of NVTC, PRTC and VRE, and hold a kick-off meeting. PB will schedule interviews with Joint Audit Committee (JAC) Members, VRE Board Members and NVTC Commissioners.

C. Draft Six Year Improvement Plan (SYIP)

At the April 24th Commonwealth Transportation Board Public Hearing, David Snyder, NVTC's Vice-Chairman, delivered NVTC's testimony on behalf of the Commission which included indentifying areas of interest of NVTC and making the case for the economic investment in transit. State assistance for NVTC jurisdictions' local and WMATA capital and operating needs increased from \$181.9M to \$198.1M, or 8.9 percent, from FY14 to FY15. The increase in assistance is the result of an increase in needs, offset in part by a lower state participation percentage. Of special note is the inclusion of \$25M of Metro 2025 needs in the draft SYIP, at a state participation rate of 36 percent, or \$9M. Also of note is \$8.2M in "new start" funding for the WMATA Silver Line.

VRE total state assistance increased by 25.8 percent. This total does not include the \$8.2M of federal flexible STP funds, which are administered by DRPT, and provided at 50 percent of the track lease requirements. The funding for the track lease payments for FY15 and beyond will be provided through a multi-year funding agreement with DRPT. The SYIP also includes \$15.4M in Rail Enhancement Funding over 5 years for VRE's Potomac Shores Station service expansion.

A copy of [DRPT's SYIP presentation](#) and [NVTC's testimony](#) as well as [tables](#) prepared by NVTC staff summarizing the assistance requested through NVTC for its member jurisdictions and VRE are attached.

D. Draft Business Outreach Plan

Commissioners are asked to provide comments on a Draft Business Outreach Plan prepared by NVTC's pro bono transit Fellow Richard Price. The Plan will be discussed at the next Management Advisory Committee (MAC) and then presented at NVTC's June 5, 2014 meeting. The [Draft Business Outreach Plan](#) is attached.

E. Rt. 7 Alternatives Analysis (Phase II)

At its April 17th meeting, NVTA approved NVTC's Standard Project Agreement (SPA) for the Transit Alternatives Analysis Study of the Route 7 Corridor (Phase II). The funds will not be available until the General Assembly passes a budget. NVTC will schedule meetings with the consultant and the Technical Advisory Committee (TAC) as soon as possible.

F. I-66 Inside the Beltway Bus on Shoulders (BOS) Pilot

In April, VDOT held a meeting to update the Project Working Group on the BOS pilot program. Construction on four pilot locations will take place this summer, and VDOT plans for the program to commence in November. The preliminary cost estimate for the program is \$600,000 to \$1,000,000, which is approximately half of the original conceptual cost estimates. The duration of the pilot program will be one year.

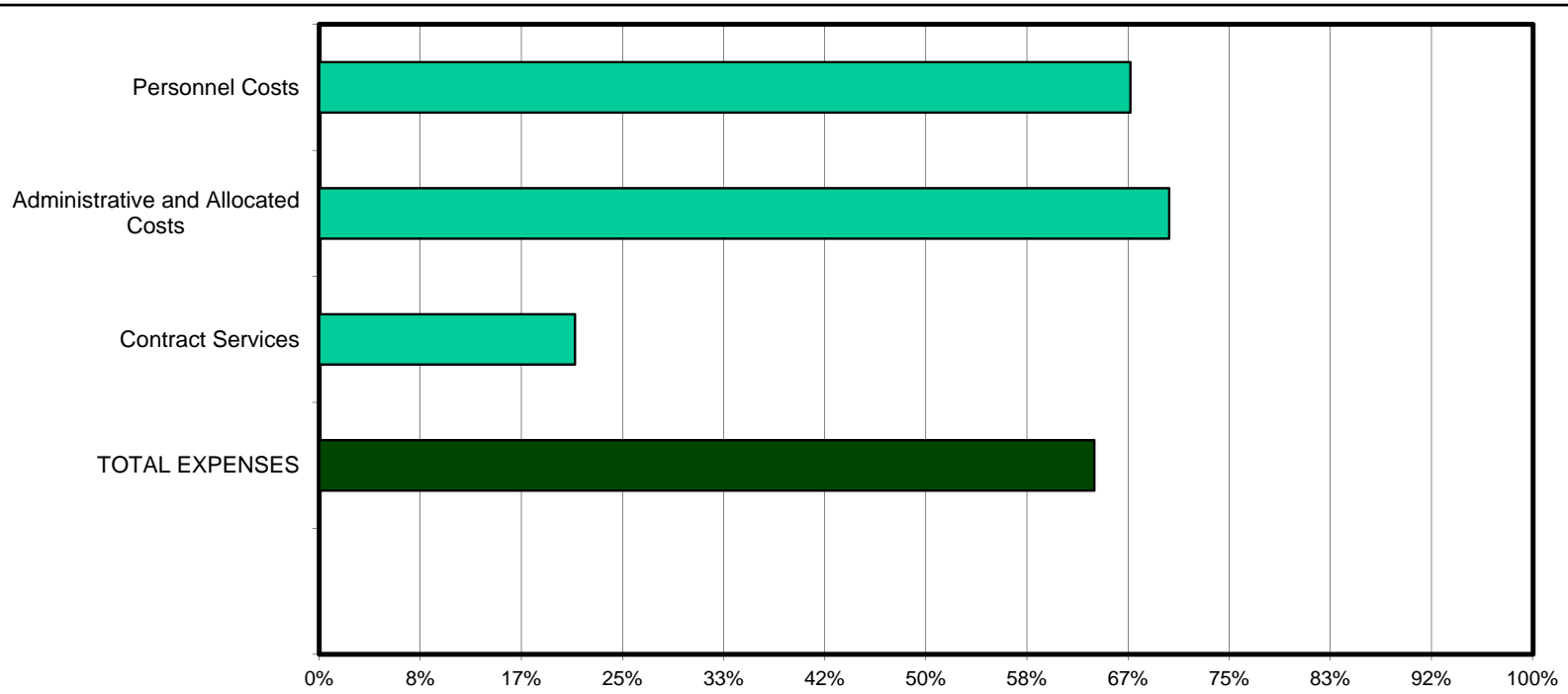
G. Key WMATA Milestone/Dates

<u>Date</u>	<u>Meeting</u>	<u>Key Issue</u>
4/25	Jurisdictional Coordinating Committee	Capital Budget
5/8	Finance & Administration Committee	Capital Budget
5/16	Regional Partner Meeting	Meeting with Accenture (WMATA's Contractor for NEPP)
5/22	WMATA Board of Directors	Capital Budget
6/12	Customer Service & Operations Committee	Update on NEPP Rollout

Northern Virginia Transportation Commission

Financial Reports
March, 2014

Percentage of FY 2014 NVTC Administrative Budget Used
March 2014
(Target 75% or less)



Note: Refer to pages 2 and 3 for details

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
March, 2014

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<u>Personnel Costs</u>					
Salaries	\$ 66,378.13	\$ 552,377.68	\$ 779,600.00	\$ 227,222.32	29.1%
Temporary Employee Services	-	190.00	-	(190.00)	
Total Personnel Costs	<u>66,378.13</u>	<u>552,567.68</u>	<u>779,600.00</u>	<u>227,032.32</u>	<u>29.1%</u>
<u>Benefits</u>					
Employer's Contributions:					
FICA	4,262.82	36,258.51	53,800.00	17,541.49	32.6%
Group Health Insurance	4,537.32	41,214.10	97,900.00	56,685.90	57.9%
Retirement	3,110.00	27,990.00	52,700.00	24,710.00	46.9%
Workmans & Unemployment Compensation	228.04	3,042.27	3,100.00	57.73	1.9%
Life Insurance	25.92	1,255.41	3,900.00	2,644.59	67.8%
Long Term Disability Insurance	323.86	2,286.64	3,600.00	1,313.36	36.5%
Total Benefit Costs	<u>12,487.96</u>	<u>112,046.93</u>	<u>215,000.00</u>	<u>102,953.07</u>	<u>47.9%</u>
<u>Administrative Costs</u>					
Commissioners Per Diem	900.00	6,950.00	11,000.00	4,050.00	36.8%
<i>Rents:</i>	<i>16,917.08</i>	<i>149,206.67</i>	<i>202,500.00</i>	<i>53,293.33</i>	<i>26.3%</i>
Office Rent	16,139.08	140,855.52	192,000.00	51,144.48	26.6%
Parking & Transit Benefits	778.00	8,351.15	10,500.00	2,148.85	20.5%
<i>Insurance:</i>	<i>400.09</i>	<i>3,567.50</i>	<i>6,100.00</i>	<i>2,532.50</i>	<i>41.5%</i>
Public Official Bonds	200.00	1,000.00	2,300.00	1,300.00	56.5%
Liability and Property	200.09	2,567.50	3,800.00	1,232.50	32.4%
<i>Travel:</i>	<i>329.12</i>	<i>6,947.35</i>	<i>16,500.00</i>	<i>9,552.65</i>	<i>57.9%</i>
Conference / Professional Development	75.00	658.70	5,300.00	4,641.30	87.6%
Non-Local Travel	102.51	894.21	1,200.00	305.79	25.5%
Local Meetings & Related Expenses	151.61	5,394.44	10,000.00	4,605.56	46.1%
<i>Communication:</i>	<i>777.69</i>	<i>7,704.22</i>	<i>11,100.00</i>	<i>3,395.78</i>	<i>30.6%</i>
Postage	184.56	1,865.39	3,100.00	1,234.61	39.8%
Telephone and Data	593.13	5,838.83	8,000.00	2,161.17	27.0%
<i>Publications & Supplies</i>	<i>754.30</i>	<i>6,912.03</i>	<i>15,900.00</i>	<i>8,987.97</i>	<i>56.5%</i>
Office Supplies	295.22	1,211.24	3,000.00	1,788.76	59.6%
Duplication and Paper	459.08	5,200.79	7,400.00	2,199.21	29.7%
Public Information	-	500.00	5,500.00	5,000.00	90.9%

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
March, 2014

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<i>Operations:</i>	4,631.94	5,988.19	11,000.00	5,011.81	45.6%
Furniture and Equipment (Capital)	3,913.97	3,913.97	4,000.00	86.03	2.2%
Repairs and Maintenance	-	-	1,000.00	1,000.00	100.0%
Computer Operations	717.97	2,074.22	6,000.00	3,925.78	65.4%
<i>Other General and Administrative:</i>	305.05	4,528.68	5,100.00	571.32	11.2%
Subscriptions	-	-	-	-	0.0%
Memberships	67.79	1,366.39	1,200.00	(166.39)	-13.9%
Fees and Miscellaneous	237.26	2,710.79	3,000.00	289.21	9.6%
Advertising (Personnel/Procurement)	-	451.50	900.00	448.50	49.8%
Total Administrative Costs	<u>25,015.27</u>	<u>191,804.64</u>	<u>279,200.00</u>	<u>87,395.36</u>	<u>31.3%</u>
<u>Contracting Services</u>					
Auditing	-	15,365.00	28,500.00	13,135.00	46.1%
Research and Analytic Support	2,500.00	7,500.00	80,000.00	72,500.00	90.6%
Legal	-	-	-	-	0.0%
Total Contract Services	<u>2,500.00</u>	<u>22,865.00</u>	<u>108,500.00</u>	<u>85,635.00</u>	<u>78.9%</u>
Total Gross G&A Expenses	<u>\$ 106,381.36</u>	<u>\$ 879,284.25</u>	<u>\$ 1,382,300.00</u>	<u>\$ 503,015.75</u>	<u>36.4%</u>

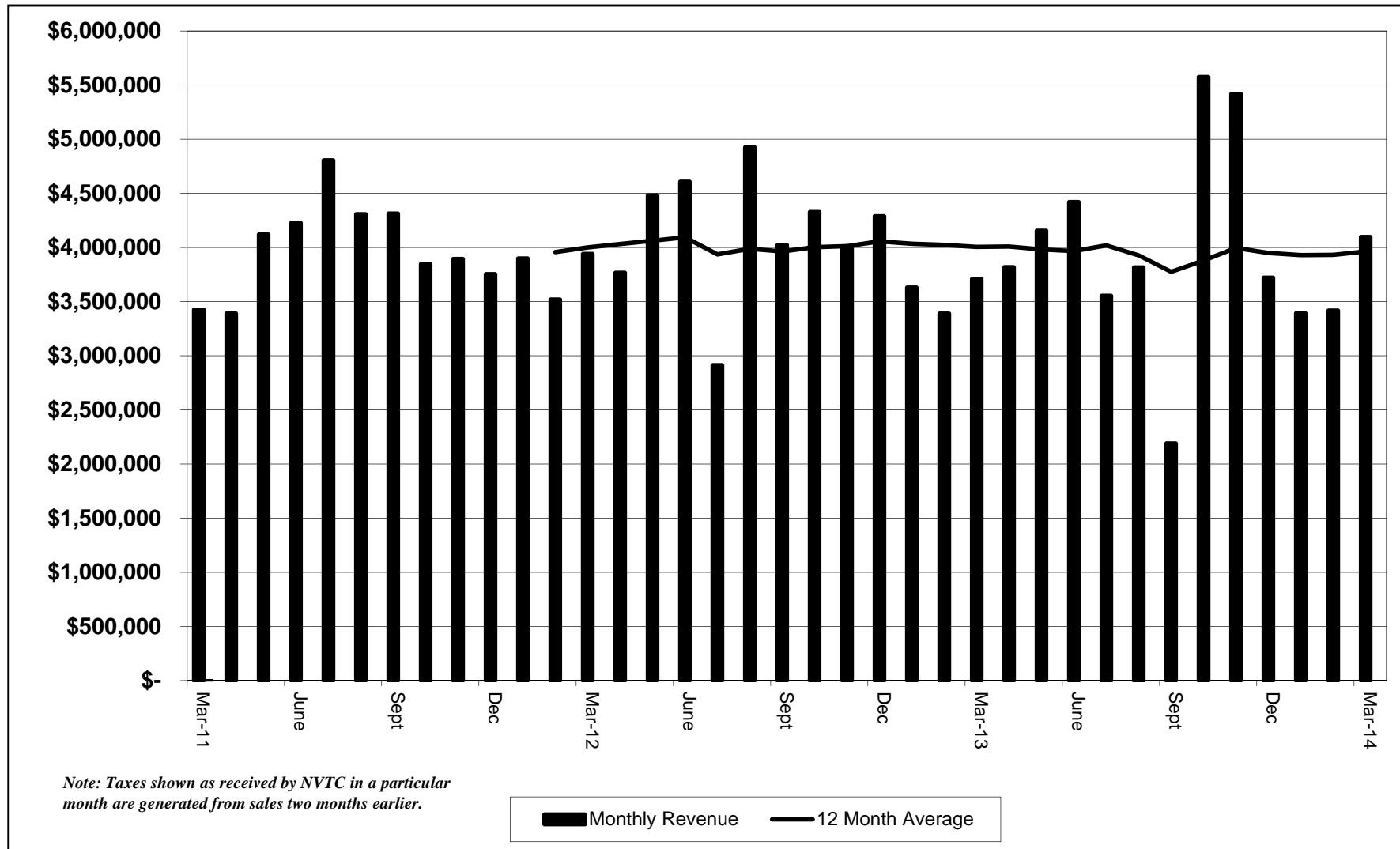
NVTC
RECEIPTS and DISBURSEMENTS
March, 2014

Payer/			Wells Fargo	Wells Fargo	VA LGIP	
Date	Payee	Purpose	(Checking)	(Savings)	G&A / Project	Trusts
RECEIPTS						
11	DRPT	Route 7 grant receipt			\$ 7,059.00	
12	DRPT	Capital grant receipt				355,183.00
13	VRE	Reimbursement for staff support		7,141.74		
13	Staff	Expense reimbursement		1.44		
13	American General	Insurance premium refund		28.03		
14	DRPT	Operating assistance receipt - City of Fairfax				60,889.00
14	DRPT	Operating assistance receipt - Alexandria				853,212.00
14	DRPT	Operating assistance receipt - Falls Church				59,227.00
14	DRPT	Operating assistance receipt - Arlington				1,573,325.00
14	DRPT	Supplemental operating - City of Fairfax				26,682.00
14	DRPT	Supplemental operating - Alexandria				373,877.00
14	DRPT	Supplemental operating - Falls Church				25,954.00
14	DRPT	Operating assistance receipt - Fairfax				2,913,516.00
14	DRPT	Capital grant receipt - Fairfax				4,693,388.00
17	DRPT	Alexandria grant receipt			174,464.00	
18	DRPT	Capital grant receipt - VRE			2,398,534.00	
18	DRPT	Capital grant receipt - Fairfax				9,214,974.00
18	DRPT	Capital grant receipt - Arlington				28,445.00
18	DRPT	Supplemental operating - Arlington				6,722,023.00
19	DRPT	Capital grant receipt - Alexandria			2,804.00	
19	DRPT	Capital grant receipt - VRE			1,392,120.00	
20	DRPT	Capital grants receipts - Fairfax				2,315,658.00
20	DMV	Motor Vehicle Fuels Sales tax receipt				338,922.75
20	Arlington	G&A contribution		39,169.50		
20	American General	Insurance premium refund		67.81		
21	FTA	Alexandria grant receipt			697,854.00	
24	FTA	Alexandria grant receipt			11,215.00	
24	DRPT	Capital grants receipts - VRE			24,404.00	
24	DRPT	Capital grant receipt				29,764.00
24	DRPT	Capital grant receipt - Arlington				156,551.00
26	DRPT	Capital grant receipt - Fairfax				172,013.00
26	DRPT	Capital grants receipts				12,468.00
26	DRPT	Capital grants receipts - Arlington				37,473.00
27	DRPT	Capital grant receipt - City of Fairfax				20,797.00
27	DRPT	Capital grants receipts - VRE			502,675.00	
31	FTA	Falls Church grant receipt			92,250.00	
31	DMV	Motor Vehicle Fuels Sales tax receipt				3,757,846.58
31	Banks	Interest income		1.54	51.35	14,574.58
			-	46,410.06	5,303,430.35	33,756,762.91
DISBURSEMENTS						
1-31	Various	G&A expenses	(91,123.00)			
13	City of Fairfax	Other operating				(11,795.00)
18	VRE	Grant revenue			(2,398,534.00)	
19	VRE	Grant revenue			(1,392,120.00)	
21	Alexandria	Costs incurred			(872,318.00)	
24	VRE	Grant revenue			(24,404.00)	
24	VRE	Costs incurred			(14,019.00)	
27	VRE	Grant revenue			(502,675.00)	
28	Stantec	Bus data consulting	(67,388.29)			
31	Falls Church	Costs incurred			(92,250.00)	
31	Banks	Service fees	(51.91)	(7.91)		
			(158,563.20)	(7.91)	(5,296,320.00)	(11,795.00)
TRANSFERS						
28	Transfer	From LGIP to LGIP (NTD data project)			67,388.29	(67,388.29)
31	Transfer	From LGIP to checking	180,000.00		(180,000.00)	
	Transfer		180,000.00	-	(112,611.71)	(67,388.29)
NET INCREASE (DECREASE) FOR MONTH			\$ 21,436.80	\$ 46,402.15	\$ (105,501.36)	\$ 33,677,579.62

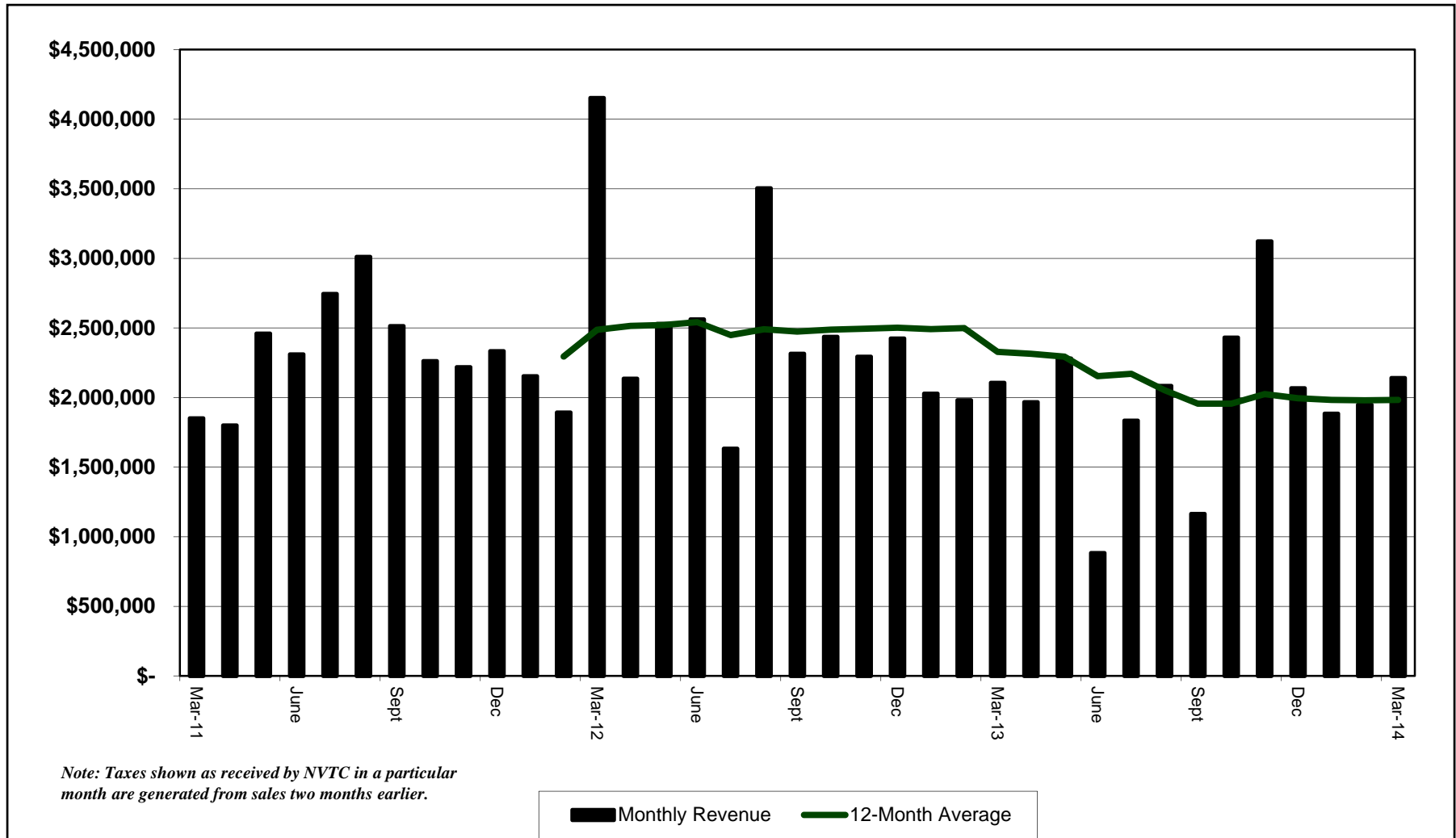
**NVTC
INVESTMENT REPORT
March, 2014**

Type	Rate	Balance 2/28/2014	Increase (Decrease)	Balance 3/31/2014	NVTC G&A/Project	Jurisdictions Trust Fund	Loudoun Trust Fund
<u>Cash Deposits</u>							
Wells Fargo: NVTC Checking	N/A	\$ 103,051.88	\$ 21,436.80	\$ 124,488.68	\$ 124,488.68	\$ -	\$ -
Wells Fargo: NVTC Savings	0.200%	71,111.04	46,402.15	117,513.19	117,513.19	-	-
<u>Investments - State Pool</u>							
Bank of America - LGIP	0.107%	146,697,301.90	33,572,078.26	180,269,380.16	435,786.24	150,191,004.92	29,642,589.00
		<u>\$ 146,871,464.82</u>	<u>\$ 33,730,341.44</u>	<u>\$ 180,511,382.03</u>	<u>\$ 677,788.11</u>	<u>\$ 150,191,004.92</u>	<u>\$ 29,642,589.00</u>

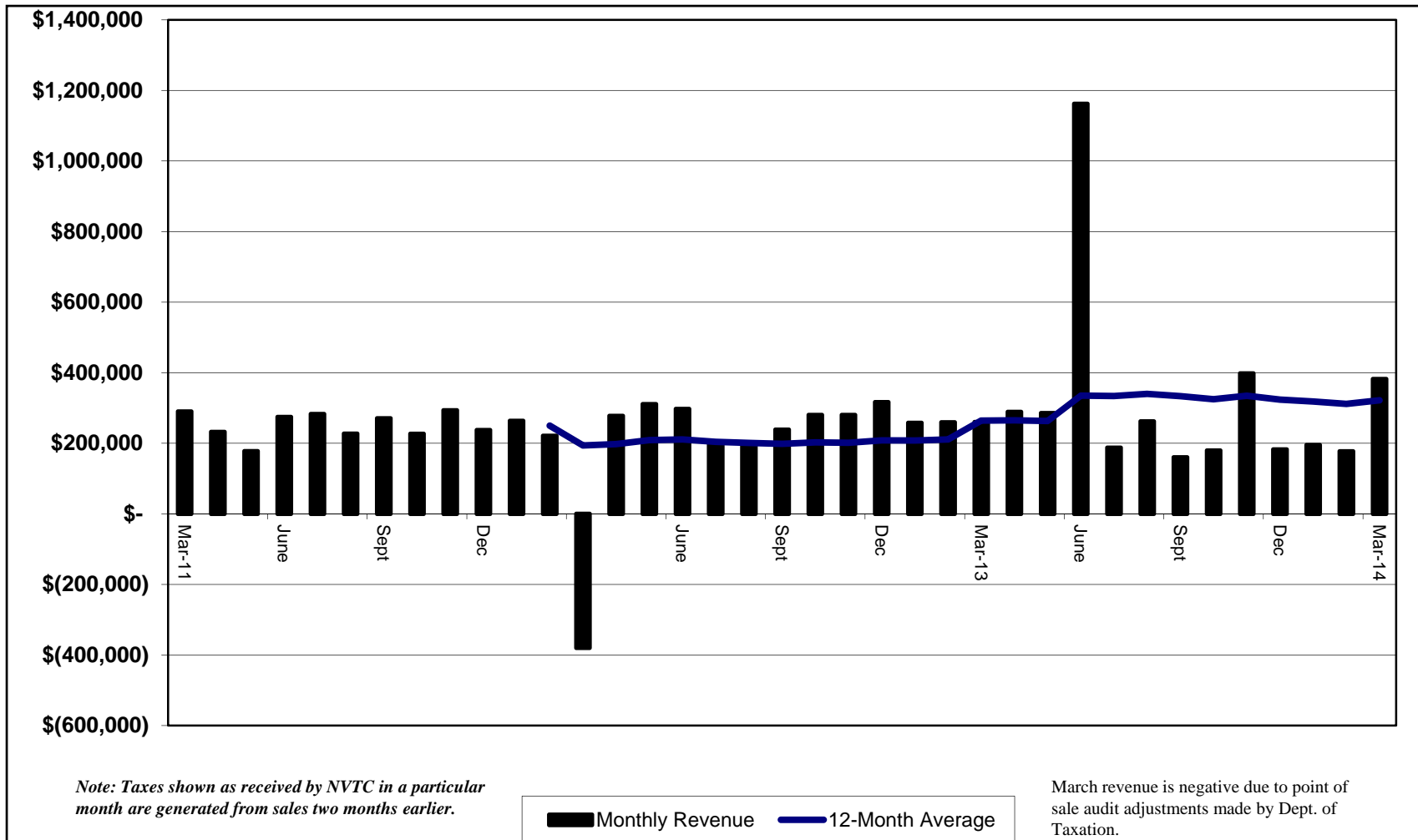
NVTC MONTHLY GAS TAX REVENUE ALL JURISDICTIONS FISCAL YEARS 2011-2014



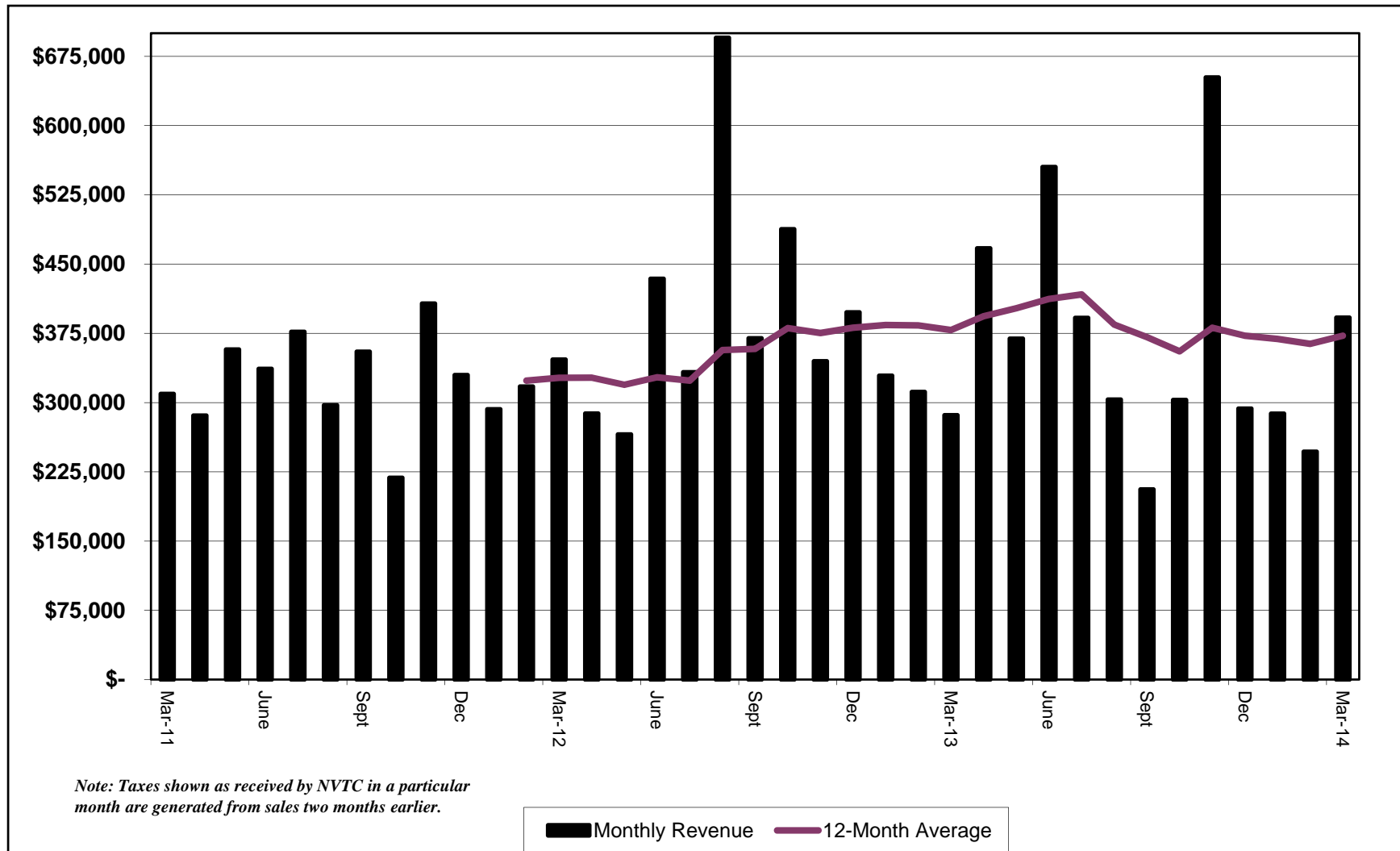
NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2011-2014



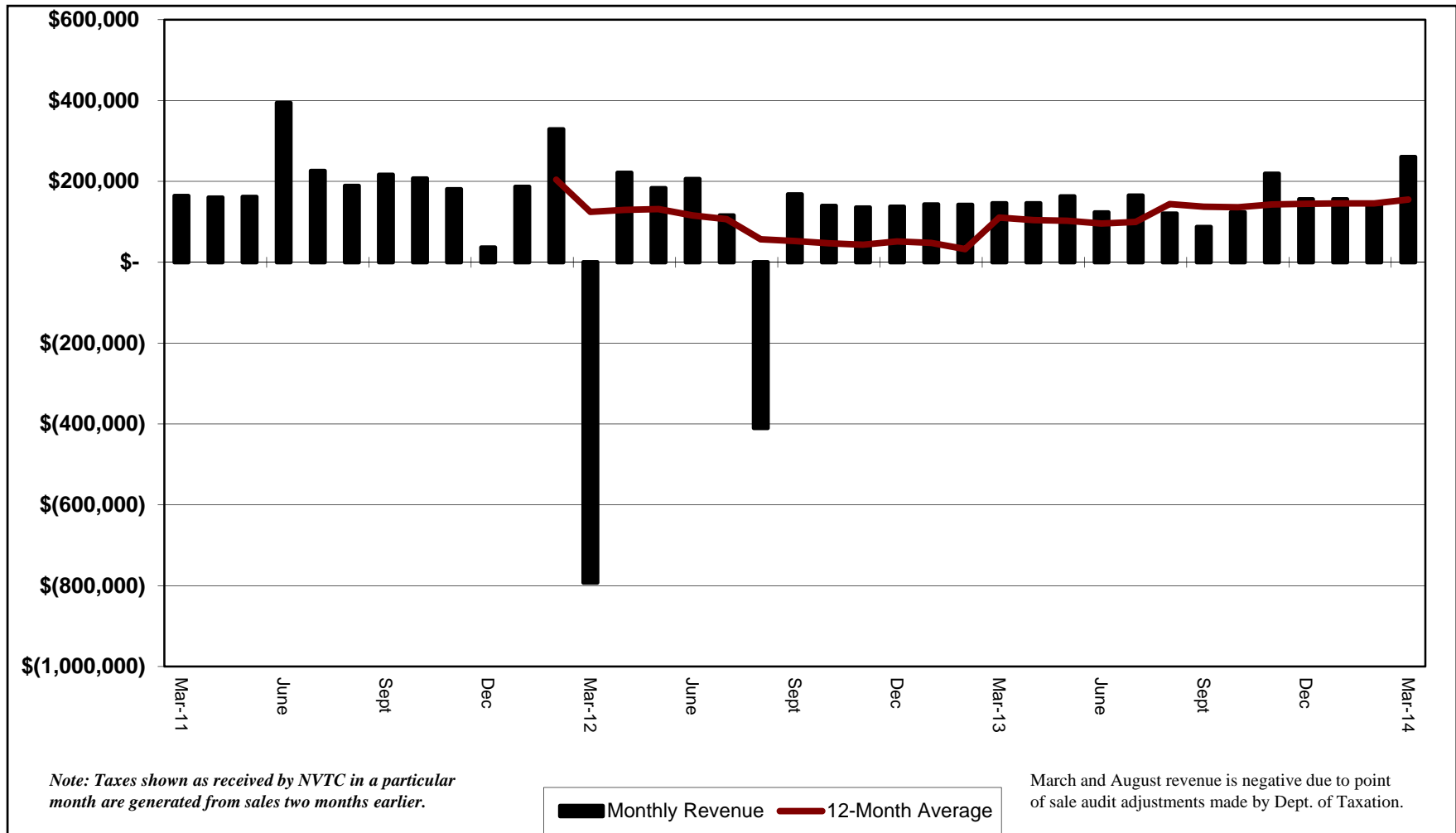
NVTC MONTHLY GAS TAX REVENUE CITY OF ALEXANDRIA FISCAL YEARS 2011-2014



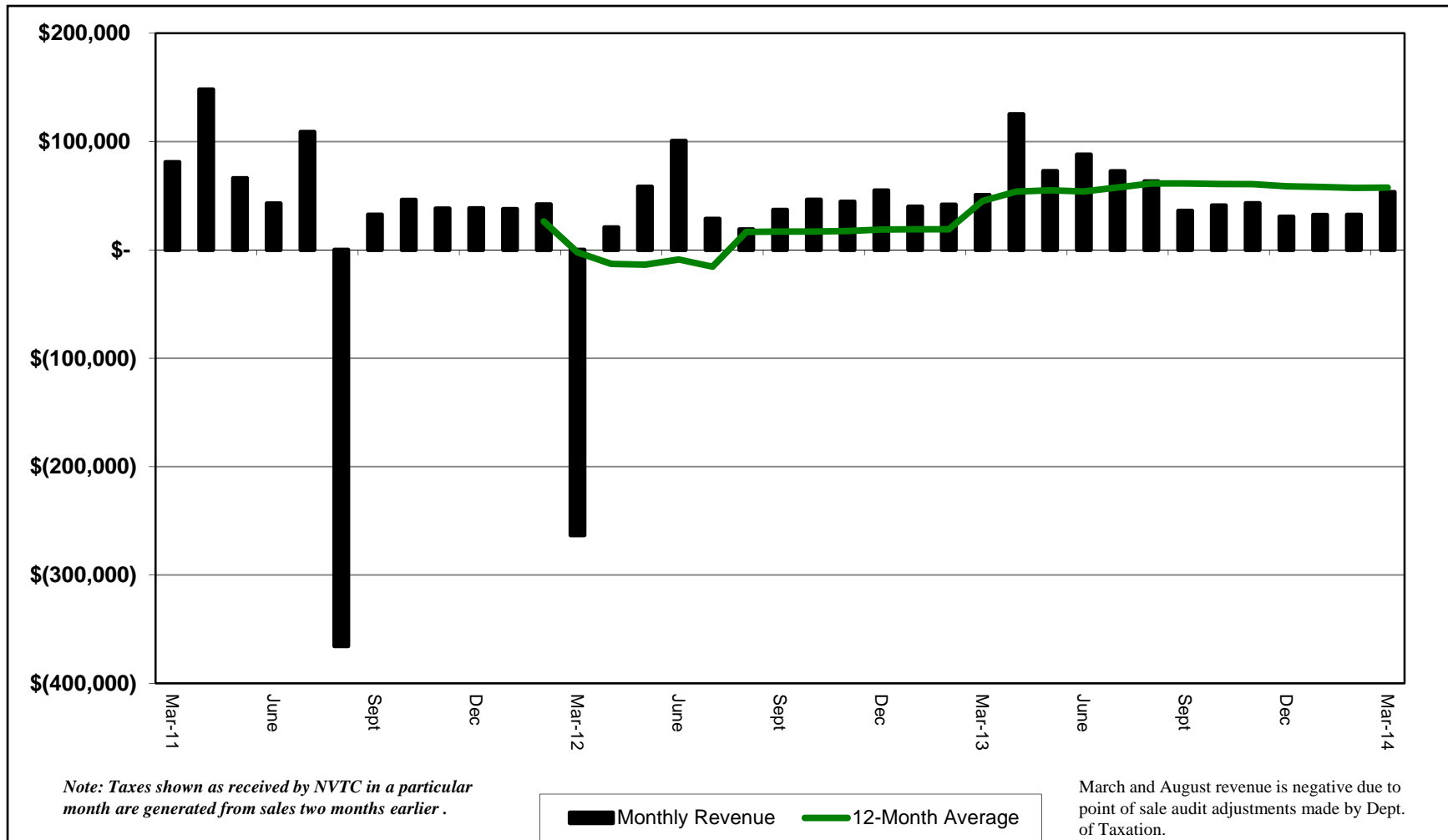
NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2011-2014



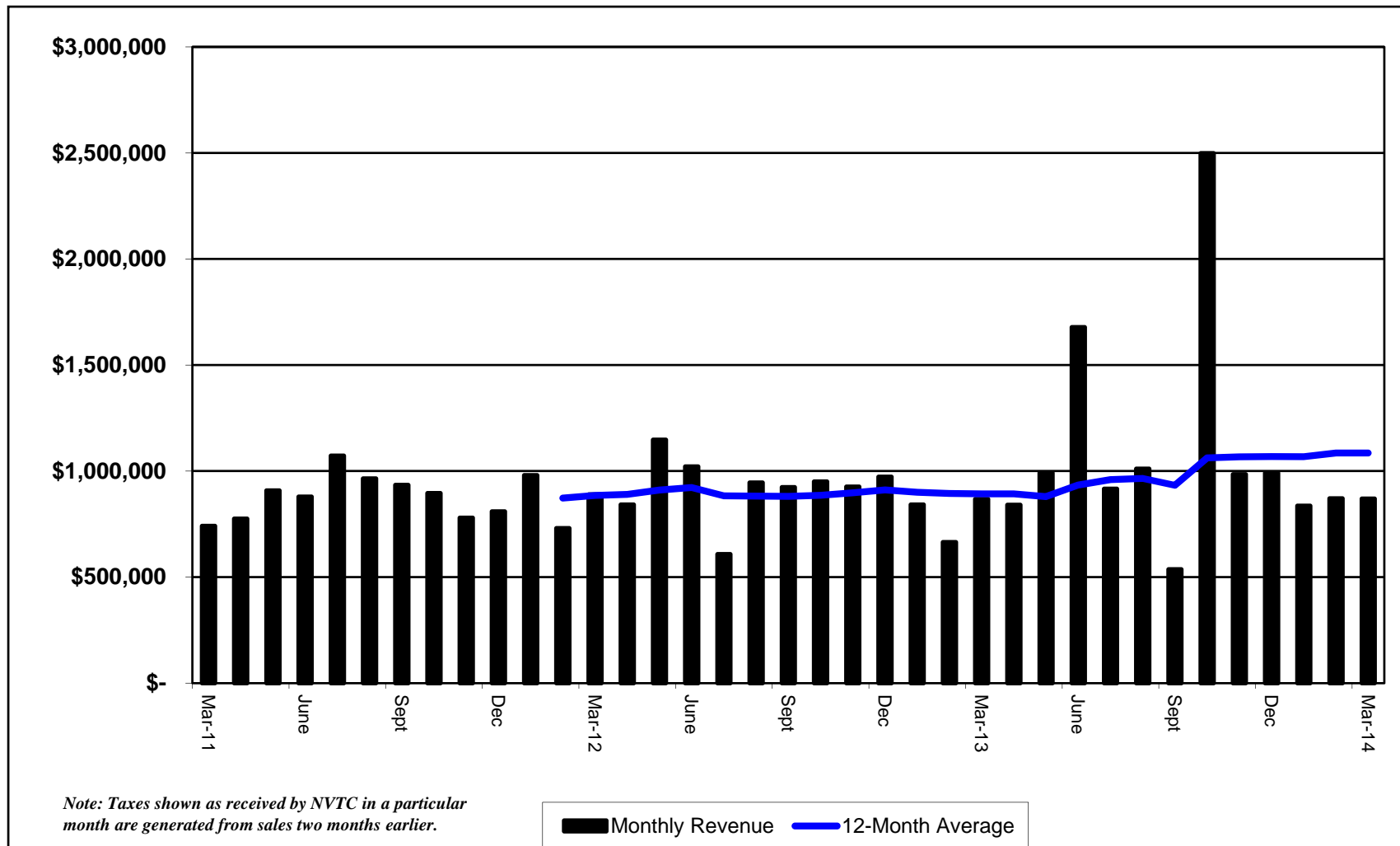
NVTC MONTHLY GAS TAX REVENUE CITY OF FAIRFAX FISCAL YEARS 2011-2014



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



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





Draft FY2015-2020 Six-Year Improvement Program

Diane L. Mitchell, Virginia Department of Transportation
Steve Pittard, Department of Rail and Public Transportation

April 16, 2014

Overview of Six-Year Improvement Program Process

- **Commonwealth Transportation Board must adopt a Six-Year Improvement Program (SYIP) by July 1 of each year based on the most recent official transportation revenue forecast**
- **The VDOT portion of the SYIP allocates state and federal funding to the interstate, primary, secondary and urban systems**
- **The DRPT portion of the SYIP allocates state and federal funding for transit, rail and transportation demand management programs**
- **The SYIP does not include allocations for state funded highway maintenance and operations, funds to other agencies, administration and other programs**

Overview of Process Moving Forward

- **Public hearings will be held in each of the 9 construction districts over the following 5 weeks**
 - **Hampton Roads (4/17), Bristol (4/22), NoVA (4/24), Staunton (4/29), Richmond (5/5), Fredericksburg (5/12), Culpeper (5/14), Lynchburg (5/15), and Salem (5/19)**
- **CTB will consider a final SYIP at the June Board meeting (6/18)**

Policy Guiding Development of SYIP

- **Appropriations Act requires the following:**
 - **Maintenance of existing transportation assets as the top priority in budgeting**
 - **Maximization of the use of federal funds**
- **HB2 requires that starting in FY17, most capacity expansion projects must be selected through a statewide prioritization process**
 - **Process will consider projects currently in the SYIP as well as projects not in the SYIP**
 - **Action will be necessary later this year to update the SYIP to comply with HB2**

Policy Guiding Development of SYIP

- **Section 33.1-23.1 provides for a CTB formula of \$500 M**
 - **25% for bridge reconstruction and rehabilitation**
 - **25% for interstate and primary pavement repair**
 - **25% for high priority projects**
 - **15% for public-private partnerships**
 - **5% for smart roadway technology**
 - **5% for unpaved roads**
- **SYIP does not provide any funds to local governments under the “traditional” 40-30-30 formula due to the “CTB formula”**

Historical Comparison of SYIPs

	Approved FY 2011- 2016	Approved FY 2012- 2017	Approved FY 2013- 2018	Approved FY 2014- 2019	Draft FY 2015- 2020	Change
Highway Construction	\$5.7 b	\$8.3 b	\$9.0 b	\$11.5 b	\$9.9 b	(\$1.6 b)
Rail & Public Transportation	\$2.1 b	\$2.3 b	\$2.4 b	\$2.9 b	\$3.2 b	\$0.3 b
Total SYIP*	\$7.8 b	\$10.6 b	\$11.4 b	\$14.4 b	\$13.1 b	(\$1.3 b)

*(excludes debt service)

- **State revenues are down \$832.2 M**
 - Reductions related to gas tax, sales tax, and hybrid fee
- **Federal highway and transit funding is down \$125.8 M**

Commonwealth Transportation Fund State Revenues – Impacts of HB2313

(in millions)

Major State Revenue Source	Preliminary FY 2014-2019 SYFP February 2013	Final FY 2014-2019 SYFP June 2013	Current FY 2014-2019 Revenue Estimate
Retail Sales and Use Tax (with Sales Tax Diversion)	\$3,781	\$6,228	\$5,983
Tax on Motor Fuels	5,410	5,529	4,776
Motor Vehicle Sales and Use Tax	3,836	5,428	5,588
Motor Vehicle License Fees	1,438	1,493	1,550
Hybrid Fee	-	55	-
Total	\$14,466	\$18,732	\$17,897
Total State Revenues	\$16,393	\$20,286	\$19,453
SYFP Total	\$25,583	\$33,227	\$32,297

Allocation of Commonwealth Transportation Fund

	(in millions)						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Total
Debt Service	\$ 329.0	\$ 338.4	\$ 384.2	\$ 415.4	\$ 432.1	\$ 419.8	\$ 2,318.9
Other Agencies & Transfers	62.9	60.8	59.3	59.7	44.9	45.8	333.4
Maintenance & Operations	1,920.9	1,982.4	2,026.4	2,061.0	2,098.1	2,137.9	12,226.7
Tolls, Administration & Other Programs	433.2	443.1	454.8	465.8	476.0	486.3	2,759.2
Rail and Public Transportation	494.5	512.0	521.7	531.4	480.0	478.5	3,018.1
Port Trust Fund	38.5	41.1	42.4	43.6	44.8	45.9	256.3
Airport Trust Fund	22.0	23.5	24.2	24.9	25.5	26.2	146.3
Northern Virginia Transportation Authority Fund	299.3	310.4	321.0	332.3	344.1	356.4	1,963.5
Hampton Roads Transportation Fund	155.9	183.7	191.1	199.1	207.7	216.2	1,153.7
Construction	1,161.4	1,663.3	1,495.8	1,380.5	1,371.8	1,281.8	8,354.6
Total	\$ 4,917.6	\$ 5,558.7	\$ 5,520.9	\$ 5,513.7	\$ 5,525.0	\$ 5,494.8	\$ 32,530.7

Draft Highway Six-Year Improvement Program

	Approved FY 2011- 2016	Approved FY 2012- 2017	Approved FY 2013- 2018	Approved FY 2014- 2019	Draft FY 2015- 2020	Change
Interstate	\$1.4 b	\$1.4 b	\$1.7 b	\$2.1 b	\$1.5 b	(\$0.6 b)
Primary	\$1.2 b	\$2.0 b	\$2.8 b	\$3.5 b	\$2.8 b	(\$0.7 b)
Secondary	\$0.3 b	\$0.5 b	\$0.6 b	\$1.0 b	\$0.6 b	(\$0.4 b)
Urban	\$0.3 b	\$0.8 b	\$0.7 b	\$0.7 b	\$0.5 b	(\$0.2 b)
Federal Maintenance	\$1.4 b	\$1.4 b	\$1.8 b	\$1.4 b	\$1.4 b	\$0.0 b
Safety, TAP, Rev Sharing, Other	\$1.1 b	\$2.2 b	\$1.4 b	\$2.8 b	\$3.2 b	\$0.4 b
Total	\$5.7 b	\$8.3 b	\$9.0 b	\$11.5 b	\$9.9 b	(\$1.6 b)

Highway Priorities for FY15-20 SYIP Update

- Address deficient pavements
- Address deficient bridges
- Anticipate implementation of Statewide prioritization process under House Bill 2
- Increase Revenue Sharing Program
- Maximize the use of federal funds
- Support preliminary engineering to develop project pipeline

Key Highlights in Draft Highway Program

- **Bristol**
 - I-81 at Exit 14 Ramp Modifications (UPC 97856) - \$44 M
 - Corridor Q Poplar Creek (UPC 90282) - \$203 M
 - CFX Crane's Nest Design (UPC 102702) - \$10 M
- **Culpeper**
 - Route 29 Bypass (UPC 102419) – development of solution strategy and implementation \$245 M (approximately \$200 M unexpended)
 - Route 29 Interchange at Route 666 (UPC 77385) - \$37 M
 - Route 15 Bridge over Rappahannock River (UPC 95112) - \$5 M

Key Highlights in Draft Highway Program

- **Fredericksburg**
 - **I-95 Rappahannock River Crossing (UPCs 101595 & 105510) - \$75 M**
 - **Fall Hill Avenue Bridge (UPC 88699) - \$44 M**
 - **Falmouth Intersection (UPC 57044) - \$22 M**
 - **Route 17 Flood Mitigation (UPC 86463) - \$10 M**
- **Hampton Roads**
 - **I-64 Capacity Improvements on the Peninsula (UPC 104905) - \$144 M**
 - **Route 58 Interchange (UPC 17728) - \$31 M**
 - **Military Highway (UPC 84243, 1765 & 9783) - \$114 M**

Key Highlights in Draft Highway Program

- **Lynchburg**
 - Odd Fellows Road P3 (UPC 105515) - \$52 M
 - Route 501 Bridge over James River (UPC 97136) - \$23 M
 - Route 29 Bridges over NSRR (UPCs 104599, 104600 & 104944) - \$41 M
- **NOVA**
 - I-66 Tier 2 and P3 development (UPC 54911) - \$35 M
 - I-495 Shoulder Use (UPC 105130) - \$20 M
 - Bridge Deck Replacement and Widening of Route 7 over Dulles Access Road (UPC 82135) - \$34 M
 - I-66 at Route 28 Interchange Improvements Phase 1 (UPC 103317) - \$50 M

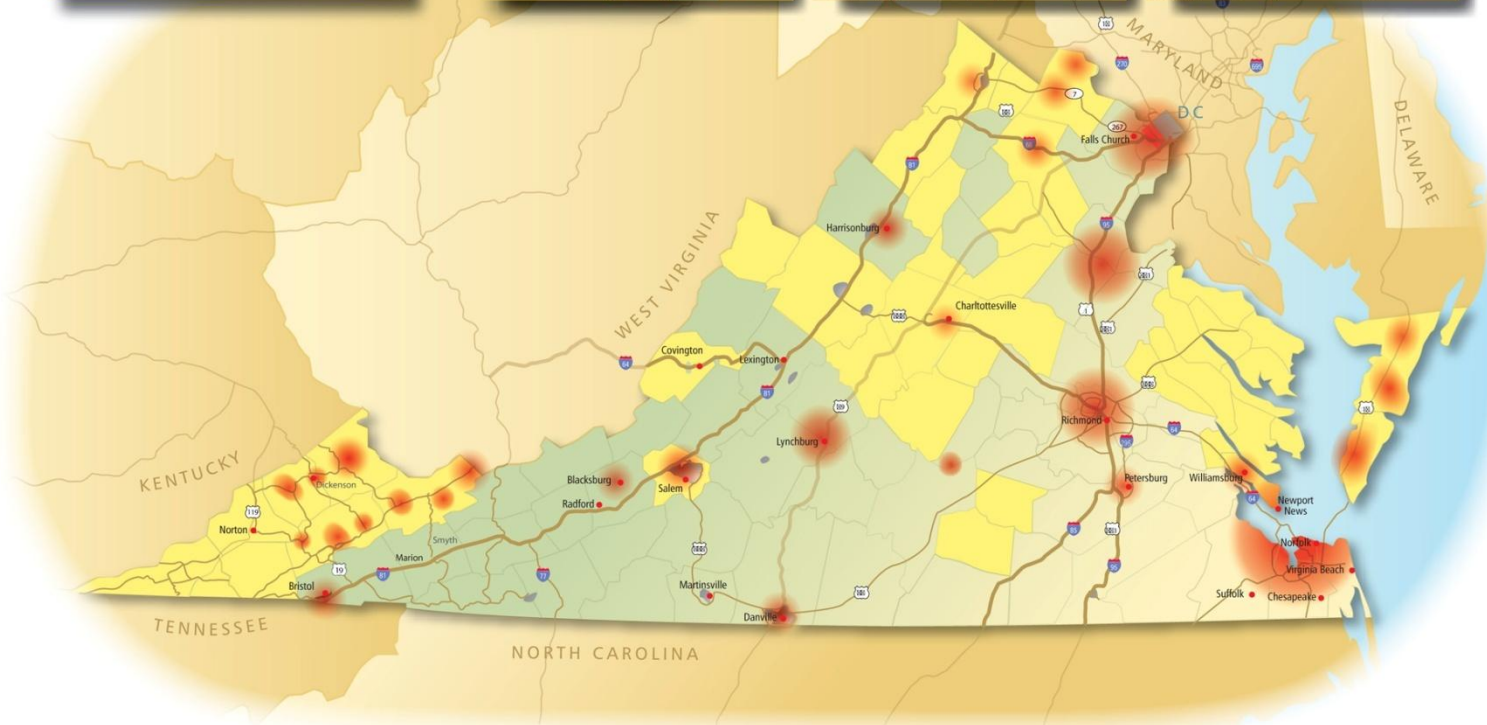
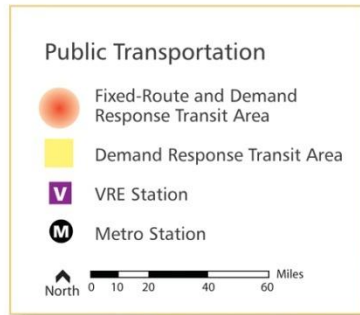
Key Highlights in Draft Highway Program

- **Richmond**
 - **Lewistown Road Bridge Replacement (UPC 90347) - \$30 M**
 - **Interstate Pavement Restoration on I-85 and I-295 (UPCs 104465, 104466 & 104467) - \$80 M**
 - **Virginia Capital Trail (multiple UPCs) - \$62 M**
- **Salem**
 - **Route 220 Phases 1, 2, and 3 (UPCs 105543, 105544 & 105545) - \$78 M**
 - **I-81 Exit 150 (UPC 75910) - \$47 M**
 - **I-81 Northbound Bridge Replacement (UPC 56899) - \$61 M**

Key Highlights in Draft Highway Program

- **Staunton**
 - **I-81 at Exit 310 (UPC 75881) - \$49 M**
 - **Route 11 over Cedar Creek Bridge (UPC 90172) - \$7 M**
 - **I-81 Pavement Rehabilitation (UPCs 104562, 104563 & 104564) - \$20 M**

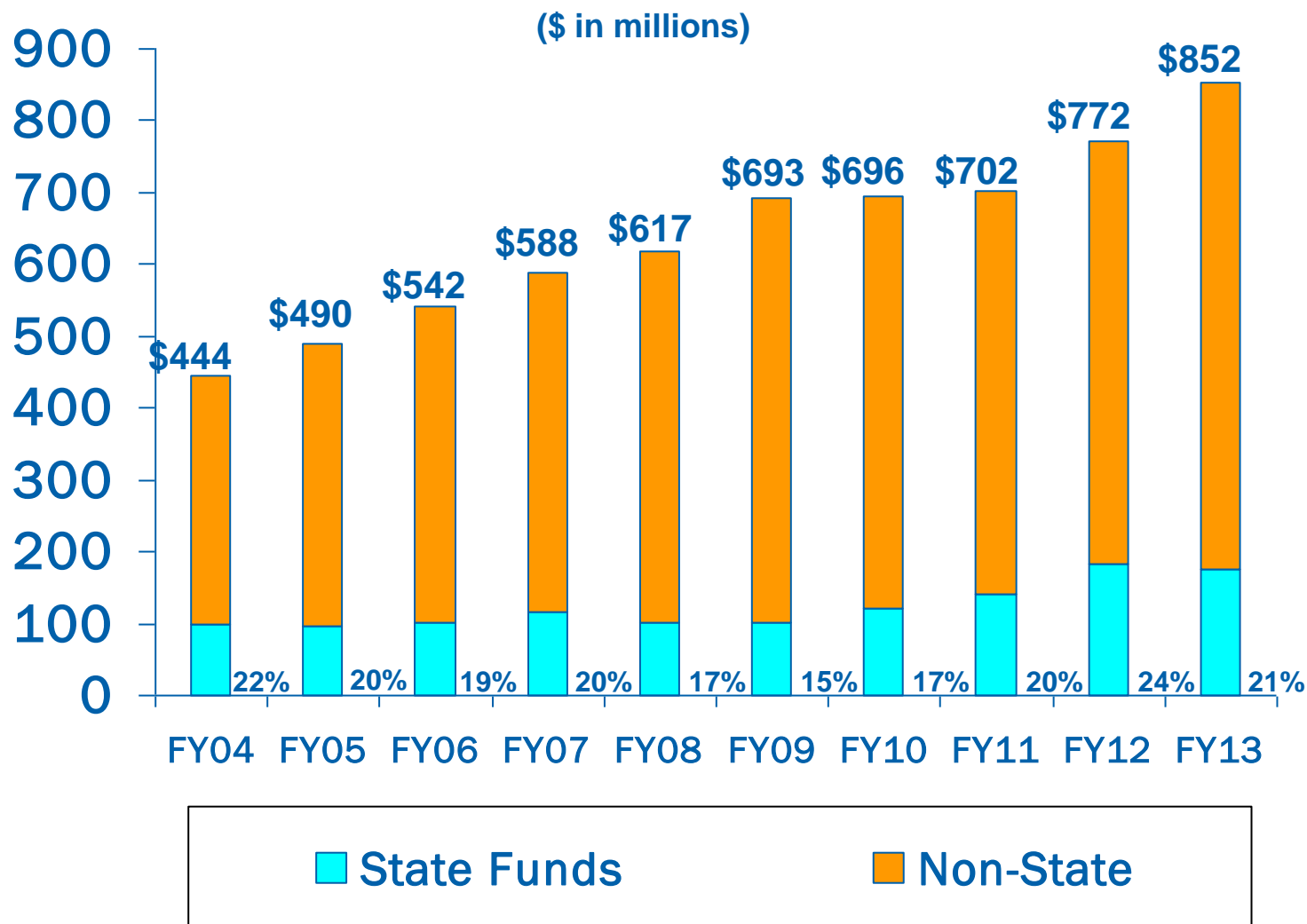
Transit Programs



Draft Transit Program

- **Transit program differs from highway and rail programs**
 - **Annual application process rather than six-year program with project pipeline**
- **Program consists of multiple aspects:**
 - **Operating support - \$1,234 M**
 - **Capital support - \$1,430 M**
 - **Transportation demand management - \$56 M**

Transit Operating Funding: 10 Year Trend



Draft Transit Capital Highlights

- 34 expansion buses / vans / 5 VRE rail cars - \$13.2 M
- 175 replacement vehicles - \$21.2 M
- Multi-Year Funding
 - Lynchburg maintenance facility - \$20.7 M (2 years)
 - VRE track lease payments - \$29.3 M (5 years)

State Funding for WMATA

	FY 2015 Allocations
Operating - Match to NVTC Jurisdictions	\$95.3
Capital - Match to NVTC Jurisdictions	42.1
Capital - PRIIA	50.0
Capital – Momentum Program	9.0
Total – (\$ in millions)	\$196.4

Major Future Transit Capital Projects Expected

- **Virginia Beach Light Rail Extension - \$310 M**
- **Arlington Columbia Pike Streetcar - \$310 M**
- **Arlington Crystal City Streetcar - \$150 M**
- **Richmond Broad Street Bus Rapid Transit - \$50 M**
- **WMATA Momentum Program – \$1.7 B**

* Note – cost are preliminary and subject to change

Projected Transit Capital Funding



Rail Programs



Intercity Passenger Rail Program Highlights

- Support for existing 6 state-support Amtrak trains - \$81.6 M
- Expansion of Amtrak service to Roanoke - \$92.2 M
- Capital improvements to support 2 additional trains to Norfolk - \$82.3 M
- Track improvements to service between Alexandria and Lynchburg - \$6.4 M state, \$2.8 M Norfolk-Southern

Rail Enhancement Fund Program Highlights

- **I-95 Richmond to DC high speed rail tier II draft environmental impact statement - \$28.7 M**
- **Virginia Port Authority rail projects - \$15.9 M**
- **VRE Potomac Shores station platform improvements - \$15.4 M**
- **I-81 NS Crescent Corridor Improvements - \$68.4 M**
- **Elliston Intermodal Facility - \$25.3 M**
- **Richmond Bridge Clearance Project - \$5.9 M**

Rail Preservation Fund Program Highlights

- **Signal System Upgrades: \$0.8 M**
- **Main Line Capacity and Connection: \$7.9 M**
- **Bridge and Track Safety Improvements: \$22.2 M**
- **Rail Yard Improvements: \$7.1 M**

Six-Year Improvement Program

Questions?

Northern Virginia Transportation Commission

Comments on the DRAFT FY 2015 – FY2020 Six Year Program



**VDOT Northern Virginia District Office
4975 Alliance Drive - Fairfax, VA 22030
April 24, 2014 -- 6:00 pm**

Northern Virginia Transportation Commission Comments on Draft FY 2015 –FY2020 Six Year Program

Good evening. I am David Snyder, Vice-Chairman of the Northern Virginia Transportation Commission.

Thank you Secretary Layne, Director Mitchell and the Commonwealth Transportation Board for your commitment to investing in high quality, high capacity transit service. Whether it is commuter rail or Metrorail, commuter buses or local buses, transit provides a way to get people to work and connects businesses to the customers and workers needed for retail, hospitality, health care, and technology businesses. Transit is a cost effective way to ease congestion on roadways. New and improved transit facilities enhance neighborhoods and business centers. We can measure the results:

- ✓ Each work day over 500,000 people ride transit to work, entertainment, shopping, schools and doctors' appointments in Northern Virginia;
- ✓ On VRE alone, there are over 19,000 daily riders--an amount equivalent to another lane on I-95 and I-66;
- ✓ In the Metro area, two million jobs are within 1/4 mile of a Metrorail station; and
- ✓ VTRANS estimates that every \$1 million in transit investment yields a \$3.8 million return in business activity, job creation, higher property values and time savings for commuters and businesses.

Whether local or regional, the investments in the draft FY2015-2020 Six Year Improvement Plan contain projects critical to moving forward in expanding transit capacity and service in the region.

Pending before you is an application for state funding that will allow NVTC to provide technical assistance to NVTC's jurisdictions, the Virginia Rail Express, and PRTC as they work with WMATA to assess a state of the art New Electronic Payments Program. We request that this be included in the final SYIP. We appreciate that you have also proposed funding an innovative Transit Fellows Program which will bring the talent and technical expertise required to strengthen the Northern Virginia transit network.

Stable and reliable funding allows VRE, our commuter rail service, to more effectively manage its operations. In January the Virginia Department of Rail and Public Transportation announced that it would work with VRE on a multi-year funding agreement for track lease funds. Without these funds, rider costs will increase and critical funding for projects that increase capacity on VRE will be jeopardized. This multi-year agreement is a part of the draft SYIP.

Stable and reliable funding is also key to maintaining our investment in WMATA. We also ask that you continue to include the **Virginia \$50 million match to the federal PRIIA funding for WMATA**. Virginia's PRIIA investment is bringing the Metro system back into a "state of good repair" by improving safety, logistics, maintenance and communications in the system. However, PRIIA only addresses the backlog of maintenance and basic upgrades required to maintain the system.

Governor McAuliffe has joined us in endorsing Momentum, WMATA's strategic plan for critical capacity investments and vision for the future of the Metro system. Governor McAuliffe and Secretary Layne have lead efforts to secure a regionwide commitment for the first year of a ten year plan. Going forward we need your commitment to work with us to identify a stable, secure and dedicated source of funding for Metro 2025.

The benefits of the Metro 2025 investments to transit riders and drivers on our roadways are clear:

- ✓ Adding eight-car trains during rush hour is the equivalent to adding 16-18 lanes of highways in both directions throughout the region;
- ✓ Creating a Metrobus Priority Corridor Network will increase bus speeds up to 50% and save Virginia over \$500 million in annual operating costs;
- ✓ Adding new rail structure such as pocket tracks and crossovers will allow Metrorail to better match service with demand and handle service disruptions more efficiently; and
- ✓ Improving customer communications with one stop regional trip planning and more accurate and audible information for riders.

These core capacity investments will remove 35,000 cars from the road -- saving both time and money for Virginians worth \$51 million annually and are critical to managing the region's anticipated population and economic growth.

During the past year we have worked closely with you to implement important new legislation which used performance metrics as part of the operating assistance formula and established a new way to prioritize state assistance for capital projects. We ask the Department of Rail and Public Transportation to continue to work with us to ensure that the application of both formulas is fair.

The calculation of trips in the operating formula unfairly excludes trips made by tourists and many trips taken from the airports, and uses a formula that only counts those trips made by Virginians who live in WMATA jurisdictions. We will continue to work with the Department of Rail and Public Transportation on this issue so that it is addressed in the final version of the SYIP.

A technical provision in the capital allocation formula requires Northern Virginia jurisdictions to increase their local share to a level that is much higher than in other parts of the Commonwealth. We look forward to assessing the impact that this change has and will work with DRPT to address any inequities as required in the resolution approved by the Commonwealth Transportation Board in December, 2013.

Finally, last year's Virginia's landmark transportation funding legislation HB2313 and this year's HB2 both recognize the value of transportation investment to the economy of the Commonwealth. They include new criteria for prioritizing funding decisions for transit and for roadway projects. We will continue to work with you and the Northern Virginia Transportation Authority to ensure that the full potential for funding a high quality, high capacity transit system is realized. Our economic health depends on it.

In closing, as you plan for the FY2015-2020 SYIP and beyond, the NVTC Commissioners and I ask that the CTB continue to give top priority to this region's transit funding needs. The Commonwealth's economic vitality and the growing demand for transit in this region along with the NVTC jurisdictions' record for providing quality transit service merits your continued support and investment in our transit systems. NVTC stands ready to work with the CTB to achieve the goal of a well-funded, fully integrated and connected transit network in Northern Virginia.

Thank you for your time and for your service to the Commonwealth. We look forward to working with you toward our continued success.

NVTC BY THE NUMBERS & VITAL STATISTICS

7	BUS SYSTEMS
1	SUBWAY
1	COMMUTER RAIL SYSTEM
550 K	DAILY TRANSIT COMMUTERS
164M	TRANSIT TRIPS EACH YEAR
22%	RIDERSHIP GROWTH IN THE PAST 10 YEARS
81	TRANSIT TRIPS PER CAPITA IN NOVA
8	TRANSIT TRIPS PER CAPITA STATEWIDE (EXCLUDING NOVA)
19K	PASSENGERS ON VRE DAILY = 1 LANE OF TRAFFIC ON I-66 AND I-95 DURING RUSH HOUR
77%	OF ALL TRANSIT TRIPS STATEWIDE ARE IN NOVA
2M	JOBS LOCATED WITHIN ¼ MILE OF TRANSIT STATIONS

Sources: National Transit Database, NVTC Annual Transit Performance Update

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
ASSISTANCE FOR CAPITAL AND OPERATING ASSISTANCE APPLIED FOR THROUGH NVTC
FY 2014 Final Six-Year Program and FY 2015 Draft Six-Year Program

	FY 2014		FY 2015		Increase (Decrease)	
	State Assistance	Effective State %*	State Assistance	Effective State %*	\$	%
NVTC						
Capital Assistance						
WMATA (schedule A)						
Tier 1 - 68% (total cost)	-		13.465	85.2%		
Tier 2 - 34% (total cost)	-		25.264	62.4%		
Tier 3 - 17% (total cost)	-		3.338	27.1%		
Metro 2025 - 36% (total cost)	-		9.000	36.0%		
55% (non-federal share)	36.073	55.0%	-			
80% (non-federal share)	5.329	80.0%	-			
Total WMATA	41.402	57.3%	51.067	54.5%	9.665	23.3%
Local (schedule B)						
Tier 1 - 68% (total cost)	-		17.755	68.0%		
Tier 2 - 34% (total cost)	-		13.390	34.0%		
Tier 3 - 17% (total cost)	-		0.141	17.0%		
55% (non-federal share)	24.523	55.0%	-			
80% (non-federal share)	-		-			
Total Local	24.523	55.0%	31.286	47.2%	6.763	27.6%
Total Capital	65.925	56.4%	82.353	51.5%	16.428	24.9%
Operating Assistance						
WMATA (schedule C)						
Traditional Formula	61.183		56.174		(5.009)	
Performance Based Formula	28.712		30.878		2.166	
New Start Formula (Silver Line)	4.339		8.214		3.875	
Total WMATA	94.234	24.0%	95.266	20.7%	1.032	1.1%
Local (schedule D)						
Traditional Formula	15.749		14.151		(1.598)	
Performance Based Formula	6.019		6.333		0.314	
Total Local	21.768	23.1%	20.484	20.3%	(1.284)	-5.9%
Total Operating	116.002	23.9%	115.750	20.6%	(0.252)	-0.2%
Total NVTC Assistance	181.927		198.103		16.176	8.9%
VRE						
Capital Assistance (schedule E)						
Tier 1 - 68% (total cost)	-		3.477	80.0%		
Tier 2 - 34% (total cost)	-		10.216	73.0%		
Tier 3 - 17% (total cost)	-		-			
55% (non-federal share)	8.558	55.0%	-			
Total	8.558	55.0%	13.693	74.7%	5.135	60.0%
Operating Assistance						
Traditional Formula	8.070		6.615		(1.455)	
Performance Based Formula	2.358		2.305		(0.053)	
Total	10.428	21.5%	8.920	18.9%	(1.508)	-14.5%
Total VRE Assistance	19.875		22.612		5.135	25.8%

Notes:

Effective state percentage is based non-federal costs for capital, and second prior year actual expenses for operating.
Table excludes \$50M PRIIA match provided directly to WMATA.

NVTC

SCHEDULE A

APPLICATION FOR STATE CAPITAL GRANT ASSISTANCE
WMATA CAPITAL SUBSIDIES
FY 2015

	Alexandria	Arlington	Fairfax City	Fairfax County	Falls Church	Total	Draft SYIP State Funds				
							68% Tier 1	34% Tier 2	17% Tier 3	36% 2025	Total
FY 15 CIP Program (a)											
Total Cost	22,695,777	42,149,303	1,247,021	74,073,032	1,496,424	141,661,557					
Federal Share	13,430,360	24,942,099	737,933	43,833,157	885,519	83,829,068					
Non-Federal Share	9,265,417	17,207,204	509,088	30,239,875	610,905	57,832,489	13,465,111	21,876,797	3,197,559		38,539,467
WMATA Debt Service (b)	-	-	-	-	-	-					
Metro Matters Program (c)	-	-	-	-	53,000	53,000		18,020			18,020
Jurisdiction Debt Service - MM Opt Out (d)	1,030,004	1,604,906	-	7,273,922	-	9,908,832		3,369,003			3,369,003
Project Development (e)	133,000	261,000	6,000	417,000	8,000	825,000			140,250		140,250
Reimbursable Projects (f)	-	-	-	-	-	-					
Subtotal	10,428,421	19,073,110	515,088	37,930,797	671,905	68,619,321	13,465,111	25,263,820	3,337,809	-	42,066,740
Metro 2025 (g)	4,005,282					25,000,000				9,000,000	9,000,000
Total	14,433,703	19,073,110	515,088	37,930,797	671,905	93,619,321	13,465,111	25,263,820	3,337,809	9,000,000	51,066,740

(a) Virginia Compact members' share of FY15 Capital Improvement Program included in the Capital Funding Agreement eligible to be funded by DRPT. Preventative maintenance has been excluded from the capital assistance request, but included in the operating assistance request according to DRPT requirements. The assistance request is based on the WMATA's proposed budget, with a contingency for potential changes to the actual program for the fiscal year.

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

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

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

(e) Project Development - a regional reimbursable capital program stated separately from the FY14 CIP

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

(g) The WMATA FY15 proposed capital budget includes \$150 million for Metro 2025 (Momentum) projects, with one-third assigned to Virginia, DC and Maryland. The governor's of Virginia, Maryland and the Mayor of the District of Columbia agreed to fund a total of \$75 million. The draft SYIP includes \$9 million of Virginia's agreed to amount, with the balance to be provided by the NVTC WMATA jurisdictions.

NVTC
STATE CAPITAL GRANT ASSISTANCE
LOCAL CAPITAL
FY 2015

SCHEDULE B

DRAFT SYIP											
	Total & Non-Federal Costs	Adjustments To Application	TIER	Total and Non-Federal Costs				State Funds			
				68% Tier 1	34% Tier 2	17% Tier 3	Total	68% Tier 1	34% Tier 2	17% Tier 3	Total
CITY OF ALEXANDRIA											
Potomac Yard Metrorail Station project	500,000	-	2	-	500,000	-	500,000	-	170,000	-	170,000
Purchase of Hybrid Battery Packs	100,000	-	3	-	-	100,000	100,000	-	-	17,000	17,000
Construct Bus Bulbs, Install Shelters, Benches & RT Transit Info	1,575,000	-	2	-	1,575,000	-	1,575,000	-	535,500	-	535,500
Purchase 40-ft Expansion Buses (5)	3,250,000	(750,000)	1	2,500,000	-	-	2,500,000	1,700,000	-	-	1,700,000
Purchase 35-ft Replacement Buses (7)	4,550,000	(1,050,000)	1	3,500,000	-	-	3,500,000	2,380,000	-	-	2,380,000
Total at Cost	9,975,000	(1,800,000)		6,000,000	2,075,000	100,000	8,175,000	4,080,000	705,500	17,000	4,802,500
CITY OF FAIRFAX											
Purchase of Hybrid Battery Packs (6)	210,000	-	1	210,000	-	-	210,000	142,800	-	-	142,800
Total at Cost	210,000	-		210,000	-	-	210,000	142,800	-	-	142,800
FAIRFAX COUNTY											
Bus 3rd Party Contract Audits	400,000	-	1	400,000	-	-	400,000	272,000	-	-	272,000
Bus Construction Maint Facility - Expansion of West Ox	1,000,000	-	2	-	1,000,000	-	1,000,000	-	340,000	-	340,000
Bus Engineering & Design of West Ox Maintenance Facility	2,500,000	(2,500,000)	-	-	-	-	-	-	-	-	-
Bus Rehab/Renovation of Herndon Garage	6,000,000	-	2	-	6,000,000	-	6,000,000	-	2,040,000	-	2,040,000
Construction of Rail Related Facilities - Lorton VRE Park & Ride	1,500,000	(1,500,000)	-	-	-	-	-	-	-	-	-
Herndon Metrorail Garage - Design & Structure for Pedestrian Connector	2,300,000	-	2	-	2,300,000	-	2,300,000	-	782,000	-	782,000
Innovation Center Garage - Design & Structure for Pedestrian Connector	2,300,000	-	2	-	2,300,000	-	2,300,000	-	782,000	-	782,000
Columbia Street Car Project Design	880,000	-	2	-	880,000	-	880,000	-	299,200	-	299,200
Reston Towne Center Renovations - Completion of Pavement	140,000	-	2	-	140,000	-	140,000	-	47,600	-	47,600
Annandale NVCC Transit Center - Design & Construction	200,000	-	2	-	200,000	-	200,000	-	68,000	-	68,000
GMU Transit Center - Design & Construction	200,000	-	2	-	200,000	-	200,000	-	68,000	-	68,000
Richmond Highway Transit Center - Design & Construction	500,000	-	2	-	500,000	-	500,000	-	170,000	-	170,000
Springfield CBC Parking Garage - Design & Construction	2,500,000	-	2	-	2,500,000	-	2,500,000	-	850,000	-	850,000
Stringfellow Road Parking Lot Expansion	4,600,000	(4,300,000)	2	-	300,000	-	300,000	-	102,000	-	102,000
Purchase ADP Software	2,500,000	(2,500,000)	-	-	-	-	-	-	-	-	-
Purchase 40-ft Expansion Buses (10)	11,000,000	(6,000,000)	1	5,000,000	-	-	5,000,000	3,400,000	-	-	3,400,000
Purchase 35-ft Expansion Buses (12)	-	6,000,000	1	6,000,000	-	-	6,000,000	4,080,000	-	-	4,080,000
Purchase Passenger Shelters (Bus Shelters)	1,750,000	-	2	-	1,750,000	-	1,750,000	-	595,000	-	595,000
Purchase 35-ft Replacement Buses (17)	8,500,000	-	1	8,500,000	-	-	8,500,000	5,780,000	-	-	5,780,000
Purchase Pare Parts, SCM Items - Engines, Transmissions	450,000	-	3	-	-	450,000	450,000	-	-	76,500	76,500
Purchase Support Vehicles (3)	54,000	-	3	-	-	54,000	54,000	-	-	9,180	9,180
Total at Cost	49,274,000	(10,800,000)		19,900,000	18,070,000	504,000	38,474,000	13,532,000	6,143,800	85,680	19,761,480
ARLINGTON											
Bus Construction Maint Facility - ART House	8,487,000	-	2	-	8,487,000	-	8,487,000	-	2,885,580	-	2,885,580
Transit ITS and Security Program	238,000	-	2	-	238,000	-	238,000	-	80,920	-	80,920
Mobile Commuter Store Build out	300,000	(300,000)	-	-	-	-	-	-	-	-	-
Pentagon City Tunnel Renovation	200,000	-	2	-	200,000	-	200,000	-	68,000	-	68,000
Preliminary Engineering - Columbia Pike Streetcar	2,500,000	-	2	-	2,500,000	-	2,500,000	-	850,000	-	850,000
NEPA/Planning - Crystal City Streetcar	291,000	-	2	-	291,000	-	291,000	-	98,940	-	98,940
Preliminary Engineering - Crystal City Streetcar	1,540,000	-	2	-	1,540,000	-	1,540,000	-	523,600	-	523,600
Courthouse Metro Station Second Elevator	1,583,000	-	2	-	1,583,000	-	1,583,000	-	538,220	-	538,220
Crystal City Metro Station East Entrance	50,000	-	2	-	50,000	-	50,000	-	17,000	-	17,000
Program Management - Crystal City Streetcar	2,170,000	-	2	-	2,170,000	-	2,170,000	-	737,800	-	737,800
STAR Office Space - Relocation to County Owned Space	132,000	-	2	-	132,000	-	132,000	-	44,880	-	44,880
Program Management - Columbia Pike Streetcar	720,000	-	2	-	720,000	-	720,000	-	244,800	-	244,800
Bus Stop and Shelters Program	622,000	-	2	-	622,000	-	622,000	-	211,480	-	211,480
Purchase Shop Equipment - Safety Maintenance Equipment	228,000	-	3	-	-	228,000	228,000	-	-	38,760	38,760
Total at Cost	19,061,000	(300,000)		-	18,533,000	228,000	18,761,000	-	6,301,220	38,760	6,339,980
CITY OF FALLS CHURCH											
Construct Bus Stop Shelters	705,000	-	2	-	705,000	-	705,000	-	239,700	-	239,700
Total at Cost	705,000	-		-	705,000	-	705,000	-	239,700	-	239,700
GRAND TOTAL											
	79,225,000	(12,900,000)		26,110,000	39,383,000	832,000	66,325,000	17,754,800	13,390,220	141,440	31,286,460

NVTC
APPLICATION FOR OPERATING FORMULA ASSISTANCE
FY 2015

SCHEDULE C

	WMATA					Total
	Alexandria	City of Fairfax	Fairfax County	Arlington County	City of Falls Church	
FY 2015 Application						
FY 2013 Actual Operating Expenses	61,580,097	3,797,109	217,575,790	113,813,264	4,159,070	400,925,330
Additional Expenses for New Start Funding	8,506,460	599,881	30,774,946	17,296,282	498,925	57,676,494
	<u>70,086,557</u>	<u>4,396,990</u>	<u>248,350,736</u>	<u>131,109,546</u>	<u>4,657,995</u>	<u>458,601,824</u>
FY 2015 Draft SYIP Funding						
Traditional Formula	8,627,976	532,012	30,484,504	15,946,356	582,726	56,173,574
Performance Based Formula	4,742,640	292,437	16,756,774	8,765,420	320,314	30,877,585
New Start Formula (Silver Line)	1,261,642	77,795	4,457,655	2,331,787	85,210	8,214,089
	<u>14,632,258</u>	<u>902,244</u>	<u>51,698,933</u>	<u>27,043,563</u>	<u>988,250</u>	<u>95,265,248</u>

NVTC

APPLICATION FOR OPERATING FORMULA ASSISTANCE
FY 2015

SCHEDULE D

	LOCAL SYSTEMS				
	<u>Alexandria</u>	<u>City of Fairfax</u>	<u>Fairfax County</u>	<u>Arlington County</u>	<u>Total</u>
FY 2015 Application					
FY 2013 Actual Operating Expenses	<u>15,043,986</u>	<u>2,830,197</u>	<u>71,766,932</u>	<u>10,752,021</u>	<u>100,393,136</u>
FY 2015 Draft SYIP Funding					
Traditional Formula	2,107,810	424,806	10,055,252	1,563,074	14,150,942
Performance Based Formula	<u>1,181,198</u>	<u>237,889</u>	<u>4,118,521</u>	<u>795,701</u>	<u>6,333,309</u>
	<u>3,289,008</u>	<u>662,695</u>	<u>14,173,773</u>	<u>2,358,775</u>	<u>20,484,251</u>
FY 2014 Application					
FY 2012 Actual Operating Expenses	<u>14,746,156</u>	<u>2,951,921</u>	<u>66,611,080</u>	<u>10,195,023</u>	<u>94,504,180</u>
FY 2014 Approved SYIP Funding					
Traditional Formula	2,464,895	445,680	11,134,381	1,704,150	15,749,106
Performance Based Formula	<u>1,073,177</u>	<u>215,380</u>	<u>4,040,716</u>	<u>689,538</u>	<u>6,018,811</u>
	<u>3,538,072</u>	<u>661,060</u>	<u>15,175,097</u>	<u>2,393,688</u>	<u>21,767,917</u>

**NVTC
VRE
APPLICATION FOR STATE CAPITAL GRANT ASSISTANCE
FOR FY 2015**

SCHEDULE E

	Draft SYIP			TIER	State Funds
	<u>cost</u>	<u>federal</u>	<u>non-fed</u>		
Improvements & Equipment Storage-Ivy City Coach Yard & Crossroads	5,250,000	4,200,000	1,050,000	2	840,000
Construction-Rolling Stock Equipment Maintenance Facility	22,500,000	18,000,000	4,500,000	2	3,600,000
Modifications & Improvements to Alexandria Station Platform	400,000	320,000	80,000	2	64,000
Safety Related Repairs and Improvements-Ivy City Couch Yd & Crossr	946,000	756,800	189,200	2	151,360
Debt Service - 11 Cabcars	1,931,357	1,545,086	386,271	1	309,017
Debt Service - 60 Railcars	4,673,071	3,738,457	934,614	1	747,691
Positive Train Control	2,000,000	1,600,000	400,000	1	320,000
Purchase Expansion Rail Cars (5)	13,125,000	10,500,000	2,625,000	1	2,100,000
Track Lease Payments - Amtrak*	6,000,000	3,000,000	3,000,000	2	2,040,000
Track Lease Payments - CSX*	7,628,250	3,814,125	3,814,125	2	2,593,605
Track Lease Payments - Norfolk Southern*	2,726,200	1,363,100	1,363,100	2	926,908
	<u>67,179,878</u>	<u>48,837,567</u>	<u>18,342,311</u>		<u>13,692,581</u>

*Federal funds includes Flexible STP funding through DRPT for Track Lease Payments at 50% participation, are to be provided through multi-year funding agreements.

The draft SYIP includes Rail Enhancement Funds programed for the Potomac Shores Station Service Expansion. Total cost of this project is estimated at \$30.9M, with state funding programmed at \$15.4M over 5 years. Funding for FY15 is \$63,000.

Near Term Business Outreach Plan



The aim of the outreach effort is to connect existing business organizations and leading businesses (developers and employers) in a network to support investments required to boost connectivity, to build core capacity, and expand regional commuter rail. This effort will complement the research agenda undertaken by NVTC in conjunction with regional research and academic institutions. Targeted outcomes include formation of a business transit network in Northern Virginia, development of six profiles of the benefits of transit investment to specific businesses or sectors in Northern Virginia, and commitments to sponsor or participate in at least one activity related to this effort. This effort will be coordinated with and build on related efforts such as Region Forward.

Targeted Audience

- Chambers of Commerce including Fairfax County, Dulles Regional, Greater Reston, Vienna, Loudoun, Arlington County, and Alexandria
- Dulles Area Transportation Association
- Dulles Rail Corridor Association
- Tysons Partnership
- Transit Oriented Developers
- Business endorsers of WMATA's Momentum (see exhibit #1)

Principal Tasks

Task 1 Complete preparations for executing near term outreach plan. By April 30, 2014 confirm the following:

1. Initial target list
2. Contacts on Commission with business organizations and key business leaders
3. Compile materials
 - ✓ Communications materials (Year in Review, NVTC by Numbers)
 - ✓ Research Agenda
 - ✓ Save the Date for 50th Open House
 - ✓ Preliminary Forum Agenda
 - ✓ One pager on Business Network

Task 2 Individual Meetings with Business leaders and Participation in Existing Business Events. Accelerate outreach through May 2014:

- ✓ Individual meetings with Chambers of Commerce, Dulles Rail groups, and Small Business Partnership
- ✓ Compile a calendar of upcoming events, regular meetings, workshops, conferences, e.g.
 - Dulles Rail Spring Reception
 - Chamber Policy Committee Meetings
 - Committee of 100
 - Small Business Partnership
- ✓ Identify Business Concerns
- ✓ Highlight key funding challenges over the next 18 months
- ✓ Seek commitment to:

- Participate in a profile
- Join Business Transit Network
- Participate/Sponsor
 - Transit Tours
 - Transit Fellows Program
 - Forum on Economic Benefits of Transit

Task 3 Develop 6 Brief Case Studies How Transit Benefits Benefit (from Businesses Perspective (E.g. Access to workforce, TOD, walk in traffic, locational decision, business case))(This may be expanded as part of Forum in November or other follow on activities)

- ✓ Develop Interview Guide & Simple Survey Instrument
- ✓ Identify Exemplars of Profiles and Complete a Template for Profiles
- ✓ Collect Data
- ✓ Complete Profiles

Exhibit #1

Business Endorsers of WMATA's Momentum with Interests in Northern Virginia

- Ballston Improvement District
- Rosslyn Business Improvement District
- Georgetown Business Improvement District
- DC BID Council
- Destination DC
- SmithGroup JJR
- Washington Gas
- Urban Land Institute
- Perkins + Will
- ILF Consulting Engineers
- Akridge
- Transportation Association for Greater Springfield
- Parsons Brinckerhoff
- The JBG Companies
- AAA
- ENSCO, Inc.
- Monday Properties
- Dulles Corridor Rail Association
- The Jelani NetWorks CompanyCH2M Hill
- Zipcar
- Committee for Dulles
- Kimley-Horn and Associates
- HCA Health Systems-Reston/Dominion Hospital & StoneSpring Emergency Center



AGENDA ITEM #5

TO: Chairman Smedberg and NVTC Commissioners

FROM: Kelley Coyner and Jillian Linnell

DATE: April 24, 2014

SUBJECT: Authorization to Award a Contract for New Electronic Payments Program (NEPP) Technical Consulting Support Services

ACTION ITEM: Approve Resolution #2249: Award of Contract for NEPP Technical Consulting Support Services

The Commission is requested to authorize the Executive Director to execute a contract for New Electronic Payments Program (NEPP) Technical Consulting Support Services with Kimley-Horn and Associates, Inc. for an initial five tasks with the option to extend the contract pending available funding. The contract with Kimley-Horn and Associates is being recommended in an amount not to exceed \$200,000 for the initial five tasks of the contract.

In February 2014, a Request for Proposals was issued for Technical Consulting Support Services for WMATA's NEPP Fare Collection Project and one proposal was received by the March 7, 2014 deadline. Based on a review of the written proposal and a subsequent interview, the Evaluation Committee, consisting of representatives from the participating Entities of Arlington County, Fairfax County, Loudoun County, the City of Alexandria, the City of Fairfax, PRTC and VRE, completed a technical evaluation and decided to recommend the selection of Kimley-Horn and Associates. Consistent with NVTC Resolution #2228 approved on November 7, 2013, the Entities agreed to fund the local match of \$100,000 for the FY14 mid-cycle grant awarded to NVTC from DRPT.



Resolution #2249

SUBJECT: Authorize the Award of a Contract for New Electronic Payments Program (NEPP) Technical Consulting Support Services.

WHEREAS: WMATA issued a Notice to Proceed for Accenture to begin work on the conceptual design review of WMATA's New Electronic Payment Program (NEPP) on February 3, 2014.

WHEREAS: In accordance with a Memorandum of Agreement among NVTC and participating transit agencies in the region (MOA), NVTC developed a scope of work for technical consulting support services to assist NVTC and the region's transit providers in the evaluation and implementation of the NEPP;

WHEREAS: As permitted under the cooperative procurement provisions of the Virginia Public Procurement Act, the scope of work was competed among several engineering consultants previously procured by and under contract with the Virginia Department of Rail and Public Transportation (DRPT);

WHEREAS: NVTC was awarded a FY 2014 mid-cycle grant from DRPT in the amount of \$100,000 in state funds, with a local match of \$100,000 to be provided by the region's transit providers participating in the MOA,

WHEREAS: The scope of services for technical consulting support envisions the possibility of additional tasks contingent on additional funding;

WHEREAS: Any additional funding will require a match and therefore will be brought to the Commission for approval subject to agreement by the region's transit providers participating in the MOA; and

WHEREAS: NVTC staff, with the concurrence of the region's transit providers participating in the MOA, is recommending that a contract be awarded to Kimley-Horn and Associates for \$200,000, the negotiated cost for the initial five defined tasks of the technical services scope, with the option for additional tasks subject to the availability of funding, as approved by the Commission.

Res. #2249 cont'd

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission does hereby authorize the award of a contract to Kimley-Horn and Associates Inc. in the amount of \$200,000 for NEPP Technical Consulting Support Services, which contract includes options for follow-on tasks, subject to approval of additional funding therefore by NVTC and the participating local transit providers.

Approved this 1st day of May 2014.

Paul C. Smedberg
Chairman

Jay Fisette
Secretary-Treasurer



AGENDA ITEM #6

MEMORANDUM

TO: Chairman Smedberg and NVTC Commissioners

FROM: Kelley Coyner and Rhonda Gilchrest

DATE: April 24, 2014

SUBJECT: Virginia Railway Express (VRE)

A. VRE CEO Report and Minutes

Mr. Allen will be present to update the Commission on VRE highlights. The VRE CEO April 2014 Report is attached along with the Minutes of the April 19th Meeting of the VRE Operations Board.

B. ACTION ITEM: Resolution #2250: Approve the Fifth Year of the Operations and Maintenance Contract with Keolis Rail Services Virginia

The VRE Operations Board recommends the Commission authorize the VRE Chief Executive Officer to modify the contract with Keolis Rail Services Virginia, LLC for operations and maintenance services by \$20,115,047 for a total contract value not to exceed \$95,596,554 for the fifth year of operations and maintenance through June 30, 2015. The amount requested is within the proposed FY 2015 VRE Operating Budget. The increases are primarily due to service enhancements in the form of adding one Fredericksburg line train and a 0.96 percent CPI increase to fix cost services as required by the contract.

CEO *report*



APRIL 2014

VIRGINIA RAILWAY EXPRESS
A Better Way. A Better Life.





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report

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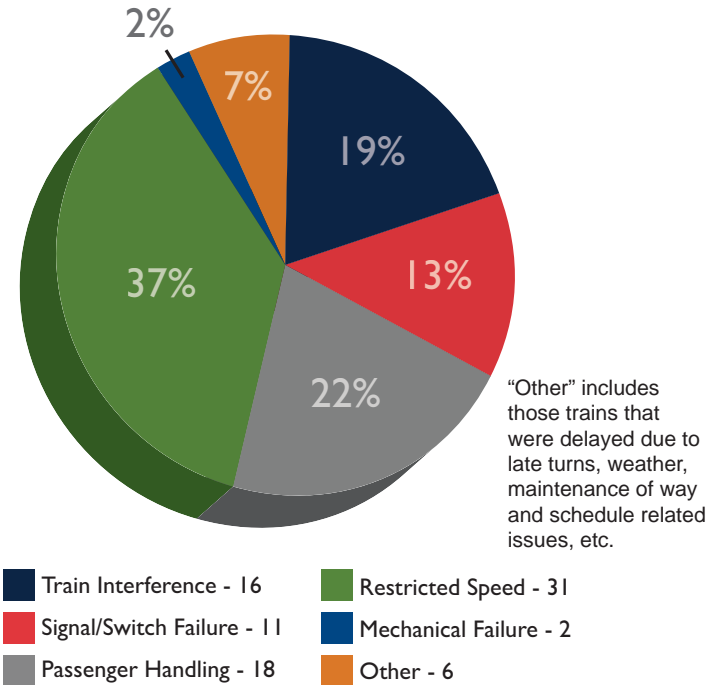
ON TIME PERFORMANCE

On Time Performance (OTP) for the month of March 2014 declined slightly to 93.7% in comparison to February 2014. The Fredericksburg line realized 92.7% OTP while the Manassas line came in at 94.6%. Train delays were caused by inclement weather; equipment problems; temporary speed restrictions; switch problems; passenger handling; and freight traffic.

In March, VRE operated 586 trains with 37 trains experiencing a delay over five minutes. More delays were experienced on the Fredericksburg line (20) as a result of train interference and obstructions.



REASON FOR DELAYS



TRIP DELAYS

SYSTEM-WIDE	JAN.	FEB.	MARCH
Total delays	39	26	37
Average length of delay (mins.)	19	13	18
Number over 30 minutes	6	3	6
Total Days with heat restrictions	0	0	0/20
On-Time Performance	94%	95%	94%
FREDERICKSBURG LINE			
Total delays	15	16	20
Average length of delay (mins.)	11	16	17
Number over 30 minutes	0	3	4
On-Time Performance	95%	93%	93%
MANASSAS LINE			
Total delays	24	10	17
Average length of delay (mins.)	25	9	18
Number over 30 minutes	6	0	2
On-Time Performance	93%	96%	95%

RIDERSHIP UPDATE

Total March 2014 ridership was 366,937, down from 378,274 in March 2013. The number of service days, year over year, remain the same so the monthly year over year ridership has decreased slightly (-3%). There was one "S" schedule day and one snow day where service was cancelled in March 2014. The March 2014 average daily ridership was 19,254, an increase from the average daily ridership of 18,914 achieved in March 2013.

RIDERSHIP MONTH-TO-MONTH COMPARISON

DESCRIPTION	MONTHLY RIDERSHIP
March 2014	366,937
March 2013	378,274
Service Days (Current/Prior)	20/20
Ridership Percent Change	-2.99%



MONTHLY CITATIONS UPDATE

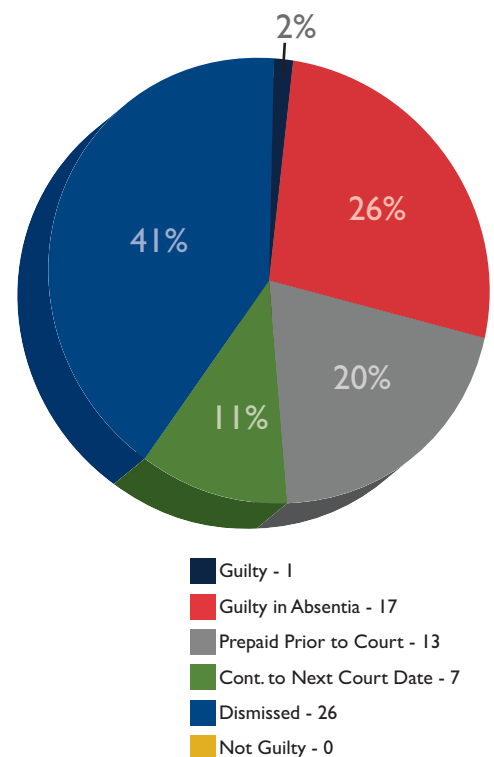
Keolis wrote 117 citations during the month of March, 20 more than in February. VRE waived 35 tickets after riders showed proof of purchase of a monthly ticket. Additionally, another 18 were waived either for insufficient processing time, TVM error, defective ticket, requests of the conductor or other unique circumstances.

Of the remaining 64 citations that went to court, 18 were found guilty, 26 were dismissed, 13 were prepaid and 7 were continued on to a later date. 0 were found to be not guilty.

WAIVED CITATIONS

VRE ACTIONS	OCCURENCES
Waived – Passenger showed proof of a monthly ticket	35
Waived – One Time Courtesy	2
Waived – Per the request of the conductor	8
Waived – TVM Error	1
Waived – Defective Ticket	1
Waived – Per Ops Manager	0
Waived – Unique Circumstances	3
Waived – Insufficient Processing Time	3
Waived – Insufficient Information	0
TOTAL WAIVED CITATIONS	53

FARE EVASION COURT ACTIONS



RIDERSHIP CHART

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										
2										
3										
4	3,157	3,321	6,478	88%	3,439	3,200	6,639	100%	13,117	93%
5	4,426	4,899	9,324	100%	5,493	5,312	10,805	100%	20,130	100%
6	4,591	4,776	9,367	94%	5,360	5,623	10,983	93%	20,350	93%
7	4,200	3,937	8,138	100%	4,389	4,587	8,976	86%	17,114	93%
8										
9										
10	4,492	4,472	8,964	94%	5,231	4,986	10,217	93%	19,181	93%
11	4,747	4,771	9,518	100%	5,534	5,357	10,891	86%	20,410	93%
12	4,491	4,580	9,071	100%	5,293	5,289	10,581	93%	19,653	97%
13	4,646	4,425	9,070	94%	5,218	5,186	10,403	100%	19,474	97%
14	3,972	3,895	7,867	100%	4,432	4,417	8,849	100%	16,716	100%
15										
16										
17*	248	275	523	100%	323	270	593	100%	1,115	100%
18	4,669	4,916	9,585	81%	5,513	5,550	11,064	86%	20,649	83%
19	4,936	4,764	9,700	100%	5,382	5,162	10,544	100%	20,244	100%
20	4,339	4,783	9,122	100%	5,466	5,194	10,660	100%	19,782	100%
21	3,551	3,827	7,378	100%	4,348	4,197	8,545	100%	15,923	100%
22										
23										
24	4,265	4,394	8,659	63%	5,259	5,137	10,396	57%	19,055	60%
25	4,446	4,723	9,168	88%	5,386	5,373	10,759	79%	19,927	83%
26	4,626	4,590	9,216	100%	4,732	5,519	10,251	100%	19,467	100%
27	4,627	4,797	9,424	100%	5,276	5,078	10,354	100%	19,778	100%
28	3,798	4,207	8,005	100%	4,342	4,396	8,738	100%	16,743	100%
29										
30										
31	4,294	4,629	8,923	94%	5,140	5,134	10,274	86%	19,197	90%
	82,522	84,979	167,501	95%	95,555	94,966	190,521	93%	358,022	94%

Amtrak Trains:	732
Adjusted total:	167,710

Amtrak Trains:	8,183
Adjusted total:	198,112

Amtrak Total:	8,915
Adjusted Total:	365,822

Total Service Days:	20	Full Service Days:	19
Manassas Daily Avg. Trips:	8,412	Adjusted Avg.:	8,827
Fred'burg Daily Avg. Trips:	9,935	Adjusted Avg.:	10,427
Total Avg. Daily Trips:	18,347	Adjusted Avg.:	19,254

Total Trips This Month:	366,937
Total Trips FY-2014:	3,310,785
Total Prior Years:	62,422,463
Grand Total:	65,733,248

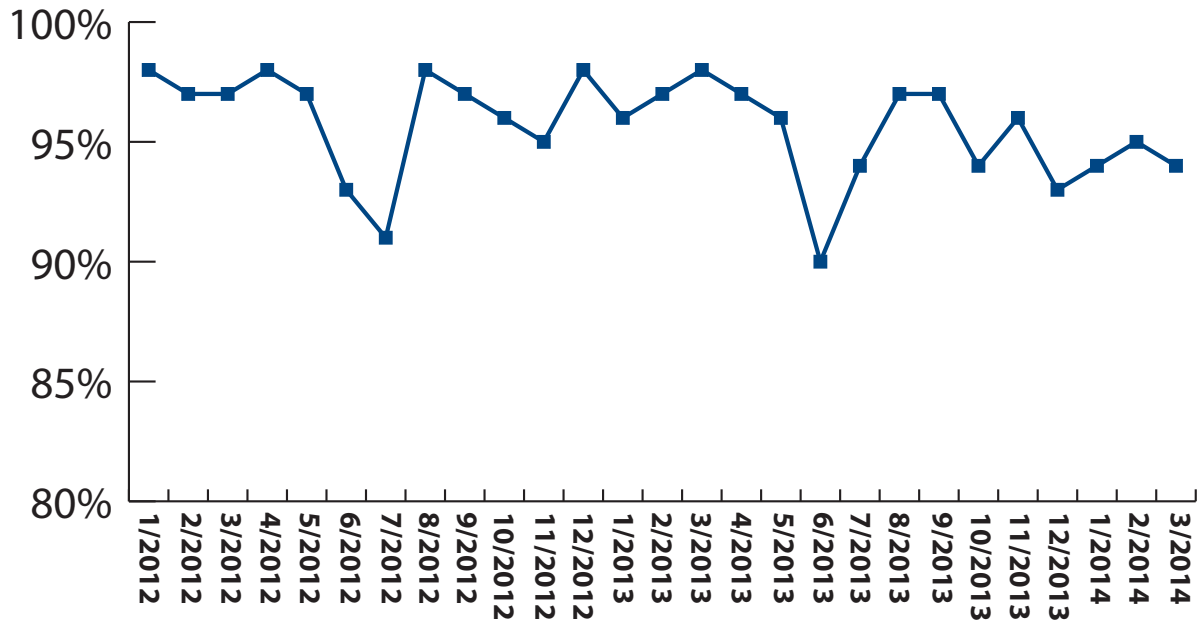
Total Number of Service Days to Date:	187
Average Daily Riders to Date:	17,705

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



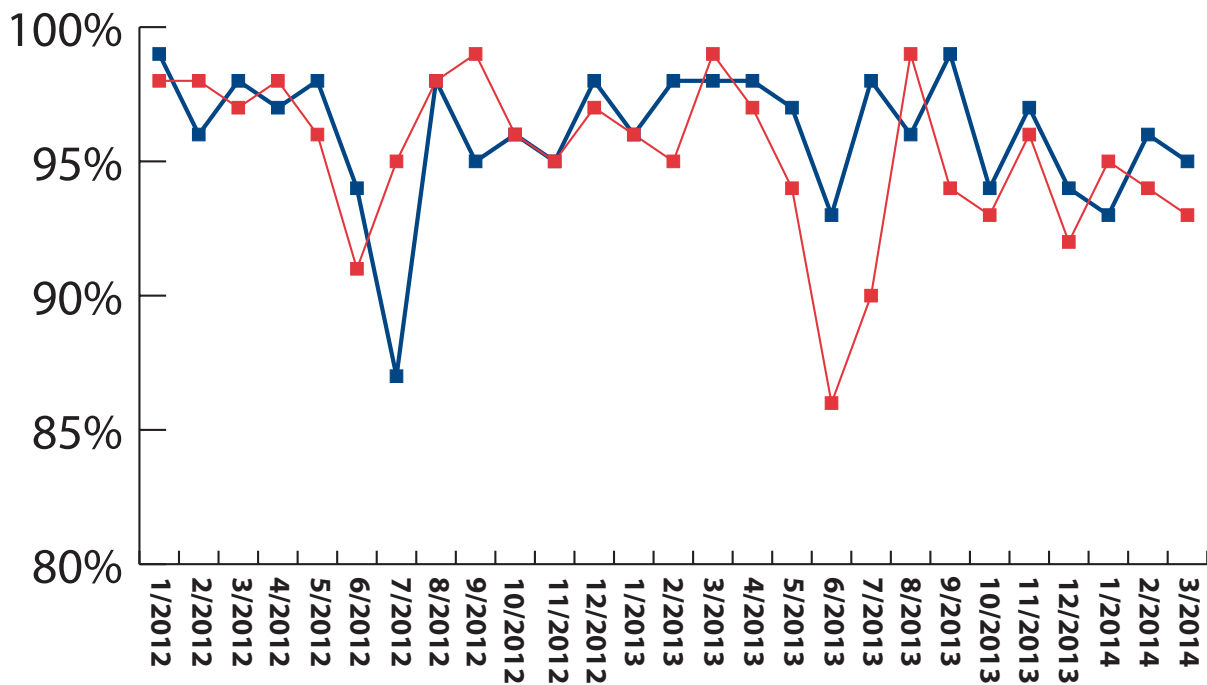
ON TIME PERFORMANCE

SYSTEM PERFORMANCE

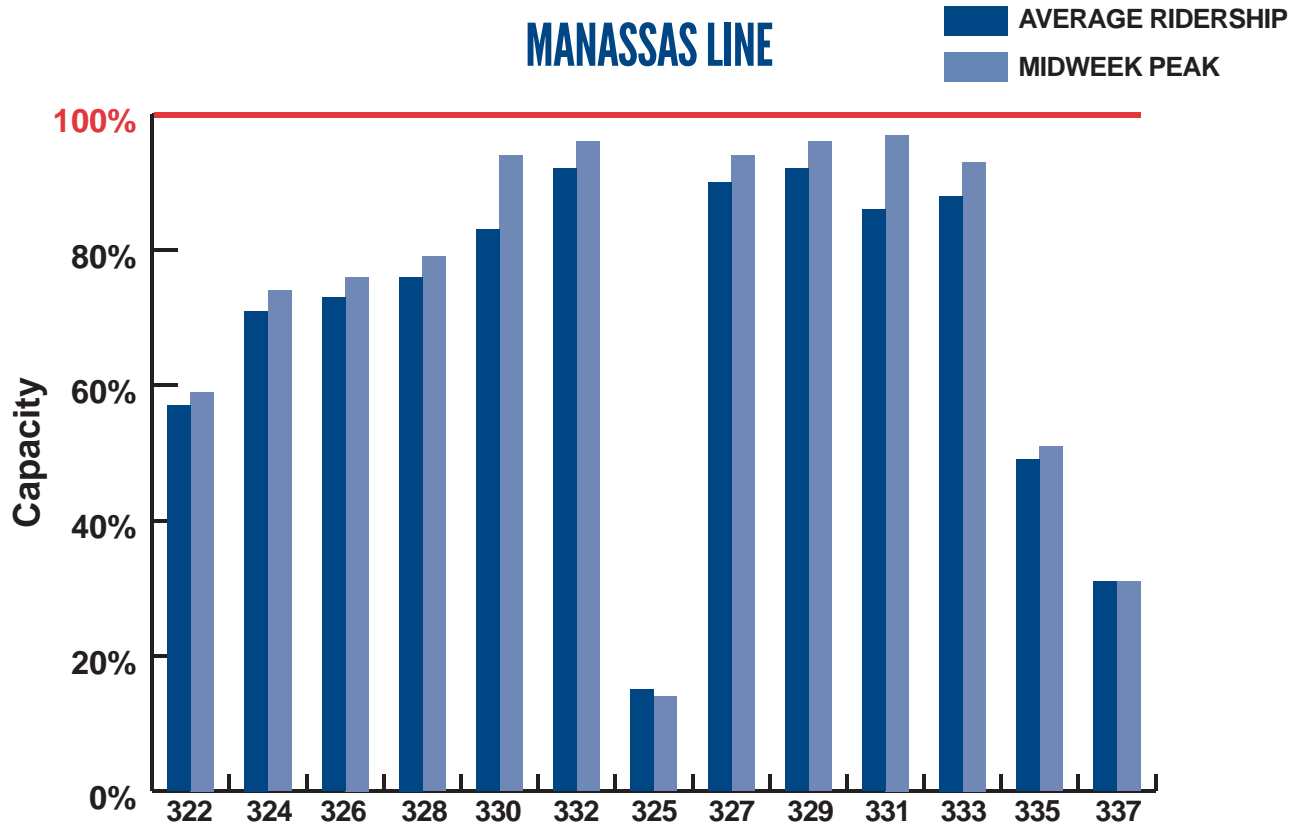
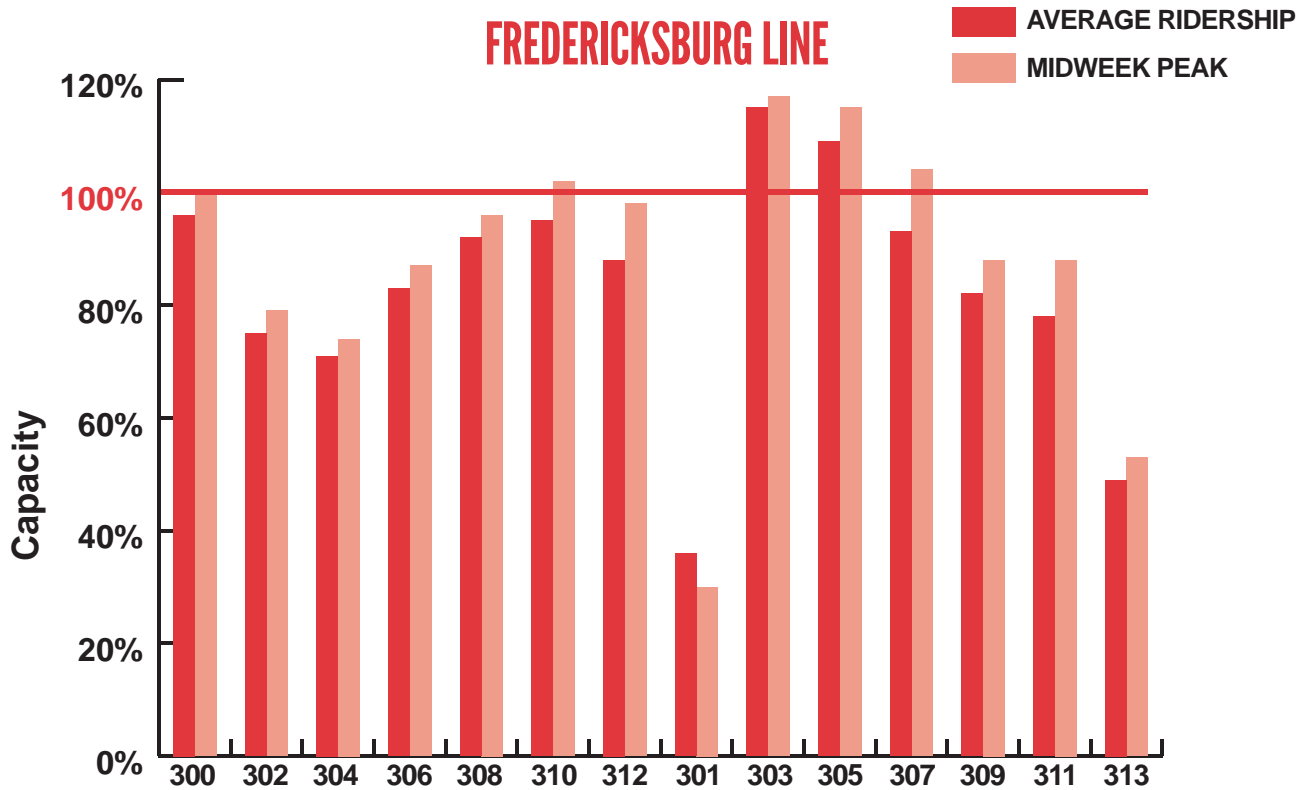


PERFORMANCE BY LINE

FREDERICKSBURG LINE
MANASSAS LINE

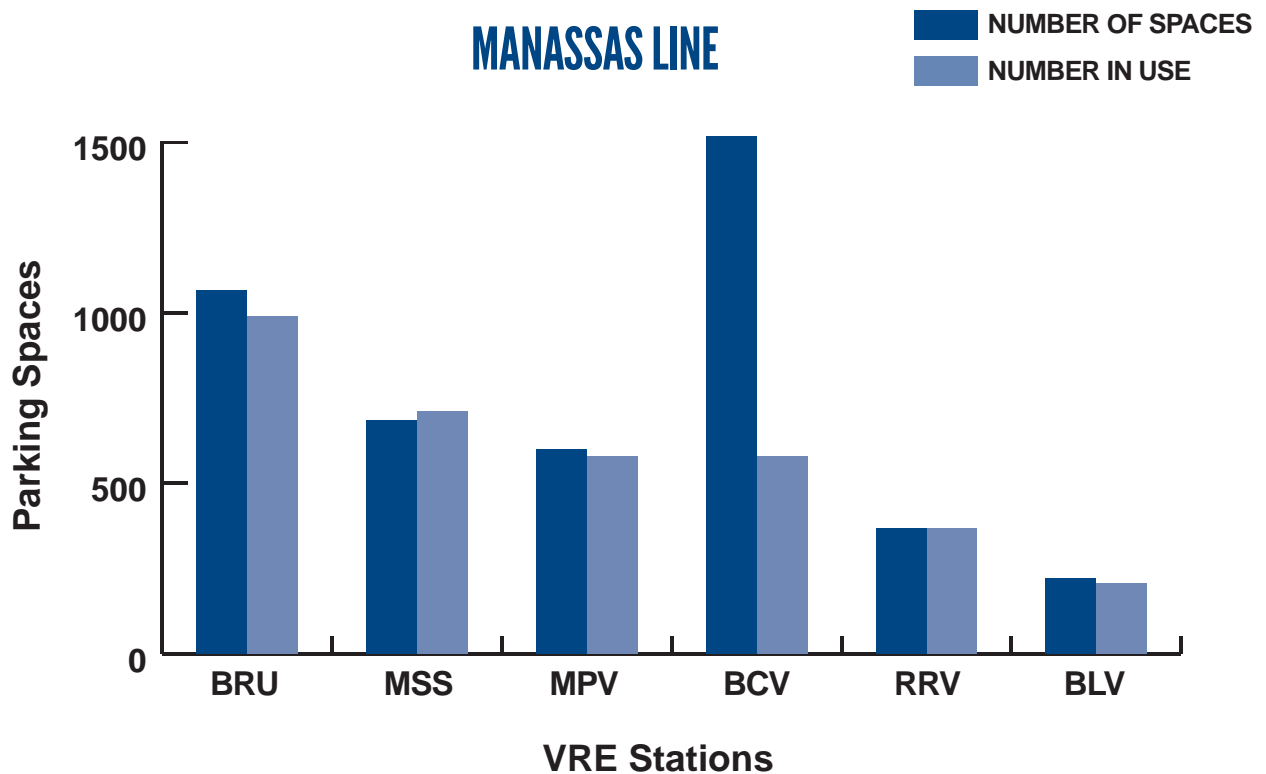
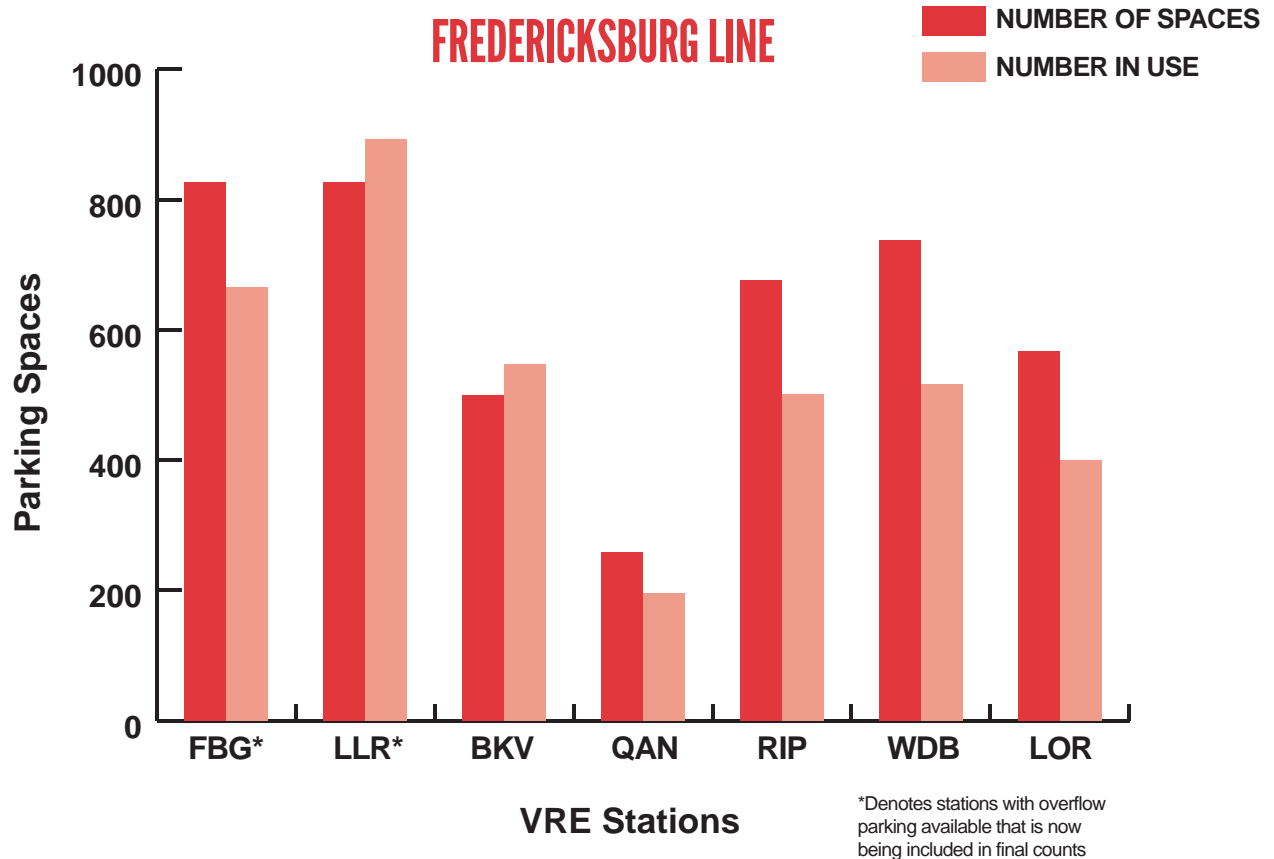


TRAIN UTILIZATION

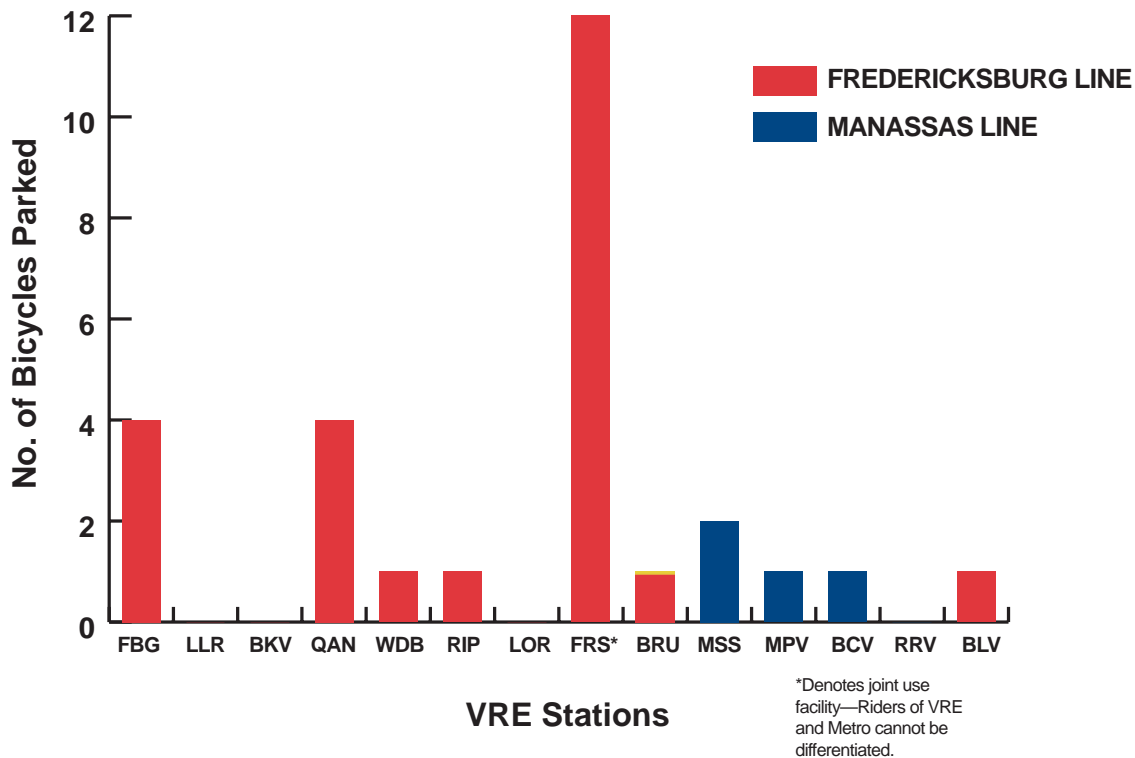




PARKING UTILIZATION



BICYCLE COUNTS



FINANCIAL REPORT

SUMMARY OF FINANCIAL RESULTS

MEASURES	DOLLARS	GOAL	ACTUAL
Operating Ratio		55%	59%
BUDGETED REVENUE	86,783,248		
Budgeted Revenue YTD	62,422,965		
Actual Revenue YTD	63,275,226		
Cumulative Variance	852,261		852,261
Percent Collected YTD		71.93%	72.91%
BUDGETED EXPENSES	86,783,248		
Budgeted Expenses YTD	60,722,652		
Operating Expenses YTD	58,113,193		
Cumulative Variance	2,609,459		2,609,459
Percent Expended YTD		69.97%	66.96%
NET INCOME (LOSS) FROM OPERATIONS			3,461,720

Fare income for the month was \$131,286 below the budget – an unfavorable variance of 4.29%. The cumulative variance for the year is 2.93% or \$797,656 above the adopted budget. Revenue in FY 2014 is up 9.9% compared to FY 2013. The government shutdown in October did not have a material effect on fare revenue. The transit subsidy decreased effective January 1, 2014 and therefore fare revenue is being closely monitored for possible impact.

A summary of the financial results (unaudited) follows. Detail on the major revenue and expense categories is provided in the attached Operating Budget Report. Amounts shown reflect the amended FY14 budget.

Included is the annual investment report dated January 31, 2014.

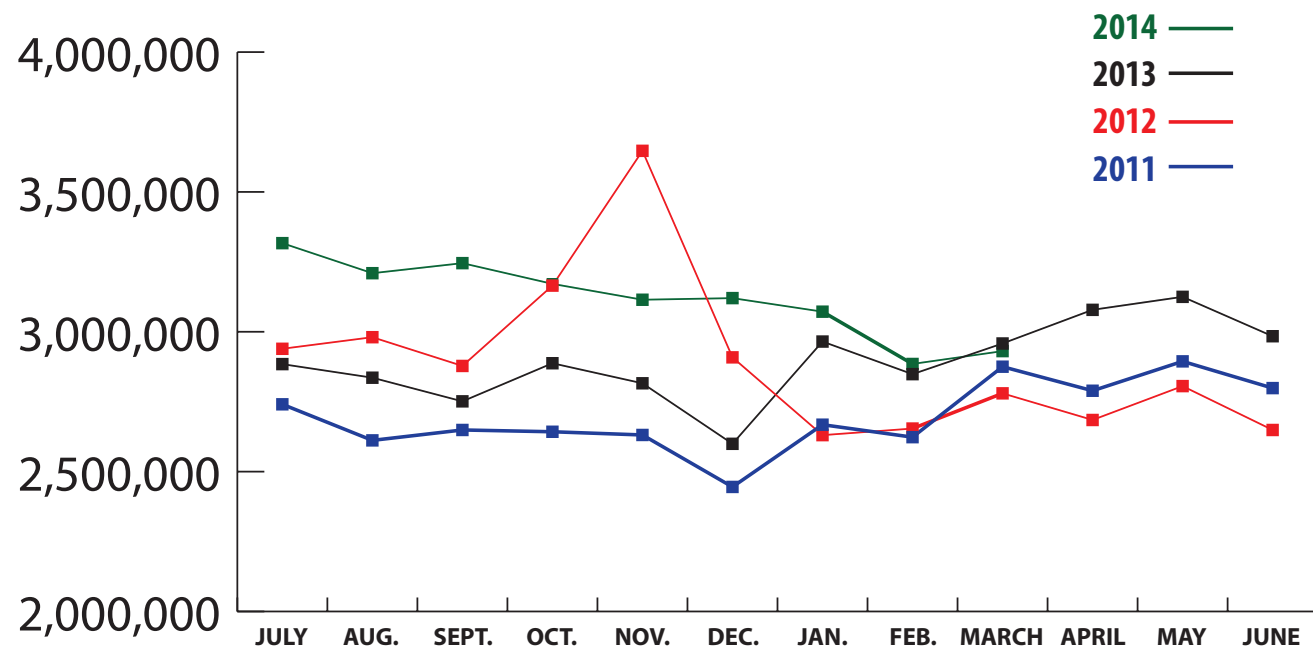
These figures are preliminary and unaudited.

FINANCIAL REPORT, *CONT.*

FY 2014 OPERATING BUDGET REPORT, MARCH 31, 2014

	CURR. MO. ACTUAL	CURR. MO. BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE		TOTAL FY14 BUDGET
					\$	%	
OPERATING REVENUE							
Passenger Ticket Revenue	2,930,865	3,062,151	28,065,385	27,267,729	797,656	2.9%	36,600,000
Other Operating Revenue	4,540	13,888	161,416	123,673	37,743	30.5%	166,000
Subtotal Operating Revenue	2,935,405	3,076,040	28,226,801	27,391,402	835,399	3.0%	36,766,000
Jurisdictional Subsidy (1)	—	—	11,761,497	11,761,497	—	0.0%	11,761,497
Federal/State/Other Jurisdictional Subsidy	3,676,188	3,786,840	23,267,062	23,258,666	8,396	0.0%	32,654,748
Appropriation from Reserve	—	—	—	-	—	0.0%	5,585,703
Interest Income	3,229	1,280	19,866	11,399	8,467	74.3%	15,300
Total Operating Revenue	6,614,822	6,864,160	63,275,226	62,422,964	852,261	1.4%	86,783,248
OPERATING EXPENSES							
Departmental Operating Expenses	5,221,350	5,195,624	48,056,679	50,666,138	2,609,459	5.2%	68,345,145
Debt Service	2,254,329	2,254,329	10,056,514	10,056,514	—	0.0%	13,594,559
Other Non-Departmental Expenses	—	—	—	—	—	—	4,843,544
Total Operating Expenses	7,475,679	7,449,953	58,113,193	60,722,652	2,609,459	4.3%	86,783,248
NET INCOME (LOSS) FROM OPERATIONS	(860,857)	(585,793)	5,162,033	1,700,313	3,461,720	—	—
CALCULATED OPERATING RATIO			59%				
(1) Total jurisdictional subsidy is \$16,428,800. Portion shown is attributed to Operating Fund only.							

FISCAL YEAR REVENUE PER MONTH



FINANCIAL REPORT, *CONT.*

VRE INVESTMENT PORTFOLIO, AS OF JANUARY 31, 2014

Investment Type	Institution	Amount	Comments	Rate
Checking Account	SunTrust	9,090,872	Checking account	0%
LGIP (Local Government Investment Pool)	LGIP	24,039,081	Operating and reserve funds	0.100% (1)
<i>Project Funds</i>				
LGIP (Local Government Investment Pool)	LGIP	140,356	Proceeds from sale of rolling stock	0.100% (2)
LGIP (Local Government Investment Pool)	LGIP	52,956	Revolving account for small liability claims	0.100% (2)
Money market fund	U.S. Bank	3,853,111	Held by bond trustee until next payment date	0.00%
Insurance trust fund	DRM	10,405,636	Amount as of 12/31/2013	N/A (3)
Total portfolio		47,582,011		

Percentage of portfolio:

Checking-SunTrust

19%

LGIP

51%

Money market fund-US Bank

8%

Insurance trust fund

22%

Total Percentage of Portfolio:

100%

<i>Earnings Credit - Checking Account</i>	<i>Current Month</i>	<i>Year to Date</i>
Current year earnings credit amount	1,670.46	7,496.68
Average monthly balance	9,834,131.39	6,352,803.11
Earnings credit rate	0.20%	0.20%

(1) Contract allows for earnings credit of .20% on average monthly balance as an offset to banking services costs.

(2) Earnings calculated based on monthly average.

(3) Earnings retained by Commonwealth.



PLANNING

SYSTEM PLAN 2040 ALIGNS VRE WITH REGIONAL TRANSPORTATION PRIORITIES

The recently adopted System Plan 2040 aligns the Virginia Railway Express with two key elements of the Regional Transportation Priorities Plan approved by the National Capital Region Transportation Planning Board (TPB) in January 2014. An overarching purpose of the Priorities Plan is to support efforts to incorporate projects and programs that support regional priorities into future updates of the region's Constrained Long-Range Transportation Plan (or CLRP). The Priorities Plan serves as a policy guide to assist local, state, and regional leaders in “thinking regionally and acting locally”—that is, in considering regional needs when identifying transportation improvements to advance to implementation.

The Priorities Plan identifies the proper maintenance of the region's existing transportation system as its top priority, of which commuter rail is an important part. The plan says that keeping existing transit, roads, and bridges safe and in good working order is essential before the region can move on to other improvements. The Priorities Plan also calls for expanding capacity on the existing transit system, including capacity on the region's railroads, as a way to take greater advantage of infrastructure that's already in place.

System Plan 2040 continues VRE's ongoing focus on maintaining equipment and facilities in a state of good repair and recommends capital investments and service improvements to expand VRE capacity and advance VRE's role as part of the multimodal regional mobility network.

The System Plan has been submitted to the TPB for inclusion in the 2014 update to the CLRP. The CLRP identifies all the regionally significant road, bridge, transit, high-occupancy vehicle (HOV), bicycle and pedestrian projects that the region's transportation agencies expect to be able to afford to build or implement by 2040. System Plan 2040 and the complementary MARC Growth and Investment Plan Update join nine other major projects within the National Capital Region proposed for inclusion in the 2014 CLRP update. The projects are due to be approved by the TPB at its meeting on April 16th for inclusion in the federally required air quality conformity assessment, which is required before the TPB considers the entire CLRP, including the new projects, for final approval in October 2014.

The TPB is the federally designated Metropolitan Planning Organization (MPO) for the Washington, DC region, and plays an important role as the regional forum for transportation planning. The TPB prepares plans and programs that the federal government must approve in order for federal-aid transportation funds to flow to the Washington region.

Members of the TPB include representatives of local governments; state transportation agencies; the Maryland and Virginia General Assemblies; the Washington Metropolitan Area Transit Authority; and non-voting members from the Metropolitan Washington Airports Authority and federal agencies.

The TPB's planning area covers the District of Columbia and surrounding jurisdictions. In Maryland these jurisdictions include Charles, Frederick, Montgomery, and Prince George's Counties, plus the Cities of Bowie, College Park, Frederick, Gaithersburg, Greenbelt, Rockville, and Takoma Park. In Virginia, the planning area includes Arlington, Fairfax, Loudoun and Prince William Counties plus the Cities of Alexandria, Fairfax, Falls Church, Manassas, Manassas Park, and Vienna.



RAIL OPERATIONS

SAFETY UPDATE

The Transportation Security Administration recently completed their BASE (Baseline Assessment for Security Enhancement) audit of our security programs.

The BASE program is designed to establish a security standard for individual system security programs and assess progress. This voluntary comprehensive review of transit agency security programs focuses on multiple categories identified by the transit community as fundamentals for a sound transit security program. They include a review of topics such as an agency's security plans, security training, drills/exercise programs, public outreach efforts and background check programs. The BASE assessment analyzes the security program for each transit system and identifies vulnerabilities that are addressed.

Additionally, VRE's Safety and Security Executive Staff Committee convened to review and discuss the FRA's recently released report on the analysis of the string of Metro-North Railroad incidents. The report discusses very important and significant elements vital to the safety of all commuter rail operations.



IT UPDATE

COMPLETED PROJECTS IN MARCH:

- Communication cabinet upgrade at Broad Run yard crew building and S and I building, and Crossroads yard crew building. This upgrade provided a thermostat controlled environment for all network devices present at both yards. This was completed by SFM Services LLC of Locust Grove, VA.
- Telephone closet organization and cleanup at Broad Run yard and Crossroads yard. This allowed VRE to organize all communication wiring and power cables to better comply with FTA guidelines. Work was completed by SFM Services LLC of Locust Grove, VA.

AWARDED PROJECTS TO BE COMPLETED IN APRIL:

- Microsoft Exchange (email) server upgrade from version 2003 to 2013. This had been awarded to Dataprise Inc of Rockville, MD
- Wireless access points installation at HQ to provide VRE staff wireless access to VRE's corporate network and to provide wireless Internet to VRE guests. This had been awarded to Dataprise Inc. of Rockville, MD
- Fare Collection disaster recovery server tests. Completion of the test phase will allow VRE to enable real-time redundant fare collection servers for uninterrupted fare collection ticket sales and validation services. This is being completed by Scheidt & Bachmann of Burlington, MA.

CAPITAL PROJECTS

ALEXANDRIA KING STREET PEDESTRIAN TUNNEL PROJECT

VRE Operations Board approved the issuance of a task order contract to Gannett Fleming for the design & construction management work at their December 20, 2013, meeting. The project team is moving forward to accomplish the following milestones:

- NEPA Documentation – December 2012 - Complete
- Public Information Meeting – Spring 2013 – Complete
- Geotechnical investigation and utility locating – April 2014
- Design – Completion by early 2015
- Construction Advertisement – To be determined
- Construction – To be determined

L'ENFANT STORAGE TRACK

VRE will meet with CSX soon to review the final design and approve the scope of work. HDR has completed the final wayside power design which is under VRE review. Once approved, the wayside power design will be forwarded to PEPCO for electric service design and to CSX review and approval.

LORTON PLATFORM EXTENSION

VRE accepted construction bids in early March and received Board approval last month to award a contract to Hammerhead Construction of Dulles, Virginia. Construction is expected to commence during the spring of 2014. This project will extend the existing platform at the VRE Lorton Station by approximately 256 feet to accommodate longer VRE trains. VRE also received Board approval last month to execute an agreement with CenturyLink to relocate a communication line in the project area.



BROAD RUN TRAIN WASH

VRE has reviewed the 90% design plans. Plan submission to Prince William County and the City of Manassas is on hold while VRE seeks additional funding sources for construction.

BROAD RUN PARKING EXPANSION

VRE is currently reviewing 30% design documents. Once the FTA approves the Categorical Exclusion (CE) application, design work will resume with the next milestone review at the 60% level.

CAPITAL PROJECTS, *CONT.*

FACILITIES UPDATE

VRE facilities team has multiple projects underway. Projects scheduled to be completed within the 2nd Quarter of calendar year 2014.

1. Elevator cab and hoist-way rehabilitation at Rippon and Franconia Springfield stations.
2. Roof repairs at Rippon Station.
3. Roof repairs at VRE Fredericksburg Office.
4. Remove discarded ties and asphalt from the right of ways at various locations within the service area.
5. Install portable generator connections at all stations with elevators; long term all stations will be equipped for portable generator operations.
6. Correct drainage pipe slope at Crossroads maintenance and storage facility.

In addition to the above projects, the facilities team has been working in conjunction with the local jurisdictions to ensure our station platforms, walkways and parking lots are safe for our passengers during the periods of inclement weather.

NEW PASSENGER CARS

BASE ORDER (8) GALLERY IV CARS

Production continues in earnest and VRE anticipates the first four (4) new passenger cars to be ready for shipment from Rochelle, IL on or about April 14, 2014, with delivery to VRE taking place in early May.

OPTION ORDER (7) GALLERY IV CARS

VRE modified the existing Contract with Sumitomo Corporation of America (SCOA) to add seven (7) options cars to the existing order. The Contract Amendment was finalized by the end of December 2013. The project kick off meeting was held on March 17th.



PROCUREMENT

PROCUREMENT IN PROCESS AND POSTED ON WEBSITE:

- Delivery of Diesel Fuel for VRE Locomotives
- Electronic Fuel Injector Assemblies
- Installation of Security Cameras at the VRE Broad Run Station



[illegible]

COMMUTER STATIONS & PARKING PROJECTS

Project & Code	Description	Task	Task Description	Project Manager	Board Item Number	% of Total Task Completion	Calendar Completion Date (Est.)
Alexandria - King St Pedestrian Tunnel	Design and installation of a new pedestrian tunnel between the VRE/Amtrak and METRO stations and modifications to eastern platform to allow service from Track #1.	Feasibility Study	Prepare a feasibility study with limited survey to investigate challenges associated with designing, permitting and constructing a tunnel under a live CSX track.	Rich Dalton	8C-05-2012	95%	2nd Quarter 2013
		Site Investigation	Compile soils data and perform in-situ testing to prepare for final design phase and provide VDOT with environmental information.	Eric Johnson	8H-10-2013	15%	2nd Quarter 2014
		Design & Construction Administration	Design & construction administration for pedestrian tunnel and modifications to east platform.	Rich Dalton	8F-12-2013	5%	1st Quarter 2015
Amtrak Joint Recapitalization Project	Amtrak and VRE joint benefit recapitalization projects	Washington Union Terminal Rail Service Improvement Plan	Joint study with Amtrak and MARC re: meeting current and forecasted growth for target years 2017 and 2030.	Christine Hoeffner		100%	Completed
		Coach Yard Wayside Power Upgrade	Upgrade and replace wayside power station for VRE storage tracks at the Coach yard	Rich Dalton		100%	Completed
		WUT Canopy Roof Repairs	Repairs of canopy roof at WUT lower level platforms	Rich Dalton		70%	4th Quarter 2014
		Alexandria - King St Station Platform Elevation	Raise west platform elevation	Rich Dalton		0%	TBD
		90%1st Quarter 2014					
Broad Run Parking Expansion	Environmental Analysis and Engineering to expand parking by 700 spaces	EA & PE	Perform environmental analysis and engineering and provide construction administration to expand parking by 700 spaces	Eric Johnson	11D-04-2011	30%	3rd Quarter 2014
Franconia-Springfield Station Rehabilitation	To make repairs & improvements to the Franconia Springfield Station Eastern Platform & Passenger Walkway	Repairs & Improvements	Infrastructure repairs and improvements to eastern platform and passenger walkway at VRE Franconia-Springfield Station.	Kip Foster	9F-06-2011	100%	Completed 3rd Quarter 2013
		Flagging Services & Protection	Provide flagging services during platform level repairs and overhead pedestrian bridge work.	Kip Foster	9G-06-2011	100%	Completed 2012
Lorton Station Expansion	Expansion of station by extending eastern platform and adding a second platform	PE and Environmental	EA and PE to extend the exiting platform and construct a second platform.	Eric Johnson	10A-10-2010	100%	Completed 4th Quarter 2012
		Station Expansion Design	Prepare construction documents and provide construction administration for 250' platform expansion with upgraded LED lighting	Eric Johnson	8B-05-2012	90%	4th Quarter 2014
		Platform Extension Construction	Construction of 250' platform extension with upgraded LED lighting	Eric Johnson	N/A	0%	4th Quarter 2014
Rolling Road Platform Extension				Kip Foster			
Spotsylvania Station (New Station)	Development of a new VRE station in Spotsylvania County (Station Only, NO Parking) near the Crossroads Yard	Station Design	Design of the new platform and head house.	Kip Foster	9F-06-2012 & 9G-06-2012	100%	Completed 2nd Quarter 2013
		Station Construction	Construction of the new platform and head house.	Kip Foster	9F-05-2013	0%	TBD

Status	Change Order, Budget & Schedule Change Notes & Updates	Vendor	Total Adopted CIP Budget Thru FY14 (\$)	Total Board Approved Funds (\$)	Contractual Commitments To-Date (\$)	Total Expenditures To-Date (\$)
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.		AECOM	\$ 10,226,000	\$ 162,711	\$ 147,919	\$ 140,487
Received Board approval in March to execute CSX force account agreement, including design review, flagging for field work and right-of-entry. Will seek Board approval in April to execute AECOM task order supplement to include additional soil borings. Field work to be scheduled following coordination with CSX, City of Alexandria and Amtrak	Supplement No. 1, October 2013, \$26,709	AECOM		\$ 79,321	\$ 76,650	\$ 26,594
Design kickoff meeting held in early February. Currently arranging stakeholders meeting and design criteria meetings. Design will proceed once field work completed.		Gannett Fleming	\$ -	\$ 1,814,559	\$ 1,728,151	\$ 10,156
		TOTALS	\$ 10,226,000	\$ 2,056,591	\$ 1,952,720	\$ 177,237
Project completed.	Final invoice received 2/28/14; payment authorized 3/20/14.	Amtrak	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 987,625
Project completed.	Last invoice received 4/12/2013	Amtrak	\$ 750,000	\$ 750,000	\$ 750,000	\$ 515,968
Amtrak has spent all allocated budget, but performed only 70% of the work. Amtrak requesting additional \$300k to complete the project.	Project has been stopped; VRE and Amtrak reconciled work performed and payment up to the initial \$600K project budget; Amtrak to submit revised agreement and estimate to complete the project.	Amtrak	\$ 600,000	\$ 600,000	\$ 600,000	\$ 573,953
Project scoping underway. Amtrak is in the process of writing an agreement to be submitted to VRE for review.		Amtrak	\$ 278,867	\$ 278,867	\$ -	\$ -
		TOTALS	\$ 2,628,867	\$ 2,628,867	\$ 2,350,000	\$ 2,077,547
30% design submitted. Awaiting FTA approval of CE application submitted in August. 60% design effort will begin after CE approval is obtained.		Dewberry	\$ 3,420,000	\$ 2,031,263	\$ 1,846,603	\$ 384,272
		TOTALS	\$ 3,420,000	\$ 2,031,263	\$ 1,846,603	\$ 384,272
Substantial Completion and owner occupancy in June. Punchlist complete. Fairfax County Permit closed out. Contract closeout pending contractor response to closeout notification.	Change Order # 1, Canopy Roof/Gutters/Downspouts, \$39,230 --- Change Order # 2, Stringer Repair/Replacement, \$47,440 --- Change Order # 3, Structural Steel Repairs/Rehab, \$45,662 --- Change Order # 4 - \$4,928 - Window Jamb Rehab and Replacement --- Change Order # 5 - \$222 - Gutter Repair	Vista Contracting, Inc.	\$ 522,000	\$ 455,950	\$ 449,002	\$ 448,779
No additional flagging expected.	Force account estimate for flagging in the amount of \$124,765.	CSX Trans.		\$ 132,000	\$ 124,765	\$ 27,842
		TOTALS	\$ 522,000	\$ 587,950	\$ 573,767	\$ 476,621
Completed		HDR	\$ 2,820,000	\$ 306,350	\$ 278,500	\$ 271,476
HDR providing procurement assistance.		HDR		\$ 103,400	\$ 94,000	\$ 83,356
Accepted bids on March 7. Received Board approval in March to award construction contract to Hammerhead Construction and to execute communications line relocation agreement with CenturyLink. Will seek Board approval in April to execute CSX force account agreement for design review and flagging during construction, once estimate received from CSX		TBD		\$ 991,980		
		TOTALS	\$ 2,820,000	\$ 1,401,730	\$ 372,500	\$ 354,832
		TOTALS	\$ -	\$ -	\$ -	\$ -
Permitting complete with Spotsylvania County.		STV	\$ 3,422,500	\$ 405,912	\$ 369,011	\$ 205,332
Contract executed and CE issued by FHWA. NTP to be issued once County acquires land.		Hammerhead Construction		\$ 2,583,900	\$ 2,349,000	\$ 51,638
		TOTALS	\$ 3,422,500	\$ 2,989,812	\$ 2,718,011	\$ 256,970

TRACK & INFRASTRUCTURE PROJECTS

Project & Code	Description	Task	Task Description	Project Manager	Board Item Number	% of Total Task Completion	Calendar Completion Date (Est.)
L'Enfant Storage Track	Construct ~1,400 feet of Storage Track North of the L'Enfant Station Platform, including Wayside Power (Capacity of 2 Trainsets)	Storage Track Construction	Construct ~1,400 of track north of L'Enfant Station	Eric Johnson	8B-10-2006	100%	Completed 4th Quarter 2010
		Wayside Power Design	Design wayside power for stored train sets	Eric Johnson		90%	1st Quarter 2014
		Wayside Power Construction	Construction of wayside power for stored train sets	Eric Johnson	N/A	30%	2nd Quarter 2014
		Air Compressor Procurement	Procurement and installation of air compressor equipment for new storage track air system (eVA).	Eric Johnson	N/A	100%	Completed 3rd Quarter 2008
		Switch & Signalization Design	Design of storage track switches and signals	Eric Johnson	9B-06-2011	90%	2nd Quarter 2014
Spotsylvania Third Track Expansion (Crossroads to Hamilton - Fredericksburg)	Construct approximately 2.5 miles of third track leading to the new Spotsylvania Station	Third Track Civil Design	Environmental Analysis and Final Design	Kip Foster		100%	Completed 2nd Quarter 2013
		Third Track Signal Design	Signal design and engineering support	Kip Foster	9E-06-2012	100%	1st Quarter 2014
		Track & Signal Construction	Construction of Signals	Kip Foster	9H-09-2013	20%	n/a
		Track Work & Structures	Construction of Track & Structures	Kip Foster	9C-06-2013	15%	Phase 1 4th Quarter 2014 Phase 2 2nd Quarter 2015



Status	Change Order, Budget & Schedule Change Notes & Updates	Vendor	Total Adopted CIP Budget Thru FY14 (\$)	Total Board Approved Funds (\$)	Contractual Commitments To-Date (\$)	Total Expenditures To-Date (\$)
Track Complete	n/a	CSX Trans.	\$ 3,219,000	\$ 830,000	\$ 706,000	\$ 442,794
HDR submitted final wayside power design in early April. After VRE review, design will be submitted to PEPCO to initiate design of electric service on Virginia Avenue and to CSX for review.	Supplement to GEC V Task Order 7 in the amount of \$8,600 executed in late December 2012.	HDR		\$ -	\$ 50,925	\$ 50,884
Wayside power construction to follow PEPCO's design and construction of electric service.		NVE		\$ -	\$ 688,480	\$ 208,390
Air compressor system delivered and stored at Crossroads Yard. Installation no longer included in scope of work. Investigating alternate uses for equipment.		Kaeser Compressors, Inc.		\$ -	\$ 37,531	\$ 37,531
CSX previously anticipated completion of track and signal modification design in May 2013. Design work continues as of early April 2014. CSX expects to complete design and provide estimate in approximately one month. Will seek Board approval for CSX construction force account agreement once estimate received from CSX.		CSX Trans.		\$ 250,000	\$ 225,000	\$ 126,821
		TOTALS	\$ 3,219,000	\$ 1,080,000	\$ 1,707,936	\$ 866,420
Permitting complete, agency construction notifications issued. Design plans circulated for signature. Final Revision completed. Construction Plans circulated to contractors and other stakeholders. Pre-Construction Conference held December 19, 2014.		STV	\$ 32,500,000	\$ 817,703	\$ 743,366	\$ 396,034
Signal Design for Phase 1 and Phase 2 complete. Design checked by CSX. Signal Construction underway.		CSX Trans.		\$ 1,009,800	\$ 917,400	\$ -
100% design completed. Signal Construction Underway.		CSX Trans.		\$ 20,522,611	\$ -	\$ -
Clearing and Grubbing near completion. Crash Wall construction started. Drainage Extensions preparing to start. Construction Pads for trackwork in process.	CA # 1 - Access from Crossroads Pkwy (\$112,715) CA # 2 - Load Test for Micropiles (\$47,900) CA # 3 - Subgrade Stabilization (\$86,583)	Abernathy Construction Corp		\$ 8,880,073	\$8,319,992	\$1,231,036
		TOTALS	\$ 32,500,000	\$ 31,230,187	\$ 9,980,758	\$ 1,627,070

PLANNING, COMMUNICATIONS & INFORMATION TECHNOLOGY PROJECTS

Project & Code	Description	Task	Task Description	Project Manager	Board Item Number	% of Total Task Completion	Calendar Completion Date (Est.)
Gainesville Haymarket Expansion Planning	Expansion of VRE Service to Gainesville & Haymarket, VA	G/H Expansion Analysis (Feasibility)	Develop expansion alternatives for VRE Service to G/H	Christine Hoeffner	9D-12-2007	Complete	Complete
		G/H Expansion Project Development, Environmental and Design	Perform planning and project development activities, environmental analysis and engineering design	Christine Hoeffner		0%	TBD
		Construction (Future)	Future Track Construction	TBD		0%	TBD
Mobile Ticketing	Development and Implementation of a Mobile Ticketing System			Chris Henry	8H-09-2013	0%	TBD
System Planning	Prepare system plan to cover 20+ year planning horizon			Christine Hoeffner	9F-04-2013		1st Quarter 2014

YARD PROJECTS

Project & Code	Description	Task	Task Description	Project Manager	Board Item Number	% of Total Task Completion	Calendar Completion Date (Est.)
Broad Run Yard Train Wash and Crossroads Yard Warehouse	Design and construction of Broad Run Yard train wash and Crossroads Yard warehouse.	Crossroads Warehouse Design	Conceptual and final design of new Crossroads warehouse.	Eric Johnson	10D-04-2012	100%	Completed 4th Quarter 2012
		Crossroads Warehouse Construction	Construction of new Crossroads warehouse.	Eric Johnson	11E-04-2011	100%	Completed 2nd Quarter 2013
		Broad Run Train Wash Design	Conceptual and final design and construction administration for Broad Run train wash	Eric Johnson	9D-06-2012	90%	2nd Quarter 2014
		Broad Run Train Wash Construction	Future Construction/Installation Work related to Broad Run train wash	TBD	TBD	n/a	n/a
Yard Fall Protection	Installation of fall protection systems at Broad Run and Crossroads yards			Kip Foster	9C-01-2013	100%	Completed 3rd Quarter 2013



Status	Change Order, Budget & Schedule Change Notes & Updates	Vendor	Total Adopted CIP Budget Thru FY14 (\$)	Total Board Approved Funds (\$)	Contractual Commitments To-Date (\$)	Total Expenditures To-Date (\$)
Feasibility Study Completed on 9/28/2009	Aerial Survey Deferred to NEPA/PE. Revised Consultant Responsibility for Cost Estimating from Belstar to VHB/DMJM	VHB	\$ 3,037,338	\$ 1,537,338	\$ 1,397,338	\$ 1,042,749
\$1,500,000 allocated in FY14 NVTA regional funding. Awaiting execution of a project agreement with NVTA.		TBD		\$ -	\$ -	\$ -
Future Construction Related to Expansion	Funding Sources TBD	TBD		\$ -	\$ -	\$ -
TOTALS			\$ 3,037,338	\$ 1,537,338	\$ 1,397,338	\$ 1,042,749
Currently Pending Legal Activities		GlobeSherpa		\$ 3,510,627	\$ -	\$ -
TOTALS			\$ -	\$ 3,510,627	\$ -	\$ -
VRE Ops Board adopted plan 1/17/14. Brochure complete. Final report under review by VRE.	GEC task order (\$35,000) for supplemental public outreach/communications support issued 9/30/13	P.B.	\$ 185,000	\$ 150,000	\$ 185,000	\$ 176,163
TOTALS			\$ 185,000	\$ 150,000	\$ 185,000	\$ 176,163

Status	Change Order, Budget & Schedule Change Notes & Updates	Vendor	Total Adopted CIP Budget Thru FY14 (\$)	Total Board Approved Funds (\$)	Contractual Commitments To-Date (\$)	Total Expenditures To-Date (\$)
	STV Task Order #3 Supplement #1 for \$146,414 for additional Crossroads warehouse engineering services	STV/RWA	\$ 5,723,959	\$ 629,248	\$ 619,334	\$ 619,311
Final payment issued in early April.	Contract Amendment No. 1 - Multiple change orders increasing Contract amount by \$124,409 and Contract time by nine days. Contract Amendment No. 2 - Multiple change orders increasing Contract amount by \$87,774 and Contract time by 173 days.	Trinity Construction Group, Inc.		\$ 2,600,000	\$ 2,092,364	\$ 2,125,632
Review of Broad Run train wash 90% design completed. Plan submission to Prince William County and City of Manassas on hold while seeking additional construction funding. STV to submit recommendations for Crossroads train wash modifications shortly.	Supplement No. 1 - Increased contract amount by \$3,864 for third party construction cost estimate.	STV/RWA		\$ 307,513	\$ 283,421	\$ 174,875
		TBD		\$ -	\$ -	\$ -
TOTALS			\$ 5,723,959	\$ 3,536,761	\$ 2,995,119	\$ 2,919,818
Contract Closeout complete.	Change Order / Contract Amendment # 1 (\$14,896) issued. Increased contract amount from \$154,074 to \$168,970.	Industrial Turn Around Corporation (ITAC)	\$ 230,000	\$ 169,482	\$ 168,970	\$ 168,970
TOTALS			\$ 230,000	\$ 169,482	\$ 168,970	\$ 168,970

ROLLING STOCK PROJECTS

Project & Code	Description	Task	Task Description	Project Manager	Board Item Number	% of Total Task Completion	Calendar Completion Date (Est.)
Passenger Railcar Procurement	To Acquire Fifteen (15) New Railcars from Sumitomo to add to the existing VRE Passenger Car Fleet	New Railcar Manufacture (8 cars)	Base Order of 8 New Passenger railcars	Rich Dalton	10C-01-2012	80%	1st Quarter 2016
		New Railcar Manufacture (7 cars)	Option Order of 7 New Passenger railcars	Rich Dalton	8B-11-2013	0%	1st Quarter 2018
		New Railcars Engineering Oversight (7 Cars)	On site engineering through warranty administration under MEC V task order STV-0038 under MEC V	Rich Dalton	10A-01-2014	0%	4th Quarter 2017
		New Railcars Engineering Oversight (8 Cars)	On site engineering through warranty administration under MEC V task order STV-0017 under MEC V	Rich Dalton	9E-02-2012	68%	4th Quarter 2015
Positive Train Control (PTC)	To install and implement Positive Train Control (PTC) for all VRE Locomotives	Positive Train Control Installation and Infrastructure	Positive Train Control for all locomotives and cab control cars (total 41), as mandated by the Rail Safety Improvement Act of 2008.	Rich Dalton	9E-09-2013	0%	1st Quarter 2015
		Oversight	Oversight - Positive Train Control for all locomotives and cab control cars, as mandated by the Rail Safety Improvement Act of 2008.	Rich Dalton	9A-03-2013	5%	1st Quarter 2014



Status	Change Order, Budget & Schedule Change Notes & Updates	Vendor	Total Adopted CIP Budget Thru FY14 (\$)	Total Board Approved Funds (\$)	Contractual Commitments To-Date (\$)	Total Expenditures To-Date (\$)
Manufacturing of 8 base order passenger railcars final assembly in process	The car numbers are designated as V820 - V827; the cars are in final assembly. -delivery of first 4 cars in April 2014; last 4 cars in May 2014 (April 9 shipment, 10 day transit and arrive on April 19; last 4 cars three weeks behind) 4/2/2014	Sumitomo - Nippon Sharyo	\$ 39,419,714	\$ 23,140,000	\$ 21,240,000	\$ -
Contract Amendment Executed; preliminary delivery schedule submitted by SCOA/Project Kick Off meeting held on March 20, 2014	Contract Amendment Executed 12/19/2013 to increase the contract amount and order of cars.	Sumitomo - Nippon Sharyo		\$ 14,805,714	\$ 14,805,714	\$ -
Kick Off meeting held on March 20, 2014; reviewing project schedule milestones and CDRL submittal list	The car numbers are designated as V828-834	STV		\$ 892,500	\$ 849,245	\$ -
Continuing to provide manufacturing and engineering oversight	STV continues to provide oversight of the car construction in IL. Resident inspector active at Rochelle operation . . . 4/2/2014	STV		\$ 1,474,000	\$ 1,250,000	\$ 888,255
TOTALS			\$ 39,419,714	\$ 40,312,214	\$ 38,144,959	\$ 888,255
Preparing contract documents for WRE	Authorization to award a sole source contract to Wabtec was approved by both Commissions on 10-3-13, preparing sole source documentation and Scope of Work - under final legal review - 4/1/2014	WRE	\$ 8,821,989	\$ 7,980,877	\$ 550,645	\$ 47,023
Task order issued on March 13, 2013 to STV for engineering and oversight work for implementation. MEC IV Task Order 0026	PTC Implementation oversight - Definition Phase - Matrix of tasks was reviewed and approved by VRE for plan development and preparation underway for scope of work including hardware pricing and quotes, STV is also developing back office operation; review Airinc Back Office Solution on 4-3-14; updated 4/1/2014	STV				
TOTALS			\$ 8,821,989	\$ 7,980,877	\$ 550,645	\$ 47,023



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Paul Milde
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John Cook
Vice-Chairman

Gary Skinner
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Paul Smedberg
Treasurer

Sharon Bulova
Maureen Caddigan
Wally Covington
John Jenkins
Matt Kelly
Jennifer Mitchell
Suhas Naddoni
J. Walter Tejada
Bob Thomas
Jonathan Way

Alternates

Marc Aveni
Meg Bohmke
Brad Ellis
Jay Fisette
Frank Jones
Tim Lovain
Michael May
Jeff McKay
Martin Nohe
Kevin Page
Paul Trampe

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 April 18, 2014

Members Present	Jurisdiction
Sharon Bulova (NVTC)	Fairfax County
Maureen Caddigan (PRTC)	Prince William County
John Cook (NVTC)	Fairfax County
John D. Jenkins (PRTC)	Prince William County
Matt Kelly (PRTC)	City of Fredericksburg
Paul Milde (PRTC)	Stafford County
Gary Skinner (PRTC)	Spotsylvania County
Paul Smedberg (NVTC)	City of Alexandria
J. Walter Tejada (NVTC)*	Arlington County
Jonathan Way (PRTC)	City of Manassas

Members Absent	Jurisdiction
Wally Covington (PRTC)	Prince William County
Jennifer Mitchell	DRPT
Suhas Naddoni (PRTC)	City of Manassas Park
Bob Thomas (PRTC)	Stafford County

Alternates Present	Jurisdiction
Kevin Page	DRPT

Alternates Absent	Jurisdiction
Marc Aveni (PRTC)	City of Manassas
Meg Bohmke (PRTC)	Stafford County
Brad Ellis (PRTC)	City of Fredericksburg
Jay Fisette (NVTC)	Arlington County
Frank C. Jones (PRTC)	City of Manassas Park
Tim Lovain (NVTC)	City of Alexandria
Michael C. May (PRTC)	Prince William County
Jeff McKay (NVTC)	Fairfax County
Martin E. Nohe (PRTC)	Prince William County
Paul Trampe (PRTC)	Spotsylvania County

Staff and General Public	
Nick Alexandron – PRTC Staff	Pierre Holloman – Alexandria
Doug Allen – VRE	Naquana Jenkins – VRE
Anthony Ayala – VRE	Bryan Jungwirth – VRE
Donna Boxer – VRE	Ann King – VRE
Rich Dalton – VRE	Mike Lake – Fairfax County
John Duque – VRE	Lezlie Lamb – VRE
Patrick Durany - Prince William County	Bob Leibbrandt – Prince William County
Arnold Gilbo – Keolis	Jillian Linnell – NVTC Staff
Rhonda Gilchrest – NVTC staff	Steve MacIsaac – VRE counsel
Al Harf – PRTC staff	Ann Purdue – Parsons Brinckerhoff
Chris Henry – VRE	Lynn Rivers – Arlington County
Tom Hickey – VRE	Scott Schenk – Free Lance Star
Gerri Hill – VRE	Brett Shorter – VRE
Christine Hoeffner – VRE	Joe Swartz – VRE

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

Chairman Milde called the meeting to order at 9:34 A.M. Following the Pledge of Allegiance, Roll Call was taken.

Approval of the Agenda – 3

The amended agenda removed the following item: #9B “Authorization to Execute a Force Account Agreement with CSX for the Lorton Station Platform Extension Project.”

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

Approval of the Minutes of the March 21, 2014 Operations Board Meeting – 4

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

Chairman’s Comments – 6

Chairman Milde had no comments.

Chief Executive Officer’s Report – 7

Mr. Allen reported that he and Mr. Dalton attended a briefing by the Federal Railroad Administration (FRA) in New York to review the FRA report on the Metro North accidents. The meeting was well attended by commuter rail Chief Executive Officers and Chief Operating Officers and there was a frank discussion on the issue of complacency and the need to keep the focus on safety as the top priority.

Mr. Allen reported that on-time performance (OTP) for the month of March continued in the mid-90 percentile range and ridership averaged 19,250 daily trips, with five days exceeding 20,000.

Mr. Allen stated that he and Mr. Jungwirth visited the offices of Virginia Congressman Cantor, Moran, Wittman and Wolf to discuss topics of importance of future plans for VRE and other legislative issues. A fact sheet brochure was prepared to leave with legislators. Operations Board Members were provided with a copy of the brochure.

Mr. Allen stated that the Draft Six-Year Improvement Program (SYIP) has been released for CTB approval. He stated that VRE is appreciative of DRPT staff working with VRE on these funding issues, especially the track access fees. Once the CTB approves the SYIP, VRE will work with DRPT to finalize the multi-year agreements. The SYIP also includes funding for

the purchase of five railcars, improvements at Crossroads and Ivy City Yards, Positive Train Control (PTC), and the Alexandria Station Platform. He thanked Mr. Page for his help in finding a creative way to help fund the second platforms. Rail Enhancement Funding will help pay for the Brooke and Leeland station second platforms. These platform improvements, in combination with the other platform work already in place, will allow VRE to sign an agreement with CSX that paves the way for the Potomac Shores station. A private developer will build that station, which will be the match for the grant.

Mr. Allen stated that the operating allocation is less than what VRE budgeted for at \$10.3 million. The Draft SYIP has included \$8.9 million. He stated that Ms. Boxer and her department will be working on this issue and will come back with a recommendation at a future Board meeting. Reserve funds are being considered to cover the difference. Mr. Harf noted that the local match for the track access fees only amounts to 16 percent, which could help offset the budget differential.

Mr. Allen reported that he and Mr. Harf had conversation with Caroline County representatives conveying that VRE's System Plan does not include service expansion into Caroline County. A letter was also sent.

[Mr. Tejada arrived at 9:40 A.M.]

VRE Riders' and Public Comment – 8

There were no comments.

Amended Motion on the Minutes

Mr. Tejada apologized for missing the vote on the minutes. He requested a minor change to the minutes (page 11, line 4) to change "trolley" to "modern street car."

Mr. Tejada moved to amend the minutes with this change and Mr. Way seconded. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Jenkins, Kelly, Milde, Page, Skinner, Smedberg, Tejada and Way.

Consent Agenda – 8

Mr. Tejada stated that in regards to Consent Agenda item B2, he had provided language to staff for consideration in an attempt to broaden VRE's marketing to a wider diverse audience and to reach out to more than just the English speaking public. He encouraged VRE to include marketing in Spanish and perhaps other languages.

On a motion by Mr. Kelly and a second by Ms. Bulova, the Board unanimously approved the following Consent Agenda Items:

- Resolution #8A-04-2014: Authorization to Issue a Request for Proposals for Passenger Car Interior Cleaning
- Resolution #8B-04-2014: Authorization to Issue a Request for Proposals for Marketing and Advertising Services
- Resolution #8C-04-2014: Authorization to Extend the Agreement for State Legislative Services
- Resolution #8D-04-2014: Authorization to Issue a Request for Proposals for State Legislative Services
- Resolution #8E-04-2014: Authorization to Issue a Request for Proposals for Consultant Services for the Gainesville-Haymarket Extension
- Resolution #8F-04-2104: Authorization to Award a Supplemental Task Order for Woodbridge Elevator Repair

The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Jenkins, Kelly, Milde, Page, Skinner, Smedberg, Tejada and Way.

Authorization to Award a GEC VI Task Order for Construction Management for the Lorton Station Platform Extension Project – 9A

Mr. Allen explained that Resolution #9A-04-2014 would authorize him to award a GEC VI Task Order to Gannett Fleming for Construction Management Support for the Lorton Station Platform Extension Project in the amount of \$149,805, plus a ten percent contingency of \$14,981, for a total amount not to exceed \$164,786.

Mr. Cook moved, with a second by Ms. Bulova, to approve Resolution #9A-04-2014.

Mr. Cook requested VRE staff provide the names of the contractors prior to the meetings to allow Board Members to determine if there is a conflict of interest before they are asked to vote on these types of actions. He asked that this information be provided for future action items.

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

Authorization to Approve the Fifth Year of the Operations and Maintenance Contract – 9C

Mr. Allen stated that the VRE Operations Board is being asked to recommend that the Commissions authorize him to modify the contract with Keolis Rail Services Virginia, LLC for operations and maintenance services by approving up to \$20,115,047 for a total

contract value not to exceed \$95,596,556 for the fifth year of operations and maintenance through June 30, 2015. Resolution #9C-04-2014 would accomplish this.

Mr. Allen explained that the five-year contract with Keolis Rail Services Virginia (KRSV) was first approved in October 2009. The amount for the fifth contract year is within the proposed FY 2015 operating budget. Compared to the FY 2014 contract budget, the increases are primarily due to service enhancements in the form of adding one Fredericksburg line train and a 0.96 percent CPI increase to fixed cost service as required by the contract.

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

Authorization to Execute the First Option Year for Custodial and Seasonal Services Contract – 9D

Mr. Allen reported that Resolution #9D-04-2014 would authorize him to execute the first option year for the custodial and seasonal services contract with Fresh Air Duct Cleaning, LLC of Baltimore, Maryland in the amount of \$1,760,000 for a total contract value not to exceed \$3,460,000. Mr. Allen explained that the contract includes base work along with task order work on an as needed basis to address custodial, landscaping, snow removal, station and platform cleaning, and trash removal.

Mr. Skinner moved, with a second by Mr. Kelly, to approve Resolution #9D-04-2014. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Jenkins, Kelly, Milde, Page, Skinner, Smedberg, Tejada and Way.

Authorization to Execute the First Option Year for Facilities Maintenance Contract – 9E

Mr. Allen stated that the Operations Board is being asked to authorize him to execute the first option year for the facilities maintenance contract with NV Enterprises of Herndon, Virginia in the amount of \$1,100,000 for a total contract amount not to exceed \$2,200,000. Resolution #9E-04-2014 would accomplish this.

Mr. Smedberg asked if the work is being done by the contractor or subcontractors. Mr. Allen explained that as the contract is structured, the contractor uses some subcontractors because of the broad range of work (i.e. heating and air conditioning, elevators, roofing).

Mr. Jenkins moved, with a second by Ms. Bulova, to approve Resolution #9E-04-2014. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Jenkins, Kelly, Milde, Page, Skinner, Smedberg, Tejada and Way.

Authorization to Award a Contract for Diesel Fuel Delivery Services – 9F

Mr. Allen stated that Resolution #9F-04-2014 would authorize him to execute a contract for diesel fuel delivery services with James River Solutions for the Crossroads Yard and Griffith Energy Services, Inc. for the Broad Run Yard for a base year ordering period with the option to extend for four additional one-year periods. The contract with James River Solution is being recommended in an amount not to exceed \$2,880,000 for the first year of the contract. The contract with Griffith Energy Services, Inc. is being recommended in an amount not to exceed \$2,520,000 for the contract year which is July 1, 2014 to June 30, 2015.

In response to a question from Mr. Smedberg who observed that the recommended bid is much lower than the others submitted, Ms. Boxer explained that the average bid price represents the delivery, administrative and other costs of the fuel supplier which will be added to the relevant market price. The suppliers all buy their fuel at the same price and their other supplier costs are added to the total bid price. In response to a question from Mr. Skinner, Ms. Boxer explained that the bids are approximately \$200,000 less than what VRE budgeted for FY 2015.

Ms. Boxer explained that approximately 40 percent of VRE's fuel is priced at the "rack" or "OPIS" price on the day of purchase and approximately 60 percent is locked-in in advance based on the futures of "NYMEX" price on the date of the lock-in agreement. VRE staff, with the assistance of the consultant, projected a price per gallon (based on estimates of the rack or lock-in prices for FY 2015, plus the supplier differential) and multiplied this price by the projected fuel consumption for one year to arrive at a total contract amount. In response to a question from Chairman Milde, Ms. Boxer confirmed that the contract price includes the cost of fuel and the delivery.

Mr. Smedberg moved, with a second by Mr. Skinner, to approve Resolution #9F-04-2014. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Jenkins, Kelly, Milde, Page, Skinner, Smedberg, Tejada and Way.

Endorsement of the DDOT Long Bridge TIGER Planning Grant Application and Authorization of Committed Match – 9G

Mr. Allen reported that the VRE Operations Board is being asked to endorse the District of Columbia Department of Transportation's (DDOT) TIGER planning grant application for the Long Bridge expansion, authorize the commitment of VRE funds towards the non-federal match for the grant, and refer the endorsement and match commitment to the Commissions for their review. Resolution #9G-04-2013 would accomplish this.

Chairman Milde stated that he is pleased to see VRE participating in this project since it is important for the expansion of VRE service outlined in the System Plan.

Mr. Way asked if the railroads are involved in the project and committed to funding it. Mr. Allen stated that CSX, who owns the bridge, has been encouraged to participate in the funding of this project. Mr. Way asked if it would be appropriate to make VRE's funding commitment contingent upon other organizations participating. Mr. Allen responded that he would not encourage this since the project is critical to VRE's System Plan and VRE needs to take a leadership role with the hope that others will come on board to help fund the study. Mr. Tejada stated that the potential expansion of the Long Bridge will benefit the region. He asked if Amtrak was asked to participate. Mr. Allen stated that VRE did approach Amtrak but they have not committed funding although they are interested in participating in the study.

Ms. Bulova observed that improvements to the Long Bridge will benefit commuter rail more than freight service. Mr. Allen stated that CSX freight trains do use the bridge but VRE trains would get the most benefit. Mr. Page stated that of the 80 trains that cross the bridge every day, only 20 are CSX freight trains.

Mr. Kelley stated that this is in the preliminary stages of a long process. There will be time to have discussions with CSX and other players. He agreed with Chairman Milde that it is important to start the process because this project is important to VRE.

Mr. Smedberg asked about the match requirement. Mr. Allen explained that a match of 20 percent is required, but DDOT and VRE are trying to overmatch it to show their commitment to the project and increase the chance of winning the TIGER grant. Mr. Page gave some historical context. He stated that this TIGER grant will help the project to get to the next level. DRPT is working to come to the table and be a partner to help offset some of the financial burden. This project is not currently in the SYIP but as the TIGER grant application moves forward, there is time for DRPT to amend the SYIP before final CTB approval.

Ms. Bulova moved, with a second by Mr. Smedberg, to approve Resolution #9G-04-2014. The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Jenkins, Kelly, Milde, Page, Skinner, Smedberg, Tejada and Way.

Legislative Update – 10

Mr. Allen gave a brief legislative update. The General Assembly passed HB2 (Stolle) directing the Commonwealth Transportation Board to develop a statewide prioritization process for projects funded by the CTB with constrictor monies, starting in the FY17-22 SYIP. Delegate Filler-Corn sponsored HB957 which delays implementation of VRE weighted vote issue until July 2015. Mr. Allen explained that the Executive Committee discussed this issue at their meeting today and it is expected to come back to the Operations Board for discussion on how to proceed at a future meeting. Regarding the budget, the General Assembly has been called back into Special Session by the Governor to pass a budget. A Senate budget amendment includes \$2 million in project development funding to identify current and future VRE core capacity issues. VRE is monitoring this.

On the federal level, Mr. Allen reported that the Senate Finance committee voted to fully restore the commuter benefit for two years, retroactive to January 1, 2014. This would restore parity between parking and commuter benefits at \$250 per month through December 31, 2015.

Closed Session –11

Mr. Skinner moved, with a second by Mr. Cook, the following motion:

Pursuant to the Virginia Freedom of Information Act (Sections 2.2-3711A (6) (7) and (29) of the Code of Virginia); the VRE Operations Board authorizes a Closed Session for the purpose of discussing one matter involving the expenditure of public funds for train operations where competition and bargaining is involved and where discussion in public would adversely affect VRE's financial interests and its bargaining position and negotiating strategy.

The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Jenkins, Kelly, Milde, Page, Skinner, Smedberg, Tejada and Way.

The Board entered into Closed Session at 10:09 A.M. and returned to Open Session at 10:38 A.M.

Mr. Skinner moved, with a second by Mr. Cook, the following certification:

The VRE Operations Board certifies that, to the best of each member's knowledge and with no individual member dissenting, at the just concluded Closed Session:

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

The vote in favor was cast by Board Members Bulova, Caddigan, Cook, Jenkins, Kelly, Milde, Page, Skinner, Smedberg, Tejada and Way.

Operations Board Members' Time –12

There were no comments.

Adjournment

Without objection, Chairman Milde adjourned the meeting at 10:39 A.M.

Capital Committee

Immediately following the adjournment of the Operations Board meeting, the Capital Committee met to come to an agreement on the planned Life Cycle Maintenance program. As Chairman of The Capital Committee, Mr. Way asked if the committee was comfortable with the proposed plan. As a result of the meeting, The Capital Committee endorsed VRE management's proposal for a planned Life Cycle Maintenance Program. The committee found the plan to be economical; strengthens reliability and ensures consistent performance through the life cycle of the rolling stock.

Approved this 16th day of May, 2014.

Paul Milde
Chairman

Gary Skinner
Secretary

CERTIFICATION

This certification hereby acknowledges that the minutes for the April 18, 2014 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.



Rhonda Gilchrest

**Virginia Railway Express
Operations Board**

**Resolution
8A-04-2014**

**Authorization to Issue a Request for Proposals
for Passenger Car Interior Cleaning**

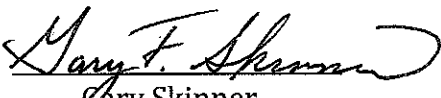
WHEREAS, VRE has a need for bi-annual, heavy cleaning of the interior of passenger cars; and,

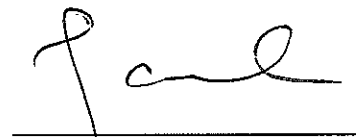
WHEREAS, this work has been accomplished in the past via contracts and purchase orders; and,

WHEREAS, VRE has the need for a longer term contract to ensure consistency with the cleanliness of the passenger cars.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board is being asked to authorize the Chief Executive Officer to issue a Request for Proposals (RFP) for passenger car interior cleaning for a period of one base year and two option years.

Approved this 18th day of April 2014


Gary Skinner
Secretary


Paul Milde
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
8B-04-2014**

**Authorization to Issue a Request for Proposals
For Marketing and Advertising Services**


WHEREAS, the current contract for marketing and advertising services was awarded in July of 2011 and expires in June 2014; and,

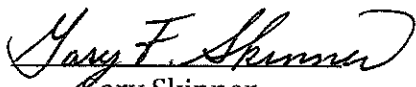
WHEREAS, VRE has an ongoing need for professional support for marketing and advertising services; and,

WHEREAS, hiring marketing consultant will allow VRE to better perform many mission critical functions in communicating to riders and the general public about VRE services.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby approve the Chief Executive Officer to issue a Request for Proposals for marketing, advertising and other related services.

Approved this 18th day of April 2014



Paul Milde
Chairman
Gary Skinner
Secretary

**Virginia Railway Express
Operations Board**

**Resolution
8C-04-2014**

**Authorization to Extend the Agreement for
State Legislative Services**

WHEREAS, VRE issued a Request for Quotes in January 2013 for State Legislative Services; and,

WHEREAS, The Hillbridge Group was selected to provide these services for a twelve month period ending January 21, 2014; and,

WHEREAS, the agreement for the twelve month period was for \$45,000 and within the Chief Executive Officer's authority; and,

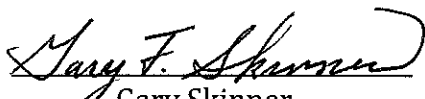
WHEREAS, an extension was requested and approved by the Board to retain these services through April 21, 2014; and,

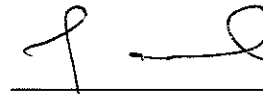
WHEREAS, the 2014 legislative session has been extended for a special session on the budget and current funding has been depleted; and,

WHEREAS, an additional authorization is needed in the amount of \$7,500, for a total amount not to exceed \$64,250.

NOW, THEREFORE, BE IT RESOLVED, that the VRE Operations Board authorizes the Chief Executive Officer to extend the agreement with The Hillbridge Group to provide state legislative services through the end of June 2014 and to increase the amount of the agreement by \$7,500, for a total amount not to exceed \$64,250.

Approved this 18th day of April 2014


Gary Skinner
Secretary



Paul Milde
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
8D-04-2014**

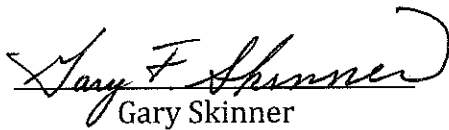
**Authorization to Issue a Request for Proposals
for State Legislative Services**

WHEREAS, VRE has an ongoing need for representation and counsel with legislative leadership and Executive Branch agencies; and

WHEREAS, the FY15 public affairs budget has sufficient funding for the contracting of state legislative services; and

NOW, THEREFORE, BE IT RESOLVED, that the VRE Operations Board authorizes the Chief Executive Officer to issue a Request for Proposals for State Legislative Services.

Approved this 18th day of April 2014



Gary Skinner
Secretary



Paul Milde
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
8E-04-2014**

**Authorization to Issue a Request for Proposals for Consultant
Services for the Gainesville-Haymarket Extension**

WHEREAS, the VRE System Plan recommends extending VRE service to the Gainesville-Haymarket area of Prince William County to improve regional travel choice and mobility; and,

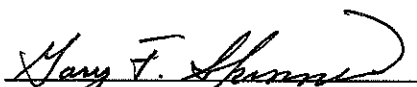
WHEREAS, prior planning studies for the extension that developed preliminary ridership forecasts, operating concepts, and capital and operating cost estimates require updating; and,

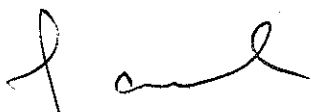
WHEREAS, the potential benefits and impacts of the extension on VRE system-wide operating and financial capacity must also be assessed; and,

WHEREAS, the Northern Virginia Transportation Authority (NVTa) has allocated funding to conduct additional study to advance project development for the extension.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board authorizes the Chief Executive Officer to issue a Request for Proposals for planning and engineering consultant services for the proposed VRE Gainesville-Haymarket extension.

Approved this 18th day of April 2014


Gary Skinner
Secretary



Paul Milde
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
8F-04-2014**

**Authorization to Award a Supplemental Task Order
for Woodbridge Elevator Repair**

WHEREAS, in January 2014 the Chief Executive Officer executed task order No. 9 to NV Enterprises for \$49,480 under the facilities maintenance contract for repair work to the Woodbridge west side elevator system; and,

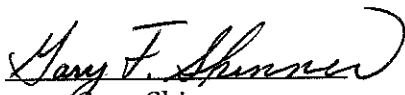
WHEREAS, once repair work commenced, there was hidden damage discovered resulting in additional work needed; and,


WHEREAS, the cost of the additional work will exceed the Chief Executive Officers authority limit; and,

WHEREAS, this supplemental task order will allow the remaining repairs to be completed.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board is being asked to authorize the Chief Executive Officer to award a supplemental task order under the facilities maintenance contract to NV Enterprises for task order No. 9 for the Woodbridge elevator repair in an amount of \$23,196, plus a 5% contingency of \$3,634, for a total amount not to exceed \$76,310.

Approved this 18th day of April 2014


Gary Skinner
Secretary



Paul Milde
Chairman

Operations Board

Resolution 9A-04-2014

Authorization to Award a GEC VI Task Order for Construction Management for the Lorton Station Platform Extension Project

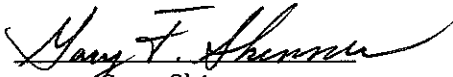
WHEREAS, due to current ridership demand along with future growth projections, VRE and Fairfax County have initiated a platform extension and second platform project at the Lorton VRE station that will accommodate ridership growth as well as provide flexibility for railroad operations; and,


WHEREAS, a construction contract for the Lorton Station platform extension was awarded in March of 2014, is expected to commence in May, and be completed by the end of 2014; and,

WHEREAS, the services being authorized will provide onsite personnel to monitor construction and provide documentation of daily activities, thus ensuring that quality standards 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 **Gannett Fleming** for Construction Management Support for the Lorton Station Platform Extension project in the amount of **\$149,805, plus a 10% contingency of \$14,981, for a total amount not to exceed \$164,786.**

Approved this 18th day of April 2014


Gary Skinner
Secretary



Paul Milde
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
9C-04-2014**

**Authorization to Approve the Fifth Year of the
Operations and Maintenance Contract**

WHEREAS, on October 16, 2009, the VRE Operations Board approved a 5 year contract with Keolis Rail Services Virginia for VRE operations and maintenance services and mobilization in the amount of \$18,459,348 through June 30, 2011; and,

WHEREAS, a contract amendment was approved on December 17, 2010 in the amount of \$2,085,000; and,

WHEREAS, on May 20, 2011, the Operations Board approved the second contract year, through June 30, 2012, in the amount of \$17,954,527, for a total contract value not to exceed \$38,498,875; and,

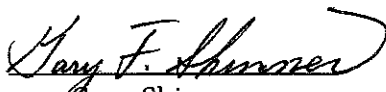
WHEREAS, on April 20, 2012, the Operations Board approved the third contract year, through June 30, 2013, in the amount of \$18,008,591, for a total contract value not to exceed \$56,507,466; and,

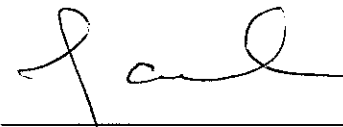
WHEREAS, on April 19, 2013, the Operations Board approved the fourth contract year, through June 30, 2014, in the amount of \$18,974,041, for a total contract value not to exceed \$75,481,507; and,

WHEREAS, authorization is now requested to approve the fifth contract year.

NOW, THEREFORE, BE IT RESOLVED THAT, The VRE Operations Board is being asked to recommend the Commissions authorize the Chief Executive Officer to modify the contract with Keolis Rail Services Virginia, LLC for operations and maintenance services by approving up to \$20,115,047, for a total contract value not to exceed \$95,596,554, for the fifth year of operations and maintenance through June 30, 2015.

Approved this 18th day of April 2014


Gary Skinner
Secretary



Paul Milde
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
9D-04-2014**

**Authorization to Execute the First Option Year for
Custodial and Seasonal Services Contract**

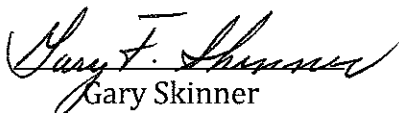
WHEREAS, VRE facilities require daily custodial and seasonal services including landscaping and snow removal; and,


WHEREAS, a procurement was completed in April 2013 to provide facilities custodial and seasonal services over a period of five years, to include a base year, plus four one-year renewal options; and,

WHEREAS, the current base year is set to expire on May 19, 2014.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board is being asked to authorize the Chief Executive Officer to execute the first option year for the custodial and seasonal service contract with Fresh Air Duct Cleaning, LLC of Baltimore, Maryland in the amount of \$1,760,000, for a total contract value not to exceed \$3,460,000.

Approved this 18th day of April 2014


Gary Skinner
Secretary



Paul Milde
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
9E-04-2014**

**Authorization to Execute the First Option Year
for Facilities Maintenance Contract**

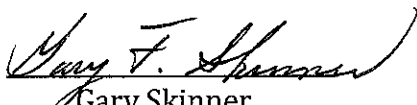
WHEREAS, VRE facilities require routine and preventative maintenance; and,


WHEREAS, a procurement was completed in April 2013 to provide facilities maintenance services over a period of five years, to include a base year, plus four one-year renewal options; and,

WHEREAS, the current base year is set to expire on May 19, 2014.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board is being asked to authorize the Chief Executive Officer to execute the first option year for the facilities maintenance contract with NV Enterprises of Herndon, VA in the amount of \$1,100,000, for a total contract amount not to exceed \$2,200,000.

Approved this 18th day of April 2014


Gary Skinner
Secretary



Paul Milde
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
9F-04-2014**

**Authorization to Award a Contract for
Diesel Fuel Delivery Services**

WHEREAS, VRE has a need for diesel fuel delivery services in order to operate daily commuter trains; and,

WHEREAS, the current fuel delivery services contracts are set to expire on June 30, 2014; and,

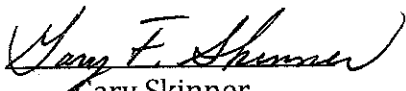
WHEREAS, the VRE Operations Board authorized the issuance of an invitation for bids in November 2013; and,

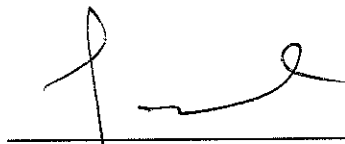
WHEREAS, responses have been received and VRE has determined **James River Solutions** to have provided a responsive and responsible bid and the lowest price for diesel deliveries to the Crossroads Yard and **Griffith Energy Services, Inc.** to have provided a responsive and responsible bid and the lowest price for diesel deliveries to the Broad Run Yard.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board is being asked to authorize the Chief Executive Officer to execute a contract with **James River Solutions (Crossroads Yard) and Griffith Energy Services, Inc. (Broad Run Yard)** for diesel fuel delivery in the amounts of **\$2,880,000** and **\$2,520,000**, respectively for the contract year, **which is July 1, 2014 to June 30, 2015.**

The contract will be for a base year and four option years, **with Operations Board approval required for each option year.**

Approved this 18th day of April 2014


Gary Skinner
Secretary



Paul Milde
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
9G-04-2014**

**Endorsement of the DDOT Long Bridge TIGER Planning Grant
Application and Authorization of Committed Match**

WHEREAS, the VRE System Plan 2040 identified the expansion of railroad capacity, including expansion of the Long Bridge across the Potomac River, as a critical need to support long-term VRE growth and service expansion; and,

WHEREAS, the District of Columbia Department of Transportation (DDOT) is nearing completion of the Long Bridge Study; a comprehensive study of the existing 2-track bridge and identification of long-term improvements to expand the capacity of the bridge for commuter rail, intercity passenger rail, freight and other multi-modal uses; and,

WHEREAS, the next step in planning for the expansion of the bridge is to refine the bridge concepts developed in the current DDOT study and to initiate NEPA analysis; and,

WHEREAS, DDOT is preparing a planning grant application for \$3 million to advance the next phase of studies for the Long Bridge expansion through the USDOT TIGER Discretionary Grant Program; and,

WHEREAS, VRE has committed to be a partner with DDOT on the application and project; and,

WHEREAS, the TIGER grant application must identify a minimum 20% non-federal match to the TIGER grant amount; and

WHEREAS, DDOT has committed to provide \$700,000 towards the match requirement; and,

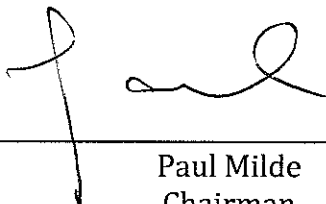
WHEREAS, the VRE Fiscal Year (FY) 2015 Capital Budget allocates funding for project development activities such as those proposed to be completed for the Long Bridge expansion project to advance system investments recommended in the System Plan 2040.

NOW, THEREFORE BE IT RESOLVED, that the VRE Operations Board endorses the District of Columbia Department of Transportation's (DDOT) TIGER planning grant application for the Long Bridge expansion; and,

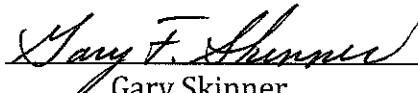
BE IT FURTHER RESOLVED THAT, the VRE Operations Board authorizes the commitment of \$300,000 in VRE project development funds towards the grant's match requirement; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board refers the endorsement of the grant application and match commitment to the Commissions for their formal review and approval.

Approved this 18th day of April 2014



Paul Milde
Chairman



Gary Skinner
Secretary



RESOLUTION #2250

SUBJECT: Fifth Year of the Keolis Operations and Maintenance Contract.

WHEREAS: On October 16, 2009, the VRE Operations Board recommended a contract with Keolis Rail Services Virginia for VRE operating and maintenance services and mobilization in the amount of \$18,459,348 through June 30, 2011;

WHEREAS: A contract amendment was recommended on December 17, 2010 to add \$2,085,000 to the contract value to reflect service enhancements, higher than anticipated insurance costs, items added during negotiations, contingency funds, and to remove the requirement that Keolis indemnify VRE for all liability claims arising from the contract service with a value of up to \$5,000,000;

WHEREAS: On May 20, 2011, the VRE Operations Board recommended the second contract year, through June 30, 2012, in the amount of \$17,954,527 for a total contract value not to exceed \$38,498,875; and

WHEREAS: On April 20, 2012, the VRE Operations Board recommended the third contract year, through June 30, 2013, in the amount of \$18,008,591, for a total contract value not to exceed \$56,507,466;

WHEREAS: On April 19, 2013, the VRE Operations Board recommended the fourth contract year, through June 30, 2014, in the amount of \$18,974,041, for a total contract value not to exceed \$75,481,507; and

WHEREAS: The VRE Operations Board recommends the Commissions approve the fifth year contract.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission authorizes the VRE Chief Executive Officer to modify the contract with Keolis Rail Services Virginia, LLC for operations and maintenance services by approving up to \$20,115,047, for a total contract value not to exceed \$95,596,554, for the fifth year of operations through June 30, 2015.

Approved this 1st day of May, 2014.

Paul C. Smedberg
Chairman

Jay Fisette
Secretary-Treasurer

Agenda Item 9-C
Action Item

To: Chairman Milde and the VRE Operations Board

From: Doug Allen

Date: April 18, 2014

**Re: Authorization to Approve the Fifth Year of the
Operations and Maintenance Contract**

Recommendation:

The VRE Operations Board is being asked to recommend the Commissions authorize the Chief Executive Officer to modify the contract with Keolis Rail Services Virginia, LLC for operations and maintenance services by approving up to \$20,115,047 for a total contract value not to exceed \$95,596,554 for the fifth year of operations and maintenance through June 30, 2015.

Background:

On October 16, 2009, the VRE Operations Board approved a 5 year contract with Keolis Rail Services Virginia (KRSV) for VRE operations and maintenance services and mobilization. VRE staff has returned to the Operations board for the following amendment and contract modifications:

Date	Description	Amount	Authorized Value (Cumulative)
10-16-2009	1 st Contract Year & Mobilization	\$18,459,348	\$18,459,348
12-17-2010	*Amendment	\$2,085,000	\$20,544,348
5-20-2011	2 nd Contract Year	\$17,954,527	\$38,498,875
4-20-2012	**3 rd Contract Year	\$18,008,591	\$56,507,466
4-19-2013	4 th Contract Year	\$18,974,041	\$75,481,507
4-18-14	5th Contract Year	\$20,115,047	\$95,596,554

*Amendment included service enhancements, higher than anticipated insurance costs; items included in the original negotiations, contingency funds and removed the requirement that Keolis indemnify VRE for all liability claims arising from the contract service with a value of up to \$5,000,000.

**FY2013 budget amended mid-year for service enhancements resulting in the lengthening of two trains. This increased the FY2013 contract budget amount to \$18,248,591. Authorization available from prior year approvals.

The amount requested for the fifth contract year is within the proposed FY2015 operating budget. Compared to the FY2014 contract budget, the increases are primarily due to service enhancements in the form of adding one Fredericksburg line train and a 0.96% CPI increase to fixed cost services as required by the contract.

Fiscal Impact:

Funding for the fifth year of the operations and maintenance contract is included in the FY2015 operating budget. Details and comparison from the previous fiscal year contract budgets are provided in the table below:

Description	Amended Budget FY2014	Year End Est. FY2014	Budget FY2015	Variance From FY2014
Management Services (1)	4,853,490	4,853,490	4,900,084	46,594
Train Operations(1)(2)	8,840,334	8,834,083	9,405,842	565,508
Maintenance of Equipment (3)	3,555,279	3,550,000	4,024,255	468,976
Task Order Repairs (4)	207,154	200,000	260,000	52,846
Maintenance of Facilities (1)	374,782	374,782	378,380	3,598
Warehouse Management (1)	363,002	363,002	366,487	3,485
Incentive Payments	780,000	743,383	780,000	0
Total:	\$18,974,041	\$18,875,357	\$20,115,047	\$1,141,007

Note 1: FY2015 increase due to 0.96% CPI increase required by Contract.

Note 2: FY2015 increase due to additional crew requirements for adding one Fredericksburg line train starting October 1, 2014.

Note 3: Proposed increase in MOE rates; additional qualified technician and car cleaners required for adding one Fredericksburg line train starting October 1, 2014

Note 4: Projected increase in task order work due to 4 year inspection cycles for locomotives

**Virginia Railway Express
Operations Board**

**Resolution
9C-04-2014**

**Authorization to Approve the Fifth Year of the
Operations and Maintenance Contract**

WHEREAS, on October 16, 2009, the VRE Operations Board approved a 5 year contract with Keolis Rail Services Virginia for VRE operations and maintenance services and mobilization in the amount of \$18,459,348 through June 30, 2011; and,

WHEREAS, a contract amendment was approved on December 17, 2010 in the amount of \$2,085,000; and,

WHEREAS, on May 20, 2011, the Operations Board approved the second contract year, through June 30, 2012, in the amount of \$17,954,527, for a total contract value not to exceed \$38,498,875; and,

WHEREAS, on April 20, 2012, the Operations Board approved the third contract year, through June 30, 2013, in the amount of \$18,008,591, for a total contract value not to exceed \$56,507,466; and,

WHEREAS, on April 19, 2013, the Operations Board approved the fourth contract year, through June 30, 2014, in the amount of \$18,974,041, for a total contract value not to exceed \$75,481,507; and,

WHEREAS, authorization is now requested to approve the fifth contract year.

NOW, THEREFORE, BE IT RESOLVED THAT, The VRE Operations Board is being asked to recommend the Commissions authorize the Chief Executive Officer to modify the contract with Keolis Rail Services Virginia, LLC for operations and maintenance services by approving up to \$20,115,047, for a total contract value not to exceed \$95,596,554, for the fifth year of operations and maintenance through June 30, 2015.

Approved this 18th day of April 2014

Paul Milde
Chairman

Gary Skinner
Secretary



AGENDA ITEM #7

MEMORANDUM

TO: Chairman Smedberg and NVTC Commissioners
FROM: Kelley Coyner and Scott Kalkwarf
DATE: April 24, 2014
SUBJECT: FY 2015 Budget

RECOMMENDED ACTION: Approve FY 2015 NVTC General and Administrative Budget.

Summary

The proposed budget for FY 2015 provides resources to allow NVTC to promote high quality, high capacity transit to the region both through priorities identified last year and through those identified by the Commission during a 12 month planning process which included a Planning Session in December of 2013. The priorities identified last year were legislative and agency collaboration and technical support, financial management, regional planning, and NVTA collaboration. In the December Planning Session, the Commission identified improving connectivity, securing investment in core capacity, and expanding commuter rail as three key elements to achieve the service and coverage required to serve the region's residents and businesses. To achieve these results, NVTC adopted two new strategies -- namely shaping and developing regional plans to ensure that transit ways for high capacity transit are connected and making the case for secure and expanded funding through economic analysis and building a business based network. After a comprehensive assessment, a partial realignment of existing staff resources, the budget provides expanded capacity needed to sustain activities begun last year, as well as to make progress in reaching objectives set out in the Work Program.

At the April Commission meeting, Commissioners deferred consideration of the budget so that staff could address questions posed by Commissioners and jurisdictional staff. Through extensive discussion and written material these questions have been addressed. In particular a list of activities adversely affected has been provided and is updated as part of this summary (attached). In addition, the proposed budget has been updated to reflected new information on health insurance costs, and a change in the required match to the DRPT grant in support of the new Transit Fellows Program.

Sustaining Key Activities for Critical Projects

In 2013, NVTC began or expanded a number of activities designed to preserve both the core function of NVTC or change NVTC's role in insuring a high quality, high capacity transit network. These initiatives are far from fully realized although significant groundwork has been laid. The budget proposal aims to insure the capacity to build on that groundwork and to begin to develop and implement the strategies needed to improve connectivity, secure investment in core capacity, and expand commuter rail. These are three key elements to achieve the service and coverage required to serve the region's residents and businesses. Two new permanent positions and the newly launched Transit Fellows Program will provide important internal management of NVTC's team as well programmatic and transit expertise. This includes implementing and achieving broad goals and providing specific products such as planning reviews, GIS and statistical analysis, regional and state business outreach plan and the link to maintain NVTC's high level of performance in financial and grants management, transit funding, regional coordination, to meet its obligations to WMATA Compact Jurisdictions as an employer and regional partner and to meet its obligations as a co-owner of the Virginia Rail Express. To fully realize NVTC's potential, additional resources are required, but should be phased in over the course of the next several years.

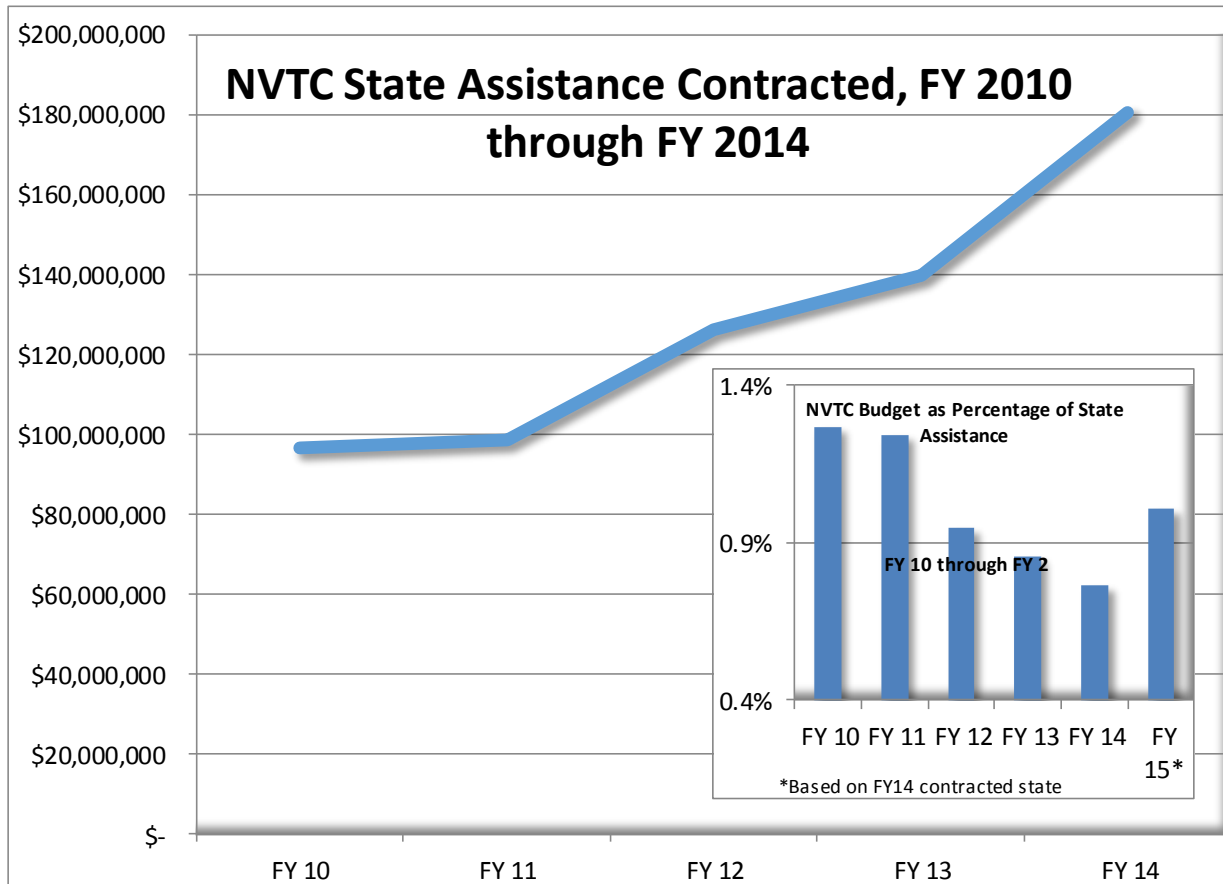
Increases Primarily in Technical and Management Capacity

The two new positions — both designed as multifunctional — a hybrid executive officer/senior program officer and a mid to senior transit professional. Subsequent to the Commission meeting an alternative title was discussed as a transit program director who would coordinate all transit programming, planning, and policy as a comparable function served by the Director of Finance and Administration as CFO. The reporting structure for staff would marry two principles to achieve a cross functional team while creating appropriate reporting structure for maintaining appropriate internal controls. In particular, procurement and system administration functions should not report to the Director of Finance and Administration. Along with the Transit Fellows, the two new positions will fill gaps in core capacities such as management and coordination of the NVTC team, internal management in areas such as performance management and professional development as well as allowing NVTC to both complete specific projects and implement new strategies in case making and regional planning. The increase related to the two new positions for salary is \$210,000 and benefits is \$43,700. The impact of not funding the increased resources is provided as requested.

Increase Funding for General & Administration Budget Represents 0.2 Percent of State Assistance

The proposed increase would be funded by the portion of state assistance taken off the top of the state assistance NVTC receives on behalf of its member jurisdictions. Local direct contributions would remain constant in total at the FY 2014 and FY 2013 levels. Local jurisdictions received notification of their proportional share of the direct contributions in the fall of 2013. Additional funding was budgeted from a DRPT grant which was applied for in February to offset up to 95 percent of the costs of the NVTC

Transit Fellows Program. The match requirement changed to 20 percent. As a result there is an upward adjustment of approximately \$7,500.



Concerns about Public Advocacy and Marketing Campaign

At the April meeting, Commissioners raised concerns about whether the proposed budget includes funding for a Public Advocacy and Marketing Campaign also referred to as a lobbying campaign. Neither the budget nor the specific position of Executive Officer are for such a campaign. Use of the terms “outreach” and “case making” led to these concerns. The reference to General Assembly outreach as a “high value activity” was shorthand for the Commission's direction as of July 2013 that outreach to Northern Virginia Transportation General Assembly members is one of four priority areas under the Work Program adopted in March 2014. The Commission has reviewed progress in reaching out to the General Assembly and providing technical assistance to Delegates and Senators and in particular to House leadership on transportation issues. Examples of this outreach include meetings with legislators individually, delegation briefings, analysis and technical assistance on formula funding issues and other issues impacting mass transit. It also included analysis and support of the jurisdictions on the operating and capital formula funding issues. NVTC also monitored legislation involving changes to the open meetings act, an item of particular interest to Loudoun County. The draft

position profiles identify technical expertise in legislative and agency policy processes as well finance, funding, and transit operational and policy expertise as required knowledge.

Impact of Not Providing Additional Funds

These positions begin to restore the capacity of NVTC to support a high quality, high capacity transit network. These are proposed after the elimination of front desk support and the realignment of existing positions. These two positions combined with an innovative midcareer Transit Fellows Program come after NVTC has tapped localities for additional support as well as sought support for the Transit Fellows Program from the Virginia Department of Rail and Transportation.

At the request of the Commission, the Executive Director has prepared in draft an outline of a contingency plan noting those activities NVTC would move forward on. These are essentially maintenance of financial management core capacity, limited monitoring activities, grants and contracts management, and project management of the Rt. 7 project and the New Electronic Payments Program (NEPP) regional technical assistance project. The Commission also requested a description of the impact of not proceeding with the Executive Officer/Senior Planner Position. The first items relating to WMATA, VRE, and state funding activities cannot proceed without additional transit programmatic and planning capacity.

Reference materials are attached as follows:

- A. Revised FY2015 Budget, including:
 - Analysis of 10 Year Budget History
 - Proportion of State Assistance Drawn off the Top for G&A Budget
 - Adjustments to the health care benefits & match for the DRPT internship grant
 - Memo on contingency planning with respect to existing activities
- B. Materials previously provided or provided subsequent to the meeting including:
 - Summary Chart of New or Expanded Activities in 2013 and 2014/2015
 - 2013 NVTC Year in Review
 - NVTC Planning Session Report
 - (Full report with supplemental materials: <http://tinyurl.com/jvoasd5>)
 - Additional Details on Benefits



PROPOSED BUDGET

**FISCAL YEAR
2015**

(July 1, 2013 – June 30, 2014)

-- May 1, 2014 --

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
BUDGETED FISCAL YEAR 2015 REVENUE
Proposed

	FY 2013 Actual	Revised Budget FY 2014	Proposed Budget FY 2015	FY 15-14 Increase (Decrease)	Percent Change
Local Share from State Aid	736,093	916,853	1,335,553	418,700	45.7%
Local Direct Contributions					
Alexandria	32,259	32,218	35,246		
Arlington	51,994	52,226	55,685		
City of Fairfax	7,684	6,751	5,212		
Fairfax County	169,504	173,465	167,903		
Falls Church	2,813	2,328	2,549		
Loudoun	19,993	17,259	17,652		
Total Local Direct	284,247	284,247	284,247	-	0.0%
Total Contributions	1,020,340	1,201,100	1,619,800	418,700	34.9%
Interest and Other Revenue	1,317	1,500	1,500	-	0.0%
Project Chargebacks	70,000	80,000	80,000	-	0.0%
Project Grant Billings	-	-	40,000	40,000	N/A
Appropriated Surplus	43,619	99,700	57,000	(42,700)	-42.8%
Total Revenue	<u>\$1,135,276</u>	<u>\$ 1,382,300</u>	<u>\$1,798,300</u>	<u>\$ 416,000</u>	<u>30.1%</u>

*Note: NVTC's WMATA jurisdictions receive and recognize state operating and capital assistance for their annual commitments to WMATA and local transit systems. This revenue is then pooled at NVTC and allocated among the jurisdictions based on NVTC's Subsidy Allocation Model (SAM), and held in trust for the jurisdictions' transit use. Before the funding is allocated, NVTC's SAM resolution states that amounts are to be applied to WMATA debt service, certain NVTC projects, and a portion of the general and administrative budget of NVTC. The amount used for NVTC's general and administrative expenses is determined each year by NVTC's approved budget.

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
SCHEDULE OF FISCAL YEAR 2015 BUDGETED EXPENDITURES
(Proposed)

	FY 2013 Actual	Revised Budget FY 2014	Proposed Budget FY 2015	FY15 - FY14 Increase (Decrease)	Percent Change
<u>Personnel Costs</u>					
Salaries	\$ 670,782	\$ 779,600	\$ 1,001,000	221,400	28.4%
Fellow Program (grant funded at 80%)	-	-	50,000	50,000	N/A
Temporary Employee Services	-	-	-	-	N/A
Total Personnel Costs	670,782	779,600	1,051,000	271,400	34.8%
<u>Benefits</u>					
Employer's Contributions					
FICA	49,493	53,800	70,300	16,500	30.7%
Group Health Insurance	67,812	97,900	143,700	45,800	46.8%
Retirement	65,742	52,700	84,900	32,200	61.1%
Workers & Unemployment Comp.	3,340	3,100	4,000	900	29.0%
Life Insurance	2,952	3,900	4,450	550	14.1%
Long Term Disability Insurance	2,916	3,600	5,050	1,450	40.3%
Total Benefit Costs	192,255	215,000	312,400	97,400	45.3%
<u>Administrative Costs</u>					
Commissioners Per Diem	11,350	11,000	11,000	-	0.0%
Rents:	195,344	202,500	214,200	11,700	5.8%
Office Rent	185,027	192,000	200,100	8,100	4.2%
Parking / Metrochek	10,317	10,500	14,100	3,600	34.3%
Insurance:	5,772	6,100	6,100	-	0.0%
Public Official Bonds	2,370	2,300	2,300	-	0.0%
Liability and Property	3,402	3,800	3,800	-	0.0%
Travel:	6,646	16,500	16,400	(100)	1
Conferences / Professional Devel.	545	5,300	7,800	2,500	47.2%
Non-Local & Conference Travel	1,033	1,200	1,800	600	50.0%
Local Travel, NVTC / Other Meeting	5,068	10,000	6,800	(3,200)	-32.0%
Communication:	8,067	11,100	11,000	(100)	-0.9%
Postage	2,454	3,100	2,900	(200)	-6.5%
Telephone and Data	5,613	8,000	8,100	100	1.3%
Publications & Supplies	9,889	15,900	10,800	(5,100)	-32.1%
Office Supplies	2,488	3,000	2,800	(200)	-6.7%
Duplication and Paper	6,901	7,400	7,500	100	1.4%
Public Information	500	5,500	500	(5,000)	-90.9%
Operations:	7,381	11,000	24,800	13,800	125.5%
Furniture and Equipment (Capital)	3,273	4,000	17,000	13,000	325.0%
Repairs and Maintenance	75	1,000	1,000	-	0.0%
Computer Operations	4,033	6,000	6,800	800	13.3%
Other General and Administrative	7,060	5,100	8,100	3,000	58.8%
Subscriptions	214	-	-	-	N/A
Memberships	1,276	1,200	1,300	100	8.3%
Fees and Miscellaneous	3,530	3,000	5,600	2,600	86.7%
Advertising (Personnel/Procurement)	2,040	900	1,200	300	33.3%
Total Administrative Costs	251,509	279,200	302,400	23,200	8.3%
<u>Contracting Services</u>					
Auditing	20,730	28,500	22,500	(6,000)	-21.1%
Research and Analytic Support	-	80,000	110,000	30,000	37.5%
Consultants - Technical	-	-	-	-	N/A
Legal	-	-	-	-	N/A
Total Contract Services	20,730	108,500	132,500	24,000	22.1%
Total Operating Program	<u>\$ 1,135,276</u>	<u>\$1,382,300</u>	<u>\$1,798,300</u>	<u>\$ 416,000</u>	<u>30.1%</u>

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
BUDGETED FISCAL YEAR 2015 REVENUE - MID-LEVEL PLANNER ONLY
(Proposed)

	FY 2013 Actual	Revised Budget FY 2014	Proposed Budget FY 2015	FY 2015-2014 Budget Increase (Decrease)	Percentage Change
Local Share from State Aid	736,093	916,853	1,177,953	261,100	28.5%
Local Direct Contributions					
Alexandria	32,259	32,218	35,246		
Arlington	51,994	52,226	55,685		
City of Fairfax	7,684	6,751	5,212		
Fairfax County	169,504	173,465	167,903		
Falls Church	2,813	2,328	2,549		
Loudoun	19,993	17,259	17,652		
Total Local Direct Contributions	284,247	284,247	284,247	-	0.0%
Total Contributions	1,020,340	1,201,100	1,462,200	261,100	21.7%
Interest and Other Revenue	1,317	1,500	1,500	-	0.0%
Project Chargebacks	70,000	80,000	80,000	-	0.0%
Project Grant Billings (Intern Program)	-	-	40,000	40,000	
Appropriated Surplus	43,619	99,700	57,000	(42,700)	-42.8%
Total Revenue	<u>\$ 1,135,276</u>	<u>\$ 1,382,300</u>	<u>\$ 1,640,700</u>	<u>\$ 258,400</u>	<u>18.7%</u>

*Note: NVTC receives state operating and capital assistance for its WMATA compact members' annual commitments to WMATA and those jurisdictions' local transit systems. NVTC allocates this revenue among the jurisdictions based on NVTC's Subsidy Allocation Model (SAM), and holds the funds in trust for the jurisdictions' transit use. Before the funding is allocated, NVTC's SAM resolution states that amounts are to be applied to WMATA debt service, certain NVTC projects, and a portion of the general and administrative budget of NVTC. The amount used for NVTC's general and administrative expenses is determined each year by NVTC's approved budget.

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
SCHEDULE OF FISCAL YEAR 2015 BUDGETED EXPENDITURES - MID-LEVEL PLANNER ONLY
(Proposed)

	FY 2013 Actual	Revised Budget FY 2014	Proposed Budget FY 2015	FY15 - FY14 Budget Increase (Decrease)	Percentage Change
<u>Personnel Costs</u>					
Salaries	\$ 670,782	\$ 779,600	\$ 871,000	91,400	11.7%
Fellow Program (grant funded at 80%)	-	-	50,000	50,000	N/A
Temporary Employee Services	-	-	-	-	N/A
Total Personnel Costs	670,782	779,600	921,000	141,400	18.1%
<u>Benefits</u>					
Employer's Contributions					
FICA	49,493	53,800	61,150	7,350	13.7%
Group Health Insurance	67,812	97,900	126,200	28,300	28.9%
Retirement	65,742	52,700	84,900	32,200	61.1%
Workers & Unemployment Compensation	3,340	3,100	3,650	550	17.7%
Life Insurance	2,952	3,900	4,300	400	10.3%
Long Term Disability Insurance	2,916	3,600	4,600	1,000	27.8%
Total Benefit Costs	192,255	215,000	284,800	69,800	32.5%
<u>Administrative Costs</u>					
Commissioners Per Diem	11,350	11,000	11,000	-	0.0%
Rents:	195,344	202,500	214,200	11,700	5.8%
Office Rent	185,027	192,000	200,100	8,100	4.2%
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Insurance:	5,772	6,100	6,100	-	0.0%
Public Official Bonds	2,370	2,300	2,300	-	0.0%
Liability and Property	3,402	3,800	3,800	-	0.0%
Travel:	6,646	16,500	16,400	(100)	0
Conferences / Professional Development	545	5,300	7,800	2,500	N/A
Non-Local & Conference Travel	1,033	1,200	1,800	600	50.0%
Local Travel, NVTC and Other Meetings	5,068	10,000	6,800	(3,200)	-32.0%
Communication:	8,067	11,100	11,000	(100)	-0.9%
Postage	2,454	3,100	2,900	(200)	-6.5%
Telephone and Data	5,613	8,000	8,100	100	1.3%
Publications & Supplies	9,889	15,900	10,800	(5,100)	-32.1%
Office Supplies	2,488	3,000	2,800	(200)	-6.7%
Duplication and Paper	6,901	7,400	7,500	100	1.4%
Public Information	500	5,500	500	(5,000)	-90.9%
Operations:	7,381	11,000	24,800	13,800	125.5%
Furniture and Equipment (Capital)	3,273	4,000	17,000	13,000	325.0%
Repairs and Maintenance	75	1,000	1,000	-	0.0%
Computer Operations	4,033	6,000	6,800	800	13.3%
Other General and Administrative	7,060	5,100	8,100	3,000	58.8%
Subscriptions	214	-	-	-	N/A
Memberships	1,276	1,200	1,300	100	8.3%
Fees and Miscellaneous	3,530	3,000	5,600	2,600	86.7%
Advertising (Personnel/Procurement)	2,040	900	1,200	300	33.3%
Total Administrative Costs	251,509	279,200	302,400	23,200	8.3%
<u>Contracting Services</u>					
Auditing	20,730	28,500	22,500	(6,000)	-21.1%
Research and Analytic Support	-	80,000	110,000	30,000	37.5%
Consultants - Technical	-	-	-	-	N/A
Legal	-	-	-	-	N/A
Total Contract Services	20,730	108,500	132,500	24,000	22.1%
Total Operating Program	<u>\$1,135,276</u>	<u>\$ 1,382,300</u>	<u>\$1,640,700</u>	<u>\$ 258,400</u>	<u>18.7%</u>

NORTHERN VIRGINIA TRANSPORTATION COMMISSION

Explanatory Notes to Fiscal Year 2015 Proposed Budget

Jurisdictional Contributions

Revenue from Local Direct Contributions

Each NVTC jurisdiction is assigned a share of the local portion of NVTC's administrative budget based on its share of revenue received by NVTC on behalf of jurisdictions from all sources in the previous year. This procedure is required by state statute and results in changes in contributions from one year to another that vary for each jurisdiction depending on relative shares of revenue received. The allocation in this FY 15 budget is based on the FY 14 Subsidy Allocation Model. Note: NVTC jurisdictions received notice last fall of their share of local direct contributions in the preliminary budget for FY2015.

Revenue from State Assistance

NVTC receives state operating and capital assistance for its WMATA compact members' annual commitments to WMATA and those jurisdictions' local transit systems. NVTC allocates this revenue among the jurisdictions based on NVTC's Subsidy Allocation Model (SAM), and holds the funds in trust for the jurisdictions' transit use. Before the funding is allocated, NVTC's SAM resolution states that amounts are to be applied to WMATA debt service, certain NVTC projects, and a portion of the general and administrative budget of NVTC. The amount used for NVTC's general and administrative expenses is determined each year by NVTC's approved budget.

Increases contained in the FY 2015 Proposed Budget are funded entirely from the State Assistance Allocation. The attached chart places the proposed budget in the context of the total amount of state assistance for transit. State assistance was \$96.4 million in FY 2010 and is projected to be \$180.8 million in FY 2015. While the amount of state assistance increases in absolute terms, the percentage of state assistance for NVTCs administrative drops from 1.27% to 1.01% of all state assistance.

Project Chargebacks

This line consists primarily of charges for NVTC staff support for the VRE project and reimbursed from VRE's budget.

Project Grant Billings

The FY 15 budget assumes a grant from DRPT's Intern Program which provides funding at 80% of the payroll and related costs. This will re-establish NVTCs internship program as a Transit Fellows program targeted at college graduates, graduate students and mid-career candidates. The benefit to NVTC will be to provide specific technical resources for projects to advance NVTCs objectives of promoting connectivity, core capacity, and commuter rail using strategies emphasizing regional planning and research related to economic benefits of transit in the region and in the Commonwealth. Approval sought to begin the fellows program in the last quarter of FY 2014.

NORTHERN VIRGINIA TRANSPORTATION COMMISSION

Explanatory Notes to Fiscal Year 2015 Proposed Budget

Appropriated Surplus

Included as a source of revenue in the FY 15 budget is a projected excess accumulated surplus that is available to offset the proposed operating budget expenses. This surplus is in excess of the commission's anticipated minimum operating requirements.

Salaries

The FY15 budget assumes the addition of up to two full-time positions over the revised FY14 budget with a provision for the NVTC transit fellows program. Performance pay increases for staff other than the Executive Director are included at 0% to 5%, with an average of 3.5%.

FICA

NVTC's budgeted share of FICA and Medicare taxes is a function of budgeted payroll times the current tax rates.

Group Health Insurance

A provision for health insurance coverage is included for all NVTC staff positions, with the exception of the Executive Director position, regardless of whether or not employees in those positions participate in NVTC's health insurance plan. Unless all eligible employees participate in NVTC's health insurance program, actual expenditures will be less than budgeted.

The proposed FY 15 budget shows a 46.8% increase over the FY 14 revised budget. This increase is the result of including a provision for health insurance for all eligible positions at the current rate. The FY 14 revised budget assumes coverage for part of the year for only those employees actually covered, and the remainder of the year for all positions eligible for coverage. This translates into 6.25 eligible positions, while the FY15 proposed budget includes a provision for 9 eligible positions; a 44% increase in eligible covered positions. The balance of the increase is attributable to changes in the assumed coverage category (single, couple or family).

NVTC's health insurance group rates decreased slightly for the policy period ending April 30, 2014, but with an average increase of 15 percent over the past six years. The FY 15 budget is based on those actual rates, with no provision for increased premiums. Reflecting the historical premium increase in the health insurance provision would add an additional \$23,000 to this line.

Retirement

The budgeted amount of employer pension contributions for the target benefit pension plan is based on actuarial formulas using budgeted staff and salary levels for FY15. Because the formulas take into account factors in addition to payroll costs, such as years to retirement and investment return, changes in budgeted contributions do not necessarily change directly with budgeted payroll.

The proposed FY 15 budget shows a 61% increase in retirement benefits over the FY 14 revised budget. This increase is caused by two existing positions converted to full time in FY14

NORTHERN VIRGINIA TRANSPORTATION COMMISSION

Explanatory Notes to Fiscal Year 2015 Proposed Budget

are eligible to participate effective July 1, 2014, and the Executive Director is eligible for full participation in FY 15, while in FY 14 she was eligible for only half year participation.

Commissioners' Per Diem

The FY 15 budget is based upon the regular meeting schedule, and includes per diems at the statutory rate of \$50 for commissioners other than senators and delegates, with a minimal contingency for increased attendance. Effective July 1, 2011, NVTC is no longer responsible for reimbursing the state for the \$200 per diem of senators and delegates.

Office Rent

The administrative office lease was renewed during fiscal year 2011 for the period January 2011 through May 2021. Rent expense included in the FY15 budget is based upon the fixed costs of the lease, with a provision for increases in common area expenses.

Conference / Professional Development

This item was eliminated with the FY 10 budget. This line was restored with the FY 14 revised budget.

Local Travel, NVTC and Other Meetings

This line includes the costs of NVTC Commission meetings, hosting regional meetings, and the costs of NVTC staff traveling to meetings elsewhere in the region. The FY 14 budget includes \$5,000 in this line for NVTC's 50th anniversary, which will not be utilized during FY 14, but rather carried forward to FY 15. In FY2014, NVTC discontinued provision of car allowance for the Executive Director. Membership in Zip Car was extended as a benefit to all NVTC personnel. The proposed budget includes similar benefit with Capital Bikeshare for all NVTC personnel.

Telephone and Data

As part of the move to new leased office space, NVTC purchased a new phone system to replace the antiquated system previously owned. This new system has allowed NVTC to utilize newer technology at a lower monthly cost; however the data service did not meet NVTC's needs. A contract for enhanced data service was entered into during December, 2013. The FY 15 budget is based upon this contract. Also included in this line is the mobile data and phone service for the executive director.

Office Supplies

The FY 15 budget for this item is based on the average of prior years' actual costs.

NORTHERN VIRGINIA TRANSPORTATION COMMISSION

Explanatory Notes to Fiscal Year 2015 Proposed Budget

Duplication and Paper

During fiscal year 2011, NVTC negotiated a five year copier lease and service contract for considerable savings over the previous arrangement. The duplication expenses of paper and staples, which are not included in the contract, have been budgeted based upon estimated usage levels.

Public Information

The FY 14 budget includes \$5,000 in this line for NVTC's 50th anniversary, which will not be utilized during FY 14, but rather carried forward to FY 15.

Furniture and Equipment

This budget category provides for the replacement and acquisition of office furniture and equipment, including computer hardware. The FY 15 budget includes office build-out, furniture and computer equipment for additional staff.

Computer Operating Expense

Computer operating expenses include outside network consulting and services, minor software upgrades and supplies, web hosting fees, and a provision for disaster recovery efforts. The FY 15 budget is based on an average of prior year actual costs, with a small provision for disaster recovery costs. In an effort to increase usability, dependability, and decrease overall cost, email and related functions were moved from the in-house Exchange server to a cloud-based service. The FY15 budget reflects the annual costs of this service.

Advertising (Personnel/Procurement)

The FY 15 budget includes a provision for personnel and procurement advertising. An average of prior years costs was used to develop the budgeted amount as this category fluctuates from year to year, with a slight increase for additional RFPs.

Auditing

NVTC entered into a three-year contract for auditing services beginning with the audit of FY 08, with two, two-year options. The budget is based on the projected costs of the second two year option.

NVTC Regional Projects

NVTC regularly manages many regional projects which are funded outside of the general and administrative budget; however NVTC generally contributes staff time and related expenses. For FY 15 these projects will include the NTD collection and reporting, Route 7, NEPP, and reporting on the value of transit and bike and pedestrian infrastructure improvements in Virginia. In addition, NVTC will seek support outside of its general and administrative budget for transit tours and the establishment of a business advisory council.

NORTHERN VIRGINIA TRANSPORTATION COMMISSION

Explanatory Notes to Fiscal Year 2015 Proposed Budget

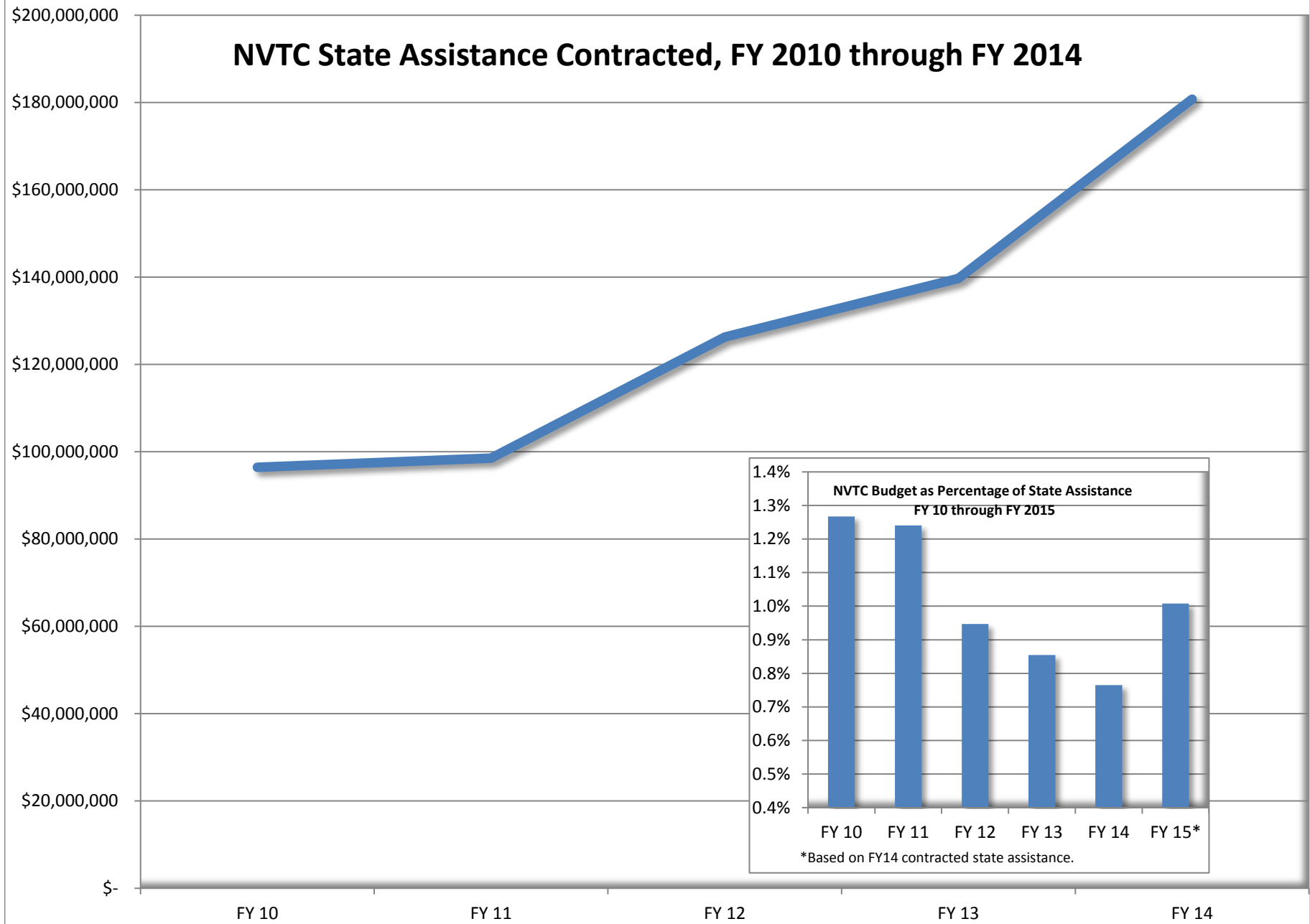
Contract Support

The FY 15 budget includes a provision for a research and technology support efforts, as well as support for state liaison activities. NVTC intends to seek alternative funding sources or partners in these activities.

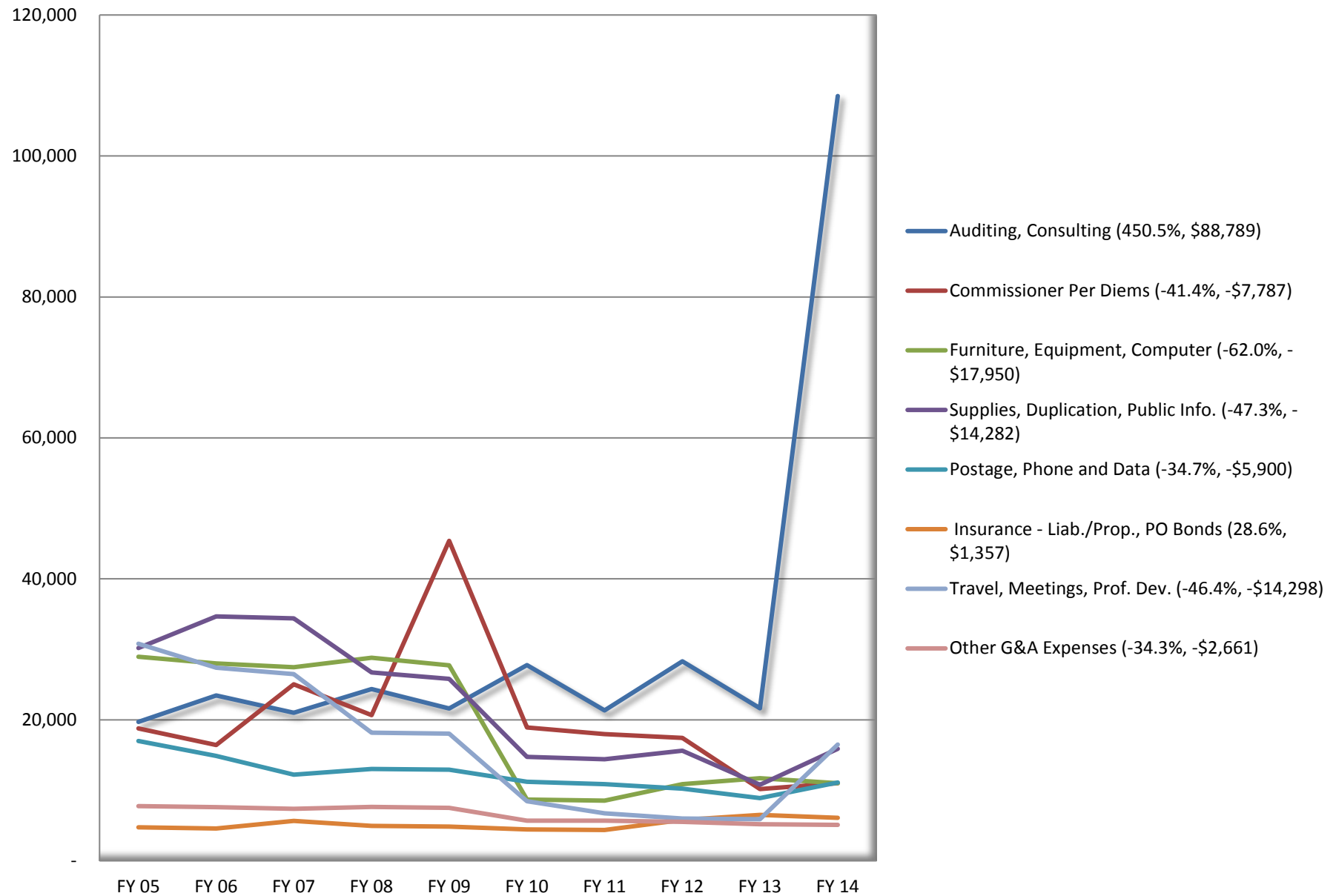
Legal

An allowance for legal costs has been included in prior year budgets. Effective with the FY 10 budget, this allowance has been eliminated. NVTC will rely entirely on donated legal services from its jurisdictions.

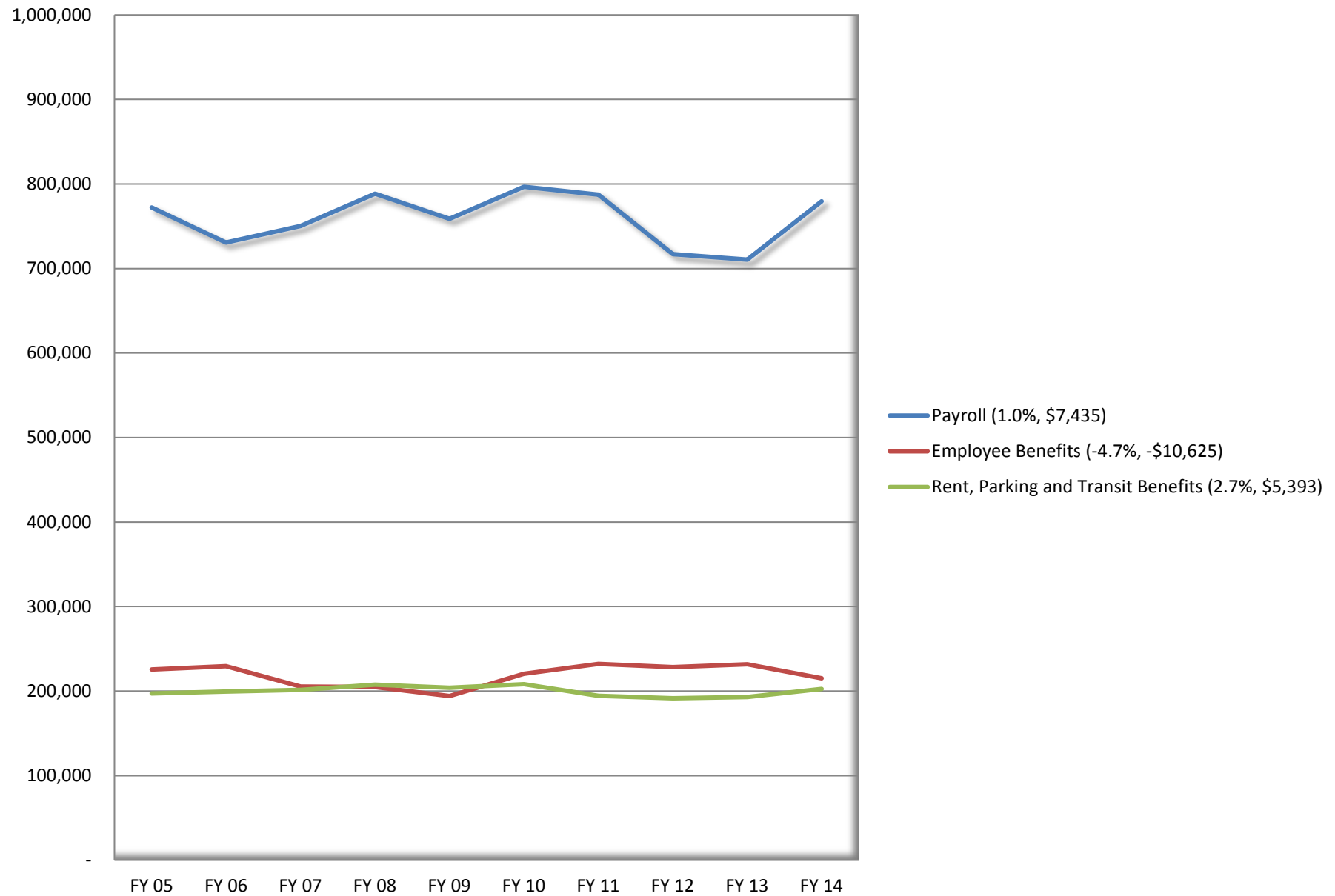
NVTC State Assistance Contracted, FY 2010 through FY 2014



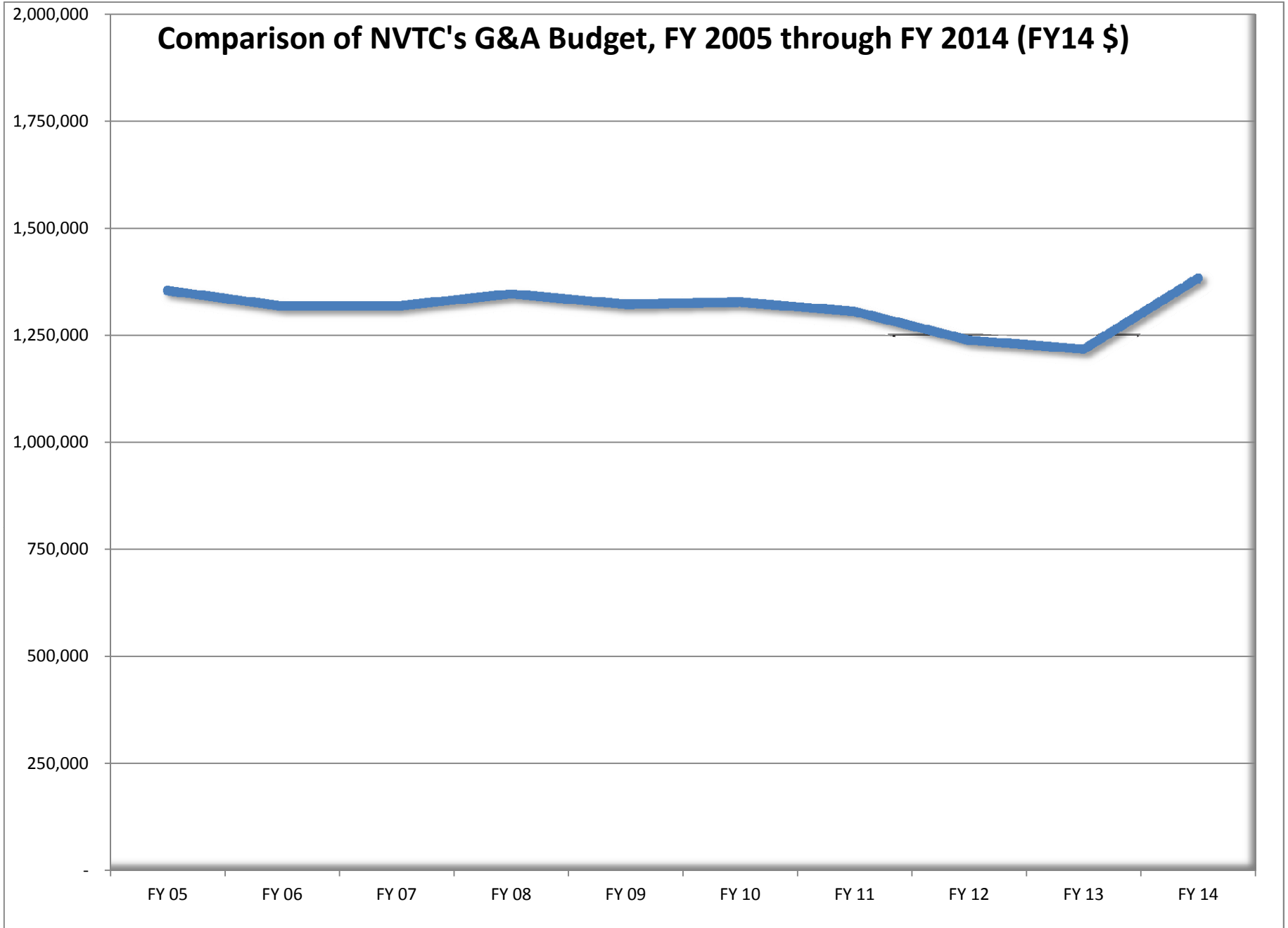
Comparison of NVTC's G&A Budget, FY 2005 Through FY 2014 (FY 14 \$)



Comparison of NVTC's G&A Budget, FY 2005 Through FY 2014 (FY 14 \$)



Comparison of NVTC's G&A Budget, FY 2005 through FY 2014 (FY14 \$)





MEMORANDUM

TO: Chairman Smedberg and NVTC Commissioners

FROM: Kelley Coyner

DATE: April 23, 2014

SUBJECT: Items for Contingency Planning: Impact of Under Resourcing

As requested, I have prepared a list of activities that we will not be able to sustain without sufficient technical and management resources. These items are related to sustaining existing priorities and activities pulled from the 2014 Work Plan. Many of these are activities that the Executive Director has initiated or identified as consistent with discussions with the Commission over the last 12 months. In some cases a great deal of groundwork has been laid over the course of the last year and in others there has been continued or increased focus in an existing area. Examples include staff support of Commission's oversight role of VRE, regional planning in support of VRE's System Plan implementation, engagement in WMATA especially with respect to Loudoun's transition into the Compact and securing stable dedicated funding for WMATA especially with respect to 2025.

This is a refinement of a list prepared immediately after the April Commission meeting. It now reflects discussion with jurisdictional staff: it does not represent their views on the impact but it does take into account several overarching questions posed.

If we do not have sufficient resources to sustain these activities described below, I would recommend prioritizing continuing to strengthen our financial management capacity including appropriate internal controls. New activities with respect to IT controls and procurement should continue. Project management of two significant projects -- Rt. 7 Phase II and NEPP technical assistance should continue by planners and not proceed as strictly contract and grant management. Human Resource capacity and management engagement in supervision focused on professional development and updating of systems and policies has to continue. The redesign and relaunch of the website and its subsequent use as a tool that supports NVTC's objectives to promote a high quality, high capacity transit network should be sustained.

I welcome the opportunity to answer questions or provide further information about any of these items:

1. Engagement with WMATA especially in light of Loudoun's expected entrance in the Compact as well as support of the efforts to secure stable and possible dedicated sources of funding. This will build on NVTC's involvement in Capital Funding Agreement activities, budget development, and performance metric issues. The anticipated start of the Capital Funding Agreement discussions this year and the need to secure funding to complete State of Good Repair and 2025 funding needs are issues that are key opportunities/risks for the region in this fiscal year.
2. Participation in the implementation of the Management Audit of VRE and support of regional planning components necessary for the System Plan. Technical oversight and support of VRE has primarily been provided in the area of state grant assistance and financial management expertise. The APA Audit and resulting Management Audit by the two Commissions lead to the Executive Director serving as co-lead of the Management Audit and staff support of the Joint Audit Committee. For at least two years prior, technical support of VRE on management related issues outside of the financial arena and senior staff support of the Commission in an oversight role had been very limited.
3. Transit Fellows Program. Design and recruitment for the Transit Fellows Program is a new activity for NVTC. Recruitment has included developing a network with universities in the region and across the Commonwealth through the offices of the Dean and key faculty contacts at GMU, UVa, Virginia Tech, William and Mary, GWU, Georgetown, American University, and James Madison among others. In addition, the research and technical assistance agenda has been developed by the Executive Director. Without additional senior management and technical capacity management there is inadequate capacity to supervise and implement the Transit Fellows Program. Grant funding provides only for compensation/stipend and transit benefits. There is no provision for the management of the Fellows.
4. Participation in VDOT or Secretary of Transportation's taskforces, studies, or work groups that are planned or anticipated to begin this summer and span the next 18 months:
 - Implementation of HB 2 prioritization as it impacts transit and related roadway and rail infrastructure
 - Working group on state funding/dedicated funding with respect to Momentum beyond PRIAA
 - State partnership study on economic benefits of transit and rail investment
 - Analytical and policy development of next transit/rail funding mechanism to address bond funding cliff
 - Efforts to maximize existing infrastructure, .e.g. developing a strategy with respect to bus on shoulder, application of urban design standards

5. Federal agency activities beyond grants with FTA. Historically NVTC has managed grants for the FTA through its contracting grant management function. This year we have looked for opportunities to expand our collaboration with FTA beyond this function.
6. Support of NoVa Delegation. Outreach to NoVa Delegation and securing a legislative and agency liaison are phase one of a regional role with the legislature and executive branch agencies. Greater expertise on policy and legislative and an additional level of effort is needed in support of NVTC's Legislative and Policy Agenda.
7. DRPT agency activities beyond grants management. This would include participation in TSDAC, Capital Allocation Formula Review, advocacy and technical support of DRPT Director with respect to the development of the Six Year Improvement Plan. The new planner position could provide support of the CFO or ED on these areas but not at the expense of meeting milestones or regional planning activities.
8. Development of a regional transit plan. Some work could be completed by a Transit Fellow, but the effort is likely to be postponed or slowed with a result of missed milestones of substantial progress in funding, organizing and creating a regional transit plan. This is a new activity that is part of the regional planning strategy.
9. Collaboration with NVTa by NVTC. This is an outgrowth of the priority set by NVTC last summer. This collaboration is beyond what was contemplated previously and in a different manner. This builds on both longstanding staff support of NVTa functions and represents a stake of the Commission in successive regional transit investment strategy. This is a shift from an administrative and financial management focus to a planning and technical expertise in modeling and metrics, and related areas.
10. Business Outreach Plan implementation. The Plan has been drafted. Timing in regards to building a network is important to securing additional funds and addressing the bond cliff and Marketplace Fairness Act provisions of HB 2313. This effort should be highly leveraged through networking of Chambers, transit champions and others. It does require seed capital through staff.
11. Forum on economic benefits of transit. We are now targeted for November for a forum with regional elected officials and other transit stakeholders. We should consider concentrating instead on completing the research and sharing it informally with Transportation Directors and Commissioners. Opportunity cost is that forum was to have served as briefing opportunity with members of the General Assembly this fall.

12. Implementation of the Legislative and Policy Agenda beyond funding priorities and strengthening local decision making.
13. Limit involvement in Virginia Transit Association and postpone statewide efforts with VML, VACO, and planning districts (URBAN CRESCENT).

2013 Programmatic Activity

2014/2015 Continuing/Expanded/New in 2014

Performance Metrics TSDAC/TSDAC Working Group		Performance Metrics TSDAC/TSDAC Working Group: Working Group on Data Issues Pilot: Scorecard Metrics Project
NEPP Procurement: Regional Operators Advisory Team		NEPP Procurement: Technical Assistance NEPP Vendor Pilot
NVTA Collaboration: PIO Financial Working Group Project Implementation Working Group Accounting Support		NVTA Collaboration: PIO(?) Financial Working Group Project Implementation Working Group-Project Selection Model Long Range Plan
General Assembly Outreach (Near Term Outreach Plan): Individual Meetings Delegation Meetings		General Assembly Outreach: Delegation Meetings Legislative & Agency Liaison in Richmond Host Transit Tours
New Legislative and Policy Agenda: Sustainable Dedicated Funding Strong Regional Decision making Appropriate Use of Performance Standards Maximize Existing Infrastructure Innovation and Technological Integration		New Legislative and Policy Agenda: Year Round Implementation including VDOT & Office of Secretary; CTB, DRPT Work Agenda for legislative and regional statewide outreach Develop white papers/webinar(?) on funding/finance issues (e.g. NOVA specific, bond funding, innovative finance) Develop and implement strategy with transportation directors & Sec. Transportation/DRPT
Strategic Plan: Informal Stakeholder Interviews including Commission; Survey; Planning Session and Report		Strategic Plan: Refine/Define Strategic Targets (Connectivity, Core Capacity, and Commuter Rail) Revise workplan as matrix Begin implementation
Regional Planning Monitoring or participating in 30 studies		Regional Planning Monitoring or participating in 30 studies: Rt. 7 Phase II, Evaluate and recommend regional connectivity improvements through a comprehensive review of existing planning activities and regional corridor studies and plans, including VRE System Plan, with a primary focus on high capacity transit, transitways, and connecting corridors inside the region (basis for regional plan).

2013 Programmatic Activity

2014/2015 Continuing/Expanded/New in 2014

Casemaking/NOVA Network/Statewide Network		Casemaking/NOVA Network/Statewide Network: Preliminary Research & Business Community Outreach in 2013 2014 – Report on Economic and Fiscal Impact of Transit Roundtable & Breakout Panel at VTA Forum on Economic & Fiscal Impact of Transit/Explore Business Roundtable Engagement Statewide Private Sector Outreach Strategy Implement
Technology Upgrade, Website Redesign & Relaunch		Technology Upgrade, Website Redesign & Relaunch: Complete redesign and relaunch of the NVTC website, utilizing off the shelf content management system (CMS). Improve access to transit resources including travel information, transit data and best practices, and transportation news and events. Related activities shall include: a. Revise and web-publish the NVTC Handbook; b. Maintain a transit system performance database and link to other regional transit databases; and c. Disseminate data visualization and mapping tools.
New Communications/Analytic Products: Executive Director Report Revamp of Information Items (Agenda) NVTC by the Numbers Facts Sheets on TSDAC Issues Comments on TSDAC/CTB Issues Congressional Letters Letter on DC Commuter Tax Proposal Replaced Workplan Update with “Year in Review” Visuals for Monthly Meeting		New Communications/Analytic Products: Mid-month e-newsletter (to increase timeliness of info, streamline kit, better connect regional staff) Communications Kit including NVTC by the Numbers, NVTC Year in Review at a glance, legislative and policy fact sheets, “Vital Stats” on transit service, and the impact of NVTC transit network on regional and Commonwealth’s economy 50 th Anniversary Resolution Reception in Sept.
Partnership activities with VTA at a reduced level focusing primarily on the VTA conference		Expand partnership with VTA during transition to new ED & given focus on statewide transit/rail funding network

2013 NVTC Year in Review

2013 — A year of many changes and great possibilities

Landmark transportation funding legislation
VRE System Plan
Momentum - WMATA Strategic Plan
New operating and capital assistance formulas
New NVTC Executive Director
Rt. 7 Corridor Plan Phase I
Regional NEPP Technical Assistance Program
Vanpool Alliance Program Launched
Commonwealth Outreach Plan
NVTA Partnership



Legislative & Policy Agenda

1. Maintain and expand opportunities for dedicated, sustainable transit funding
 - Fully implement HB2313
 - Keep Metro and VRE funding commitments
 - Expand innovative finance
2. Use performance metrics to promote efficiency and maximize capital investments/SB1140
3. Strengthen regional cooperation and accountability
4. Maximize use of existing facilities
 - Bus on Shoulder
 - Bus service on Express Lanes
 - Commuter bus storage
5. Fostering innovation and technological integration.



<http://tinyurl.com/NVTCLegAgenda>

Financial Management Highlights

- Achieved a clean audit for FY 2013
- Invoiced and/or booked \$136M of state operating and capital assistance
- Monitored \$47M regional gas taxes receipts
- Assisted with the transition of the gas tax collection administration to DMV
- Managed \$152M of trust fund assets
- Invoiced \$1.5M of federal and state funds for NVTC managed projects
- VRE co-owner with assets totaling \$372M
- Participated in NVTA Financial Working Group, and VRE and Metro working groups
- Provided accounting and financial services to NVTA
- Supported recruitment of NVTA financial management team



Regional and State Partnerships

NVTA Project Development, Accounting and Financial Services, Public Outreach

TPB/MWCOG Regional Transportation Priorities Plan that encompasses local transit, commuter rail as well as WMATA, Bus on Shoulder Pilot

WMATA JCC, Regional Pricing for NEPP, Budget Oversight, Endorsing and Promoting *Momentum*, Regional Bus Studies and more

VRE System Plan, APA Audit, Joint Audit Committee, Expanded Capital Investment, Co-Stewardship with PRTC

VTA, VML, and VACO Legislative and Policy Agendas, Performance Metrics, ROI of transit

Policy, Projects, Data

Legislative & Policy Agenda
Vanpool Program Launch
NEPP Technical Assistance
Transit Service Delivery Advisory Committee
Ridership Data
NTD re-compete
Rt. 7 Phase I
Rt. 1 Tier One
Project Selection Model
Regional Planning Work Session
Title VI Civil Rights Compliance
Updated DBE Program
Commuter Bus Tax
Transit Benefit Parity

Strengthening NVTC

Professional Development
Technology Upgrade
Position Realignment
Midyear Work Plan Update
10 Year Budget Analysis
Emergency Preparedness for Staff
Planning Session
Management Review
Budget Adjustment

VITAL STATISTICS

550K	Transit rides in N.VA on a typical work day
164M	Bus and rail passenger trips in NVTC's jurisdictions annually
2M	Jobs within 1/4 mile of transit stations
919M	Savings in transportation costs in VA

2300 Wilson Boulevard • Suite 620 • Arlington, VA 22201
Tel (703) 524-3322 • Fax (703) 524-1756
Email nvtc@nvtc.org • www.thinkoutsidethecar.org



Results: Commissioner Planning Session Dec. 7, 2013

Attachment #5D

Dec. 7, the NVTC Commissioners identified three key areas to strengthen Northern Virginia's transit network:

- **Regional connectivity** through linked transit ways and expansion of bus services and new service such as BRT
- **Expanded core capacity** of Metro
- **Regional commuter rail**

Commissioners agreed that NVTC's role in promoting each should emphasize **regional transit planning** to leverage coordinated investments and making the **economic case for transit** investment in Northern Virginia and across the Commonwealth.

These roles complement NVTC's core expertise in transit funding and financial management; policy, legislative, and programmatic design and implementation. They build on NVTC's strengths as a regional convener, a founder and owner of VRE, and our longstanding role with WMATA.

ACTION OPTIONS

Regional Transit Plan that Connects Corridors

Regional Bus Network Plan & Investment Strategy to include:

- Bus on Shoulder
- BRT
- Dedicated Lanes
- Connections
- Signal Prioritization
- Commuter Bus Issues

Connecting Existing Planning Activities

Regional Corridor Studies/Plans

Analysis of "ROI" transit to Regional/State Economies

Collaboration with other outreach efforts



Next Steps

- Define the three targets
- Update Work Plan for 2014
- Align Resources:
 - NVTC Budget & Staff
 - Jurisdictional Team
 - Leverage Planning & Investments
- Expand Partnerships:
 - Legislature
 - VDOT & DRPT
 - Business Sector
 - Research Community



Resources:

[Planning Session notes](#)
[Questionnaire results](#)
[Near Term Outreach Plan](#)
[2013 Work Plan priorities](#)

[Studies and Plans Matrix](#)
[2014 Legislative and Policy](#)

Results: Commissioner Planning Session Dec. 7, 2013

Overview

On December 7, 2013 the Northern Virginia Transportation Commission met to identify key opportunities to maximize capacity of the Northern Virginia transit network to move people to and from activity or economic centers and to identify what role NVTC (both its Commissioners and staff) should play in realizing those opportunities.

The outcomes and immediate follow ups for the sessions included:

- Confirmation of the strengths the Northern Virginia transit network and the contributions of NVTC in developing and sustaining the existing transit network;
- Identification of the two or three most important things needed to improve and expand the transit network in the future;
- Agreement on how NVTC will achieve those priorities; and
- A set of initial actions to include in the 2014 Work Plan and the FY2015 budget.

The planning session built on four previous Commission or Committee activities which set priorities for the existing work plan, focused on NVTC's partnership with NVTA, examined key regional planning efforts, and developed and adopted a new legislative and policy agenda. In addition, Commissioners were interviewed and discussions were held with key stakeholders with a special emphasis on leadership in the General Assembly and members of the Northern Virginia Delegation. As preparation for the session, participants also completed a questionnaire focusing on key discussion items. Joshua Shank, the Executive Director of the Eno Center for Transportation facilitated the session. (Responses to Questionnaire and Session Notes attached).

Participants recapped the value of Northern Virginia's transit systems and detailed the ways in which NVTC has contributed to building and sustaining the Northern Virginia transit network. In particular, participants highlighted NVTC's core capacity in financial management and transportation funding expertise and its success in founding, expanding, and overseeing VRE.

The heart of the session focused on:

- Agreeing on the key areas of focus in order to maximize capacity to move people to and from activities or economic centers.
- Identifying how NVTC helps realize these opportunities in the next three to five years.

Strengths of the Region's Transit System & NVTC's Contributions in Developing& Sustaining the Network

Noting that these attributes are more fully detailed elsewhere, Schank summarized the value of the Northern Virginia transit network as:

- moving people
- creating economic growth and
- reducing congestion and protecting the environment.

Mr. Schank summarized NVTC's role as:

- ensuring that existing services are well run
- providing a forum for effective regional coordination and collaboration
- planning for future service and
- providing a seamless connection throughout the region.

Participants highlighted technical expertise in transit; transit financial management and funding; serving as a regional forum local staff as well as elected officials, for developing new transit services, education and advocacy, and connecting with other regional forums. The notes from the session as well as responses to the questionnaire further detail both the value of the regional transit system and the contributions that NVTC has made.

Before turning to a discussion of the most important opportunities to strengthen the transportation system through transit, participants detailed the role of NVTC in financial management and in providing critical expertise on transportation funding. The contribution NVTC made in the founding of VRE and its continuing role in its oversight illustrates the ways in which NVTC not only has contributed to regional transit but also what NVTC has to offer going forward.

NVTC

Provides a regional forum

Plans for future service

Gives technical & funding advice

Develops & coordinates joint policies with other regional bodies (e.g. NVTA)

Promotes regionalism at elected official & staff level

Serves as an educational forum for legislature

Makes the connection between economic vitality transportation investment in Northern Virginia & generation of revenues raised here in Northern Virginia

Connects "silos" throughout the region & connects transit & roadway components of the transportation system.

Supports transit options for outer (non-NVTC) jurisdictions through the extension of the Silver Line to Loudoun & VRE service to Prince Williams, Stafford County & Spotsylvania County & perhaps to the Gainesville-Haymarket area.

Provides federal contracting & funding expertise

Streamlines management of multiple complex funding streams to allow for efficiency & accountability through contract & grant management as well as administration of the SAM (aka Subsidy Allocation Model).

Develops shared efforts such as the Van Pool Alliance, VRE, technical assistance for Smart Pass and NEPP

Supports workforce development for regional transit professionals

What are the key areas to focus on in order to maximize capacity to move people to and from activity or economic centers?

The themes were consistent in interviews, survey answers and in the discussion at the planning session; there were differences in approach or level of emphasis. Continued improvement of the Northern Virginia transit network depends on success in:

1. **CONNECTIVITY** Increased connectivity through linked transit ways & through expansion of existing service & new transit modes such as Bus Rapid Transit (BRT) and possibly Light Rail Transit (LRT);
2. **CORE CAPACITY** Increase capacity of core Metro system as envisioned by WMATA's strategic plan *Momentum*; and
3. **COMMUTER RAIL** Full realization of commuter rail within Virginia as well as service connecting to broader region as outlined in VRE's newly adopted system plan.

Participants acknowledged the need for improved bus service and possibly LRT connections to existing VRE, WMATA, and local transit service. There was an apparent division between a majority who ranked development of BRT and other bus based systems as a foremost priority and others who suggested a mode neutral approach that focuses on planning for the preservation of and development of transit ways. It became apparent that there is an intersection of these two approaches NVTC could advance connectivity through enhanced transit ways generally and advance particular modes including BRT as a regional system and commuter bus.

How can NVTC help achieve three big opportunities to strengthen the transit network in Northern Virginia, namely *connectivity, core capacity and WMATA, and commuter rail*?

Short Answers:

Building on NVTC's core strengths including financial and transit funding capacities and transportation expertise and building on relationships with VA DOT and DRPT as well as members of the General Assembly, NVTC should pursue two new strategies:

1. **Regional Transit Plan/Framework:** Develop and implement a Regional Plan(s) or framework to connect corridors within the region and coordinate outside the region.
2. **Case-Making/Research/Building Networks:** Build a NoVa & Statewide network of business community and regional commissions leveraging relationships with planning districts, state wide organizations, and regional business leaders to make the case for economic benefits of transit.

REGIONAL TRANSIT PLAN/Framework

NVTC should develop regional plan(s) or framework to connect corridors inside the region & externally.

PROPOSED ACTIONS

Identify opportunities to change focus and partner with DRPT (including the Route 1 study)

Redefine SuperNoVa to focus on key actions items that can be accomplished through collaboration among existing entities and focus on region lead development of transit framework.

Develop a Regional Transit Plan for further discussion and refinement.

Review current projects that could be refocused with a different role an NVTC (Route 1, Route 7) Of the list of plans and studies especially those that are corridor studies which ones do we want to advocate for? What are the other emerging opportunities or areas to work on?

Bus on Shoulder route planning activity that looks across the different corridors and how to make connections.

Develop a bus infrastructure investment strategy

Develop a regional bus plan that includes BRT, Bus on Shoulder, dedicated lanes etc.

Conduct scenario planning, which could be corridor based, or network scenarios, including looking at the options to expand commuter rail and increasing connectivity to existing infrastructure.

Map transit corridors both currently served and those that should be served. (e.g. for Fairfax County making connections north-south, east-west outside of Metro)

In 2014

1. Update NVTC Workplan
2. Identify \$ and People Resources:
 - a. 2014 & 2015 Budget
 - b. Staff Details
 - c. Transit Fellowship
 - d. NVT "SYIP" projects
3. Engage Jurisdictional Teams including Transportation/Management Leadership

What Commissioners said about NVTC and planning:

NVTC should...

Take on a more of a planning role focused on NoVA.

Break jurisdictional barriers.

Partner with DRPT and PRTC and do a regional transit plan.

Bring together regional bus, dedicated transit ways, transit use and connectivity in a regional approach to transit planning.

Do more corridor studies.

Draw on work being done at COG/Region Forward with respect to region plan.

Conduct scenario planning where NVTC could put things on the table so others can react, ultimately developing a Regional Transportation Plan.

NVTC's job is to how WMATA, VRE, and jurisdictional plans link together; not necessarily redo the plans but prioritize those linkages. NVTC can help determine how to marry the plans together.

It has to go beyond just simply talking about local plans and trying to find where they match up. NVTC can think out of the box, and think bigger in a bigger framework.

CASE-MAKING/RESEARCH/BUILDING NETWORKS

Build a NoVa and Statewide network of business, local governments, and transit and build the case for economic benefits of transit

PROPOSED ACTIONS

Engage the Business Community --- NoVa and Across Commonwealth.

Develop Message/Analysis: ROI of Transit (including Commuter Rail)

Deliver the Message

Develop and Implement a strategy for Virginia's portion of Momentum Investment

Engage with state organizations, such as VML and VACO

Develop needs a simple message & to convene meetings to talk about transit issues

NVTC as the "go to" for transit

Develop & implement an outreach plan for business community & local and regional governments

Form a Business Council or Advisory Group

Develop an action plan for NVTC support of expansion of commuter rail

In 2014

1. Update NVTC Workplan: including Business Outreach Plan
2. Coordinate with Legislative & Agency Outreach and Technical Assistance
3. Complete 3rd Party economic analysis & co-host symposia
4. Identify \$ and People Resources
5. Engage Jurisdictional Teams including Transportation/Management Leadership

"It is not a case of public relations or a marketing campaign; it is about case making for transit. NVTC needs to define what role it would like to play and make a cohesive plan of action. "

What Commissioners said about case-making, research & building networks:

"Deliver the message regarding the Momentum Plan"

"Talk everyday to the business community about the vitality of making these investments & working together to find creative ways to make Virginia's portion (of WMATA funding of Momentum) happen."

"Figure out how to get a seat at the table & be a part of the dialogue to promote transit, especially with the business community"

"Make the case across the Commonwealth for transit investment. "

"Find a simple message & to convene meetings to talk about transit issues."

NVTC Chair Jeff McKay:

"We are not starting from scratch....

We will complete a third party economic analysis to show the economic benefit to the Northern Virginia region as well as the rest of the Commonwealth before the 2015 General Session. We need to communicate the results through every Commissioners & Member of the General Assembly in Northern Virginia."

NVTC will sponsor **Transportation Camp!** Session on ROI of Transit

"NVTC-by-the-Numbers" tells the story of the transit network by the numbers

Outreach to General Assembly in 2013 lays groundwork for 2014 legislative session & beyond

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
Explanatory Notes to Personnel Costs Included in the Fiscal Year 2015
Proposed Budget

	Revised Budget FY 2014	Proposed Budget FY 2015	FY15 - FY14 Increase (Decrease)	Percent Change
<u>Salaries</u>				
Salaries	\$ 779,600	\$ 1,001,000	221,400	28.4%
Fellow Program (grant funded at 95%)	-	50,000	50,000	N/A
Total Salaries	779,600	1,051,000	271,400	34.8%
<u>Benefits</u>				
Employer's Contributions				
FICA	53,800	70,300	16,500	30.7%
Group Health Insurance	97,900	166,800	68,900	70.4%
Retirement	52,700	84,900	32,200	61.1%
Workers & Unemployment Comp.	3,100	4,000	900	29.0%
Life Insurance	3,900	4,450	550	14.1%
Long Term Disability Insurance	3,600	5,050	1,450	40.3%
Total Benefit Costs	215,000	335,500	120,500	56.0%
Total Personnel Costs	994,600	1,386,500	391,900	39.4%

Salaries

The FY15 budget assumes the addition of two full-time positions over the revised FY14 budget with a provision for the NVTC transit fellows program. Performance pay increases for staff other than the Executive Director are included at 0% to 5%, with an average of 3.5%.

FICA

NVTC's budgeted share of FICA and Medicare taxes is a function of budgeted payroll times the current tax rates.

Group Health Insurance

NVTC's budget includes a provision for health insurance coverage for all full time positions, regardless of whether or not employees in those positions participate in NVTC' health insurance plan. It is therefore expected that the actual costs incurred for health insurance could likely be much lower than the provision included in the budget.

The proposed FY 15 budget shows a 70% increase over the FY 14 revised budget. This increase is the result of including a provision for health insurance for all eligible positions at the current rate with an assumed increase of 15% based on historical increases for NVTC. The FY14 revised budget assumes coverage for part of the year for only those employees actually covered, and the remainder of the year for all positions eligible for coverage. This translates into 6.25 eligible positions, while the FY15 proposed budget includes a provision for 9 eligible positions; a 44% increase in eligible covered positions. The balance of the 70% increase is attributable to the assumed 15% rate increase, and changes in the assumed coverage category for employees (single, couple or family).

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
Explanatory Notes to Personnel Costs Included in the Fiscal Year 2015
Proposed Budget

Retirement

The budgeted amount of employer pension contributions for the target benefit pension plan is based on actuarial formulas using budgeted staff and salary levels for FY15. Because the formulas take into account factors in addition to payroll costs, such as years to retirement, investment return, and minimum service requirements, changes in budgeted contributions do not necessarily change directly with budgeted payroll.

The proposed FY 15 budget shows a 61% increase in retirement benefits over the FY 14 revised budget. This increase is the result of converting two part-time positions to full time during FY14, allowing those employees to be eligible to participate effective July 1, 2014, and full participation eligibility in FY 15 for the Executive Director, with only half year participation in FY 14.

Workers' and Unemployment Compensation

This budget category includes estimated premiums for mandatory workers' compensation insurance, and taxes paid to the Virginia Employment Commission for unemployment compensation. Budgeted worker's compensation insurance is a function of payroll, with premiums estimated based on the historical average. Likewise, unemployment compensation is a function of payroll, with the tax rate estimated based on the historical average, and capped at \$8,000 per employee.

Life Insurance

Each NVTC employee is eligible for term life insurance coverage up to two times the employee's annual salary. Amounts included in the FY 14 budget are based on the estimated premiums of currently covered employees.

Disability Insurance

NVTC provides long-term disability insurance to all employees, which provides up to 60% of an employee's pay after three months of disability. Premiums are budgeted at the FY14 rate per dollar of payroll.



AGENDA ITEM #8

TO: Chairman Smedberg and NVTC Commissioners

FROM: Kelley Coyner, Claire Gron and Kala Quintana

DATE: April 26, 2014

SUBJECT: INFORMATION ITEM: Commonwealth and Regional Agency Reports

A. WMATA

Budget Development. The WMATA Board adopted the FY 2015 Operating Budget at its March 27th meeting. The \$779M budget represents a 6.0 percent increase over FY 2014 and includes a total Northern Virginia jurisdictional subsidy of \$190.6M (7.9 percent increase over FY 2014). The Finance and Administration Committee is expected to approve the FY 2015 Capital Budget at the May 8th meeting, and adoption by the full WMATA Board is expected on May 22nd. The Report by the WMATA Finance and Administration Committee on the adoption of the FY 2015 Operating Budget and Fare Change is linked here: <http://tinyurl.com/mf92vpq>.

New *ConnectGreaterWashington* (CGW) Study: Alternatives to Expanding the Region's Transit System. WMATA has initiated a new study, Alternatives to Expanding the Region's Transit System, to develop and compare different policy decisions scenarios, such as land use alternatives, telework and other trends, etc., and their impact on the 2040 Regional Transit System Plan (RTSP). The new study and the RTSP are just two of many studies which are currently underway and which relate to *ConnectGreaterWashington* (CGW). Claire Gron is participating on the Technical Advisory Group (TAG) for this study.

FTA Financial Management Oversight (FMO) Audit. Subsequent to WMATA General Manager Richard Sarles' presentation at NVTC's meeting on April 3rd, the WMATA Board received a full review of the Audit's findings and recommendations. The WMATA Board adopted new policies with respect to grants management and procurement. In addition, it adopted a policy that requires all procurements irrespective of source to follow federal procurement competition standards as a minimum guideline. WMATA plans to implement nearly all of the changes contained in the draft response within 90 days of FTA releasing its final report. [WMATA's response](#) to the audit is attached.

WMATA Sustainability Initiatives. WMATA provided an update to the Finance and Administration Committee on April 10th concerning Metro's Sustainability Initiative. The Initiative includes four major components including:

- Incorporation of immediate actions into the FY2014 and 15 Business Plans;
- Documentation of Metro's current state of sustainability (existing investments);
- Establishment of sustainability performance targets for the agency; and
- Establishment of a Sustainability Lab to identify new sustainability projects.

These initiatives focus on environmental and financial sustainability. [Metro's Sustainability Initiatives Update](#) is attached as well as WMATA's [Press Release](#) on new sustainability initiatives and specific targets for the agency.

Key WMATA Milestones/Dates

<u>Date</u>	<u>Meeting</u>	<u>Key Issue</u>
4/25	Jurisdictional Coordinating Committee	Capital Budget
5/8	Finance & Administration Committee	Capital Budget
5/16	Regional Partner Meeting	Meeting with Accenture (WMATA's Contractor for NEPP)
5/22	WMATA Board of Directors	Capital Budget
6/12	Customer Service & Operations Committee	Update on NEPP Rollout

B. Department of Rail and Public Transportation (DRPT) ([Attachment](#))

C. Northern Virginia Transportation Authority (NVTA)

The NVTA met on April 17, 2014 and continues to finalize and execute agreements with its member jurisdictions for the 30% local funds generated by the taxes and fees identified in HB2313. NVTC's Rt. 7 Alternatives Analysis Phase II Standard Project Agreement (SPA) was the first approved by the Authority. As the General Assembly continues to consider the FY 2015 budget, NVTA is monitoring budget language that may impact the Authority's ability to issue bonds. The April NVTA meeting materials are linked here: <http://www.thenovaauthority.org/meetings.html>.

Standard Project Agreements. NVTA conditionally approved NVTC's Standard Project Agreement for Rt. 7 Alternatives Analysis Phase II on April 17, 2014. Full approval and execution of the agreement is dependent upon the passage of a state budget. All Memoranda of Agreement (MOA's) for the 30% local funds have been received by the Authority and five localities (city of Alexandria, Arlington County, Fairfax County, Loudoun County and the city of Manassas Park) are currently receiving their distribution.

General Assembly Update. The General Assembly convened a special session April 7, 2014 to approve a state budget. Both the House and Senate have passed their own budgets, but neither house has taken up the other's budgets. Because the General Assembly has not passed a budget, the Authority will not receive any FY15 funds and NVTA will not disburse its regional (70%) funds until a budget is passed. NVTA approved NVTC's Rt. 7 Phase II standard project agreement subject to the passage of a biennial budget. NVTA will continue to disburse local (30%) funds for FY 14.

Bond Validation Lawsuit. The Virginia Supreme Court sent a letter to John Frey, Clerk of the Fairfax County Circuit Court, stating that "no petition for appeal was filed for the case of Northern Virginia Transportation Authority v. Statutory Defendants (No. CL-2013-11988) and the time allowed within the law to file such an appeal has expired." The Virginia Supreme Court has returned the record in the case. As a result NVTA is proceeding with issuing short term debt within the next few months. This will maximize financing options for the Authority and the public and lays the groundwork for replacing short term debt with long term bonds as the market allows. A copy of the [Virginia Supreme Court letter](#) is attached.

Monica Backmon New Executive Director. The Authority unanimously selected Monica Backmon to be the Authority's Executive Director. Ms. Backmon is the Chair on the Authority's Jurisdictional Agency Coordinating Committee (JACC) and represents Prince William County. Ms. Backmon will assume her new position as Executive Director on May 12, 2014.

D. Transportation Planning Board (TPB)

MWCOG Round 8.3 Cooperative Forecasts. The Metropolitan Washington Council of Governments (MWCOG) presented the most recent employment, population, and household forecasts for the region to the TPB at its April 16th meeting (attached). For the period 2010 to 2040, employment in NVTC jurisdictions is expected to grow 49.3% (versus 42.2% for the region), population in NVTC jurisdictions is expected to grow 33.2% (versus 32.1% for the region), and households in NVTC jurisdictions are expected to grow 35.9% (versus 36.9% for the region). The [Briefing on the MWCOG Cooperative Forecasting Process](#) is attached.

2014 Update to the Financially Constrained Long-Range Plan (CLRP). NVTC's jurisdictions have met frequently with VDOT, WMATA, and TPB over the past few months to address funding WMATA's operating and capital programs for the 2014 CLRP Update. Significant progress towards identifying funds for WMATA's programs has been made, but additional work is necessary in advance of TPB action on the 2014 CLRP Update in October.

Initial Assessment of the 2014 CLRP Update and Regional Transportation Priorities Plan (RTPP). MWCOG presented a draft [*Initial Comparative Assessment of the Regional Transportation Priorities Plan and the 2014 Update of the Constrained Long-Range Transportation Plan*](#) to the TPB at its April 16th meeting (attached). The purpose of the document is to assess how the transportation system reflected in the CLRP compares with RTPP priorities, and to inform the annual CLRP update process.



April 10, 2014

Ms. Brigid Hynes-Cherin
Regional Administrator
Federal Transit Administration
Region III
1760 Market Street - Suite 500
Philadelphia, PA 19103-4124

Dear Ms. Hynes-Cherin:

Enclosed for your consideration is the Washington Metropolitan Area Transit Authority's (WMATA) response to the Federal Transit Administration's (FTA) Draft Report for the Financial Management Oversight (FMO) Review sent to us on March 13, 2014. Our response addresses all of FTA's recommendations.

Please note that our response includes new Board policies unanimously approved this week regarding grants management and procurement. The board policy regarding grants management is the first of its kind for WMATA, and strengthens our commitment to full compliance with all FTA rules through the development and implementation of a grants management procedure manual. The second Board policy change ensures full and open competition on all procurements, and takes the unusual and forward-looking approach of moving towards a procurement process that requires every procurement, irrespective of funding source, to follow federal procurement competition guidelines as a minimum standard.

In addressing these issues, we are building on changes that have already been made in WMATA's Finance and Administration functions, including: procurement, grants management, budgeting, reporting, and risk assessment. Much of this work is underway, and we are actively strengthening our expertise, refreshing our training, and modifying processes and procedures to ensure that we are meeting all federal requirements and monitoring compliance. We are committed to implementing nearly all changes within 90 days of the FTA's release of its final report.

**Washington
Metropolitan Area
Transit Authority**

600 Fifth Street, NW
Washington, DC 20001
202/962-1234

www.metroopensdoors.com

*A District of Columbia,
Maryland and Virginia
Transit Partnership*

Ms. Brigid Hynes-Cherin
Federal Transit Administration
Page 2

Please advise us if you have any questions regarding our FMO response. We appreciate your consideration and expeditious review.

Sincerely,



Richard R. Sarles
General Manager and
Chief Executive Officer



Tom Downs
Chairman
WMATA Board of Directors

Enclosure

cc: Therese McMillan, FTA Acting Administrator

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

MANAGEMENT RESPONSES

TO THE

FEDERAL TRANSIT ADMINISTRATION

FINANCIAL MANAGEMENT OVERSIGHT (FMO)

MARCH 13, 2014

DRAFT REPORT FINDINGS

SECTION II – MATERIAL WEAKNESSES

APRIL 10, 2014

**Federal Transit Administration
Financial Management Oversight (FMO) Review
Draft Report Issued March 13, 2014
for the Washington Metropolitan Area Transit Authority
MANAGEMENT RESPONSE**

FMO Finding Reference

Material Weakness II.1 – Budget Controls

WMATA Management Response:

WMATA concurs with the above referenced finding.

Progress to Date:

Over the past 18 months, WMATA has been working to improve the grant budget controls process. Improvements accomplished to date include the following:

- With the PeopleSoft upgrade in July 2011, WMATA implemented Activity Line Item (ALI) budget controls in the financial system. This system control helps to ensure that costs in excess of grant line item budgets are not charged to the grant until necessary grant revisions are approved.
- Grants executed subsequent to the upgrade are now controlled at the ALI level within WMATA's financial system.
- WMATA has made significant progress in the reconciliation, drawdown, and closeout of the grants that were open during the FMO review period where project activities are complete. In coordination with FTA, WMATA has now fully drawn, revised, and closed 17 of the 35 grants that were open during the FMO review period.
- On April 7, 2014, the WMATA Board of Directors unanimously approved a Resolution, effective immediately, that achieves the following:
 - Establishes WMATA's first-ever formal Grants Management Policy in order to ensure compliance with all applicable laws, regulations, guidance and grants agreements in the conduct of WMATA grant management activities, including pre-award, drawdown, reporting, revisions, amendments, and closeout activities;
 - Directs the General Manager/Chief Executive Officer to develop and implement a WMATA Grants Management Procedure Manual that gives effect to the Grant Management Policy and incorporates the Policy as its first chapter;
 - Directs the General Manager/Chief Executive Officer to ensure that all WMATA policies and procedures are conformed to the Grants Management Procedure Manual;
 - Directs the General Manager/Chief Executive Officer to monitor compliance with Grants Management Policy and to recommend key performance measures to be adopted and monitored by the Board.

Corrective Action Plan (with Due Dates):

In addition to the above, WMATA will implement the following corrective action plan to address the noted findings and related recommendations:

- WMATA is thoroughly reviewing its 18 remaining open grants, analyzing Federal Expenditures by ALI and Scope, and is submitting grant revisions and amendments as needed.
- Within 90 days of receipt of the final report, WMATA will complete the reconciliation of the grants that were open during the FMO review period and submit any necessary grant revisions and amendments to the FTA for approval.
- Within 30 days of receipt of the final report, WMATA will develop and submit to the FTA policies and procedures to ensure expenditures incurred are charged to Federal Grants in accordance with approved budgets for active and future grants.
- Within 90 days of receipt of the final report, WMATA management will report to the Board of Directors in publicly-available monthly financial reports on the status of all open and pending FTA grants.

Primary Owner Concurrence:


Managing Director, OMBS

Date:

4/9/2014

Secondary Owner Concurrence:


Comptroller

Date:

4/9/14

**Federal Transit Administration
Financial Management Oversight (FMO) Review
Draft Report Issued March 13, 2014
for the Washington Metropolitan Area Transit Authority**

MANAGEMENT RESPONSE

FMO Finding Reference

Material Weakness Finding II.2 – Controls Over Reporting of Federal Expenditures

WMATA Management Response:

WMATA concurs with the above referenced finding(s).

Progress to Date:

Over the past two years, WMATA has been working to improve processes and related control procedures within this area. In summary, WMATA has taken the following measures:

- An upgrade to the financial system effective July 1, 2011 provided additional controls at the beginning of the process enforcing a review of allowable costs for goods or services at the time requested and allowing project managers to restrict workforce to those allowable to the project. A review of allowable costs at the end of the process was also implemented.
- To ensure the consistency of the expenditures reported in the FFRs with other annual reports, a process was put in place for the FY 2013 audit (unmodified audit report issued in October 2013) that included the set-up of all grants in the project costing module in the upgraded PeopleSoft financial system and a consistent extraction of data from the system by the Office of Accounting (ACCT) for the Single Audit Schedule of Expenditures of Federal Awards (SEFA) and by the Office of Management and Budget Services (OMBS) for the FFR report.
- The process implemented above provided the controls to resolve Single Audit finding 2012-02: Schedule of Expenditures of Federal Awards (SEFA) (Material Weakness) based on the review by WMATA's Office of Inspector General and Independent Auditors CliftonLarsonAllen. On January 2, 2014, WMATA requested closure by the FTA of this finding.
- In FY 2014, ACCT and OMBS initiated a quarterly process to prepare and confirm the consistency of data in the SEFA (prepared by ACCT) and the FFR's (prepared by OMBS) to ensure consistent reporting of expenditures.
- On April 7, 2014, the WMATA Board of Directors unanimously approved a Resolution, effective immediately, that achieves the following:
 - Establishes WMATA's first-ever formal Grants Management Policy in order to ensure compliance with all applicable laws, regulations, guidance and grants agreements in the conduct of WMATA grant management activities, including pre-award, drawdown, reporting, revisions, amendments, and closeout activities;
 - Directs the General Manager/Chief Executive Officer to develop and implement a WMATA Grants Management Procedure Manual that gives effect to the Grant Management Policy and incorporates the Policy as its first chapter;

- Directs the General Manager/Chief Executive Officer to ensure that all WMATA policies and procedures are conformed to the Grants Management Procedure Manual;
- Directs the General Manager/Chief Executive Officer to monitor compliance with Grants Management Policy and to recommend key performance measures to be adopted and monitored by the Board.

Corrective Action Plan (with Due Dates):

In addition to the above, WMATA will implement the following corrective action plan to address the noted findings and related recommendations:

- ACCT and OMBS are currently reviewing and refining the process controls for both recommendations. A final collaborative written policy will be issued 30 days subsequent to the final issuance of the FMO report. The policy and procedures will specifically include:
 - A process to ensure that only allowable costs are reported in FFRs.
 - A process to ensure information used to report expenditures in the FFRs is consistent with the information used to report expenditures in other annual reports.

Primary Owner Concurrence:

[Redacted Signature]

Comptroller

Date:

4/9/14

Secondary Owner Concurrence:

[Redacted Signature]

Managing Director, OMBS

Date:

4/9/2014

**Federal Transit Administration
Financial Management Oversight (FMO) Review
Draft Report Issued March 13, 2014
for the Washington Metropolitan Area Transit Authority**

MANAGEMENT RESPONSE

FMO Finding Reference

Material Weakness Finding II.3 – Controls Over Procurement

WMATA Management Response:

WMATA concurs with the above referenced finding(s).

Progress to Date:

WMATA has made significant progress over the past 3 years in improving processes and related control procedures within this area. In summary, WMATA has taken the following measures:

- WMATA is in the process of digitizing all of the contract files for both active and inactive solicitation actions to create a centralized electronic repository for all WMATA contracts. This is an ongoing process as WMATA moves to an integrated Contract Lifecycle Management ("CLM") System that is currently advertised for proposal. The CLM will contain a full solicitation workflow from planning to close-out and integrate with the PeopleSoft financial system. The system will further provide greater transparency to the organization in the procurement functions and also enhance its current reporting capabilities. Full implementation of this CLM project is anticipated by June 30, 2015.
- On April 7, 2014, the WMATA Board of Directors unanimously approved a Resolution, effective immediately, that achieves the following:
 - Approves revisions to the procurement policy Sections 200-Responsibility and Authority and 300-Competition Requirement;
 - Directs the General Manager/Chief Executive Officer to monitor compliance with procurement policy; Directs the General Manager/Chief Executive Officer to ensure that all WMATA policies and procedures are conformed to the revised procurement policy sections;
 - Directs the General Manager/Chief Executive Officer to ensure that major projects and major procurement activities are not in the same chain of command as the Chief Procurement Officer.
- The Chief Procurement Officer was designated as a full participatory member of the Executive Leadership Team (ELT) effective March 20, 2014.
- On February 6, 2014, Policy Memorandum No. 14.06, Standard Operating Procedures ("SOP") for the Use of Checklists for Documenting Contract Files, Simplified Acquisitions and Modifications was issued by the Chief Procurement Officer. Follow-on procurement staff training commenced on this SOP on February 20, 2014.

- In January 2014, the Chief Procurement Officer collaborated with the WMATA Internal Control Officer to perform an internal control assessment and contract compliance review within WMATA Procurement operations. The results of the contract compliance reviews will be directly reflected in the procurement staff's individual performance evaluations in order to ensure accountability at all levels in the procurement process and to identify re-training needs.
- In December 2013, the ICE template was reviewed and revised to include a section to articulate the "basis" for the ICE by the User/Program Department. Subsequently, WMATA Procurement Managers presented the template change to their respective clients throughout the Authority.
- Commencing August 2013 and continuing to date, procurement contracting staff is trained on the segments of interest in the PPM and related best procurement practices through weekly training sessions held by the Chief Procurement Officer. The segments of interest have included: independent cost estimates, non-competitive procurements, full and open competition, procurement file preparation, OIG audit assistance, cost/price analysis, client communication, COUN issues, legal sufficiency reviews, and funding determinations and the effects on solicitations.
- The Procurement Procedure Manual (PPM, version 3.0) was revised and approved in July 2013 to include, among other things, policies and procedures for Independent Cost Estimates ("ICE"), Cost and Price Analysis, Task Orders, Contract File Assembly and Documentation, Simplified Acquisition Procedures, Competition, and Organizational Conflicts of Interest. An annual review of the PPM had commenced in December 2013 by the Chief Procurement Officer and no further changes have been made.
- In October 2012, February 2013, April 2013 and February 2014, the National Transit Institute had trained procurement staff, on site, in the 4 course Procurement Series.
- Commencing September 2012, a weekly Procurement-Operations-Counsel ("POC") forum was established to discuss procurement and contracting issues, strategies and processes within the construction/infrastructure rehabilitation areas.
- In July 2011, block training commenced with User/Program Department personnel to present a "hands-on" training session on the planning preparation of a procurement package including MEAD approval routing, Scope of Work and ICE development. The contents of this training have directly rolled into the monthly Contract Officer's Technical Representative (COTR) training.
- In 2011, checklists for simplified acquisitions, contracts, modifications and task orders were developed to assist procurement staff in maintaining compliance with procurement file best practice including independent cost estimates.
- In 2011 the Authority developed an electronic workflow, called the MEAD system, for internal procurement action approvals which includes a review of funding determination and availability of Federal sources, local sources, or both, by the Office of Management and Budget Services ("OMBS") during contract initiation and award.

Corrective Action Plan (with Due Dates):

In addition to the above, WMATA will implement the following corrective action plan to address the noted findings and related recommendations:

- WMATA will revise its PPM within 60 days of receipt of the Final Report to:
 - create additional roles and responsibility of General Counsel in the procurement process;
 - explicitly commit to full and open competition;
 - prohibit organizational and personal conflicts of interest;
 - prohibit unduly restrictive competition;
 - ensure appropriate legal review and counsel at appropriate steps of a procurement;

- explicitly require Independent Cost Estimates and Cost /Price Analysis;
 - require use of procurement checklists, and
 - require an annual procurement training plan
- WMATA will execute the following training strategies at the times designated in each area:
 - WMATA will require all procurement staff to attend (or re-attend) the 4 Course Procurement Series provided by the National Transit Institute on a recurring basis every three (3) years. Scheduling of the first course, "Orientation to Transit Procurement," is currently commencing with the National Transit Institute ("NTI") and is anticipated by June 30, 2014, contingent on NTI availability.
 - WMATA's Executive Leadership Team will attend a procurement training session titled "Overview of Transit Procurement for Senior Leadership" jointly presented by the Director of the National Transit Institute and the USDOT FTA's Director, Office of Acquisition Management. This will be conducted at WMATA's headquarters on April 22, 2014.
 - WMATA's procurement counsel will be trained on the requirements of FTA procurements. It is anticipated that this training will include, but not be limited to, NTI training. This future performance action will be developed internally and implemented within 60 days of receipt of the Final Report.
 - WMATA will re-train all WMATA staff that have 'procurement function' related duties on all FTA procurement requirements including the policies and procedures established on full and open competition, development of independent cost estimates and use of the ICE template. This new training will be developed internally and implemented within 60 days of receipt of the Final Report.
- WMATA will review, determine and develop performance evaluation criteria for all staff that possess relevant duties in the procurement function in order to garner accountability for the integrity of the procurement process throughout the WMATA organization. These new criteria will be presented to the General Manager and Executive Leadership Team within 60 days of receipt of the Final Report.
- WMATA will continue the contract compliance reviews with the Internal Control Officer on a quarterly basis and subsequent results will be reported to the Chief Procurement Officer for personnel management. This action is currently implemented and will continue as an on-going process forward.
- WMATA will review the MEAD system for its sufficiency in addressing situations where procurement use or anticipated use of both Federal and local sources of funding is identified and will report those results, and any proposed procedural changes, within 60 days of receipt of the Final Report.
- WMATA will review and adjust the MEAD system to require Counsel approval at appropriate steps in the procurement process, within 60 days of receipt of the Final Report.
- WMATA will review and revise the July 2013 PPM procedures to include affirmative references to the use of the established compliance checklists for all procurement actions, including Simplified Acquisitions, Contracts and Modification/Task Orders. This action will be completed within 60 days of receipt of the Final Report.
- WMATA will establish a mandatory Procurement Planning forum utilizing the annual WMATA Plan to Contracts and subsequent additions to the Plan of Contracts, to internally discuss and plan pending procurement actions with the relevant staff of the respective Program office, and departments of Procurement, OMBS, Risk and COUN prior to solicitations being advertised. The forum will meet weekly or as needed contingent on the program and the activity level of the Plan of Contracts for that discipline. Initial forums will include Executive Leadership (or designee) and

be led by the Chief Procurement Officer (or designee). This action is currently being developed and implemented within 60 days of receipt of the Final Report.

- The Board of Directors and the General Manager/Chief Executive Officer will establish a plan to monitor compliance with procurement policies by June 30, 2014.

Primary Owner Concurrence:

Heather A. Clark
Chief Procurement Officer

Date:

4/9/2014

Secondary Owner Concurrence:

Stephen R. Hill
General Counsel

Date:

4-9-2014

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

MANAGEMENT RESPONSES

TO THE

FEDERAL TRANSIT ADMINISTRATION

FINANCIAL MANAGEMENT OVERSIGHT (FMO)

MARCH 13, 2014

DRAFT REPORT FINDINGS

SECTION III – SIGNIFICANT DEFICIENCIES

APRIL 10, 2014

**Federal Transit Administration
Financial Management Oversight (FMO) Review
Draft Report Issued March 13, 2014
for the Washington Metropolitan Area Transit Authority**

MANAGEMENT RESPONSE

FMO Finding Reference

Significant Deficiency Finding III.1 – Audit Committee Oversight of Compliance and Internal Controls

WMATA Management Response:

WMATA concurs with the above referenced finding(s).

Progress to Date:

WMATA has made significant progress over the past two years in improving processes and related control procedures within this area. In summary, WMATA has taken the following measures:

- WMATA implemented, in 2011, a process titled: "WMATA's Internal Control Process for Tracking of OIG Issued Audit Reports (Financial)". This process established lines of communication, deadlines and requirements for closing OIG audit recommendations.
- WMATA updated, on February 27, 2014, the requirements for membership in its Audits and Investigations Committee of the Board of Directors. This update included a requirement that at least one member of the Audits and Investigations Committee will have expertise in financial matters.

Corrective Action Plan:

In addition to the above, WMATA will implement the following corrective action plan to address the noted findings and related recommendations:

- Establish and submit to FTA a policy requiring that (1) any audit findings cited by the WMATA OIG and/or external auditors are addressed timely, (2) if management does not agree with a finding and/or recommendation, the Audit Committee will be informed and it shall determine an appropriate resolution of the disagreement, and (3) the finding and/or recommendation will not be closed out until management has fully addressed the Board-approved corrective action plan. This policy will be in place within 90 days from receipt of the Final Report.
- Act consistent with its Procedures as modified by the Board of Directors on February 27, 2014 to require that, to the extent available from appointed Board Members, at least one member of the Audits and Investigations Committee will have knowledge of or expertise on the nature of audit findings and assessment of corrective actions. Within 60 days of receipt of the Final Report, WMATA will request that the Administrator of the United States General Services Administration appoint a person to fill the existing federal vacancy on the Board of Directors with a person who has expertise on the nature of audit findings and assessment of corrective actions.

- WMATA will ensure its Audit Committee has access to the services of at least one on-call financial expert. The contract for an on-call financial expert will be solicited within 90 days from receipt of the Final Report and the contract will be awarded within 60 days from close of the solicitation. The Chair of the Audit Committee will be responsible to manage and direct the on-call financial consultant.
- WMATA will amend its Procedures to require that all Board members receive audit awareness training on the role of the Audit Committee, the COSO Internal Control-Integrated Framework, and Government Auditing Standards. Amended Procedures will be presented to the Board within 90 days of receipt of the Final Report. Training will be conducted within 60 days of the Board's adoption of the new Procedures.
- WMATA will amend its Procedures to require 1) the Audit Committee to establish expectations for due diligence of WMATA's external auditor and 2) Staff to provide a risk analysis of each finding and report that risk profile to the Committee. WMATA will make these changes within 60 days of the Final Report.
- WMATA will perform a risk analysis and create a matrix of the Corrective Action Plans agreed to under this FMO and report that information to the Board within 60 days of the Final Report and then on an on-going basis until each CAP is closed.

Primary Owner Concurrence: 
General Counsel

Date: 4-9-2014

**Federal Transit Administration
Financial Management Oversight (FMO) Review
Draft Report Issued March 13, 2014
for the Washington Metropolitan Area Transit Authority**

MANAGEMENT RESPONSE

FMO Finding Reference

Significant Deficiency III.2 – Cash and Grant Management Controls

WMATA Management Response:

WMATA concurs with the above referenced finding.

Progress to Date:

As described in the response to Finding II.1 (Budget Controls), WMATA has made significant progress in the reconciliation, drawdown, and closeout of the grants that were open during the FMO review period, to include:

- In coordination with FTA, WMATA has now fully drawn, revised, and closed 17 of the 35 grants that were open during the FMO review period. This focus on reconciliation and closeout over the past year has reduced the amount of undrawn Federal expenses.
- Significant improvement in the timeliness of drawdowns of FTA funds. WMATA is processing an average of 1.6 grant drawdowns per week during FY2014.
- WMATA has drawn down 84 percent of the total Federal share of the five FTA grants awarded during FY13.
- WMATA has reviewed each open FTA grant in the financial system to validate that the federal share is set-up correctly.
- WMATA is also conducting interim reviews of Federal Financial Report (FFR) data in order to identify and minimize the difference between federal expenses and draws before the quarterly report is submitted.

Corrective Action Plan (with Due Dates):

In addition to the continuing efforts noted above, within 30 days of receipt of the final report, WMATA will develop and submit policies and procedures on the four recommendations regarding Cash and Grant Management Controls. The policy and procedures will specifically include:

- Procedures to ensure minimal time elapsing between when Federal expenditures are incurred and reported and the funds are drawn,

- A process to ensure drawdown of FTA funds is only made on the Federal share of expenditures incurred and that amounts overdrawn are repaid to the FTA immediately,
- Procedures to ensure Milestone Progress Reports (MPRs) include all required elements upon submission to FTA, and
- Procedures to ensure that grant closeouts are done timely.

WMATA will implement the updated MPR procedures for the period ending June 30, 2014.

Primary Owner Concurrence:


Managing Director, OMBS

Date: 4/9/2014

Secondary Owner Concurrence:


Comptroller

Date: 4/9/14

**Federal Transit Administration
Financial Management Oversight (FMO) Review
Draft Report Issued March 13, 2014
for the Washington Metropolitan Area Transit Authority**

MANAGEMENT RESPONSE

FMO Finding Reference

Significant Deficiency Finding III.3 – Controls over FTA Funded Assets

WMATA Management Response:

WMATA management concurs with the recommendations described in the above referenced draft report.

Progress to Date:

Over the past year, WMATA management has recognized the issues in this area and following are significant steps taken to date:

- In July 2013, WMATA hired Deloitte Financial Advisory Services to conduct an internal controls analysis of the asset management and financial accounting life cycle processes. As a result of this review and the related observations and recommendations, WMATA has implemented new or enhanced policy and procedures within its Accounting, Treasury and Surplus Sales Operations, to include the utilization of a standard packet and routing form for surplus sales and the supporting fixed assets documentation.
- On October 17, 2013, WMATA requested permission from the FTA to retain excess proceeds from the sale of surplus vehicle inventory. The FTA responded on November 25, 2013 granting WMATA permission to retain the Federal share of the proceeds for use in a future grant capital acquisition.
- In December 2013, WMATA created the following two (2) revenue GL accounts in order to ensure that proceeds from the disposal of federally funded assets are accurately recorded in the PeopleSoft financial system:
 - a. Materials and Supplies Surplus Sales
 - b. Property Disposal Sales
- On February 28, 2014, WMATA's Office of Accounting (ACCT) implemented a Standard Operating Procedure (SOP) to document the necessary controls for managing the disposal and timely notification of FTA funded assets. This SOP was reviewed by WMATA's Office of Management and Budget Services (OMBS), General Counsel (COUN) and Office of Inspector General (OIG). The SOP identifies the required documentation, verification of the fair market value (FMV), FTA's interest in the disposed asset and WMATA offices responsible for notification to the FTA.
- WMATA's SOP also includes a monthly review of the Rolling Stock. Maximo the inventory system of record generates a monthly system report titled "Rolling Stock Status Report" that identifies disposals of federally funded assets. This report has been reviewed and verified for accuracy by

WMATA's Office(s) of Vehicle Maintenance for Metrobus, Metrorail and Metroaccess. This report will be used by the Office of Accounting to update the fixed asset records in PeopleSoft and to notify the FTA of federally funded assets.

Corrective Action Plan (with Due Dates):

In addition to the above, WMATA will implement the following corrective action plan to address the noted findings and related recommendations:

- WMATA has completed the physical 2013 biennial inventory and is currently reconciling against the asset records in PeopleSoft. The final reconciliation and updates in the PeopleSoft Asset Management Module will be completed 90 days subsequent to the final issuance of the FMO report.
- WMATA has historically performed a physical inventory every two years in accordance with FTA requirements as outlined in FTA Circular 5010.1D. Management recognizes the need to improve the current policy and procedures for conducting the biennial inventory. WMATA will finalize the biennial inventory policy and procedures to ensure that a physical inventory is performed on a biennial basis and that the results are reconciled against the asset records in PeopleSoft; will be completed 90 days subsequent to the final issuance of the FMO report.
- ACCT will review and adjust WMATA's asset records to ensure compliance with the asset records requirements in FTA Circular 5010.1.D. ACCT will also implement a policy which requires a periodic review of WMATA's asset records to ensure continued compliance. This will be completed 90 days subsequent to the final issuance of the FMO report.
- ACCT will update the current SOP and related training manual for new and existing Accountable Property Officers (APO's) and Property Custodians (PC's) that will be designed to ensure that proper documentation is submitted for all changes to the asset records in PeopleSoft. This will be completed 90 days subsequent to the final issuance of the FMO report.
- The WMATA Offices of Accounting (ACCT), Supply Chain Enterprise Services (SCES) and Office of Management and Budget Services (OMBS) are currently reviewing the process controls for federally funded assets to include property losses, disposals, calculation of FMV, notification to the FTA, and timely reimbursement of the FTA (when applicable) in accordance with FTA requirements. A final collaborative written policy will be issued 90 days subsequent to the final issuance of the FMO report

Primary Owner Concurrence: _____

Comptroller

Date: _____

4/9/14

Secondary Owner Concurrence: _____

Director, Supply Chain Enterprise Services

Date: _____

4-9-14

**Federal Transit Administration
Financial Management Oversight (FMO) Review
Draft Report Issued March 13, 2014
for the Washington Metropolitan Area Transit Authority**

MANAGEMENT RESPONSE

FMO Finding Reference

Significant Deficiency III.4 - Access Controls over Financial Management System

WMATA Management Response:

WMATA generally concurs with the referenced findings.

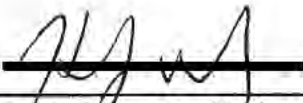
Progress to Date

- WMATA has developed a draft risk assessment process that ensures the periodic review of financial applications as well as the supporting operating system and database infrastructure. This process will assess systems, users, assets, information and policies and procedures, both from the perspective of regulatory compliance as well as to maintain confidentiality, integrity, and availability of information. The schedule for implementation of this process is in progress for leadership approval. This assessment process will also ensure that access controls are deployed in accordance with published policy as well as ensuring the appropriate separation of duties are integrated within IT operations such as the separation of data base administration and application change control.
- In support of a process for notifying system administrators for terminating user access, a multi-phase Role Based Access Control (RBAC) Identity Management program has been initiated. The first phase of this project was to automate the termination of network access as a user departs from the Authority. Today, user access is terminated at the network level when they leave WMATA.
- WMATA has reviewed the current published password policy P/I 15.11 WMATA User ID and Password Management dated May 11, 2009 and believe it meets current industry best practices for account complexity (strength) requirements. Additionally we were unable to identify a weakness with the current password policy in section III.4 that communicated the policy deficiency in order to correct. WMATA will resubmit the current policy to the FTA for validation. WMATA will establish a password audit process to ensure that the policy is enforced.
- In support of formal reviews to ensure all accounts within PeopleSoft are performed, WMATA has implemented a daily procedure that compares reporting of former personnel from HR systems of record against WMATA financial systems and takes appropriate actions on account changes. Additionally, at least annually, a full account re-attestation process will occur by the Office of Metro IT Security.

Additional Corrective Action steps planned:

- Phase two of the Identity Management program will be to integrate the same methodology at the application level such as the financial management system in an automated fashion to reduce the potential for human error typically associated with manual process.
- Associated process documentation will be provided 90 days subsequent to the final issuance of the FMO report.

Primary Owner Concurrence:



AGM, Information Technology

Date: 4-9-14

Secondary Owner Concurrence:



Comptroller

Date: 4/9/14

**Federal Transit Administration
Financial Management Oversight (FMO) Review
Draft Report Issued March 13, 2014
for the Washington Metropolitan Area Transit Authority**

MANAGEMENT RESPONSE

FMO Finding Reference

Significant Deficiency Finding III.5 – Controls Over Job Order Contracts (“JOC”)

WMATA Management Response:

WMATA concurs with the above referenced finding(s).

Progress to Date:

WMATA has made significant progress over the past 12 months in improving processes and related control procedures within this area. In summary, WMATA has taken the following measures:

- The Procurement Procedure Manual (PPM, version 3.0) was revised and approved in July 2013 to include, but not limited to the related policies and procedures for Architect-Engineer and Related Services (Chapter 12), Construction Contracts (Chapter 13), and Task Orders (Section 18-13). An annual review of the PPM had commenced in December 2013 by the Chief Procurement Officer and no further changes have been made.
- On October 8, 2013, the Chief Infrastructure Services (CENI) issued CENI Directive 028, introducing Procedure 615 – Job Order Contracting Program in the Project Implementation Manual.
- In 2013, the Invitation for Bid and Request for Proposal solicitation templates relating to construction and renovation services were revised and implemented. A review of the terms and conditions applicable to Federal standards was confirmed by Procurement and COUN.
- Commencing September 2012, a weekly Procurement-Operations-Counsel (“POC”) forum was established to discuss procurement and contracting issues, strategies and processes within the construction/infrastructure rehabilitation areas.

Corrective Action Plan (with Due Dates):

In addition to the above, WMATA will implement the following corrective action plan to address the noted findings and related recommendations:

- WMATA will ensure that all Federal clauses are included in the issuance of an Offer for Services on a task order by task order basis under the current JOC contract. This action has been immediately implemented in lieu of modification to the Master JOC contract.
- WMATA will review the current Procedure 615-Job Order Contracting Program issued in the Project Implementation Manual and revise to comply with full and open competition requirements within the contractor pool, determination of JOC contract utilization and qualification determination of JOC contractors prior to an Offer for Services issuance. This review has commenced and revised procedures will commence within 60 days of receipt of the Final Report.

- WMATA will review the July 2013 PPM and revise those procedures related to Task Orders and add a segment on Job Order Contracting to align with the revised Procedure 615-Job Order Contracting Program in the Project Implementation Manual. This action will be developed within 60 days of receipt of the Final Report.
- WMATA will review of the JOC program and the need to increase the pool of contractors. WMATA will further review and revise its policies and procedures around JOC administration and formally address procurements that can be adequately competed within the pool of JOC contractors including setting dollar thresholds for procurement opportunities. These reviews have commenced and any proposed procedural changes identified will be developed within 60 days of receipt of the Final Report.
- WMATA will establish dedicated procurement planning time to review, discuss and determine JOC requests during the weekly Procurement/Operations/Counsel meeting for those requests over \$1M. This action will be developed within 60 days of receipt of the Final Report.
- WMATA will immediately include in its procurement record a dedicated section of JOC determination for expertise and utilization including direct participation reviews of the JOC contractor on a task by task basis in order to comply with "the 20% of work performed by the JOC contractor on a task assigned" which is a requirement in the current contract.
- WMATA will re-train all WMATA staff that have 'procurement function' related duties on the policies and procedures established on full and open competition and JOC utilization. This new training will be developed internally and implemented within 60 days of receipt of the Final Report.
- The Board of Directors and the General Manager/Chief Executive Officer will establish a plan to monitor compliance with reporting by funding source on JOC activity by June 30, 2014.

Primary Owner Concurrence: _____

Chief Procurement Officer

Date: _____

4/9/2014

**Federal Transit Administration
Financial Management Oversight (FMO) Review
Draft Report Issued March 13, 2014
for the Washington Metropolitan Area Transit Authority
MANAGEMENT RESPONSE**

FMO Finding Reference

Significant Deficiency Finding III.6 – Improve Federal Financial Reporting Process and Procedures

WMATA Management Response:

WMATA concurs that the controls over reporting indirect costs and encumbrances in FFRs need improvement.

Progress to Date:

Over the past year, WMATA has improved documentation of the FFR process, including encumbrance and indirect cost information. Additionally, WMATA is now maintaining more complete files that include support for expenditures, encumbrances and other data reported.

Corrective Action Plan (with Due Dates):

WMATA will develop and implement FFR policies and procedures as recommended in the draft FMO report. Within 30 days of receipt of the final report, WMATA will develop and submit to FTA policies and procedures to ensure that:

- The approval process for preparation of the FFRs is documented.
- The allocation of encumbrances to Federal awards is documented.
- Indirect costs are properly reported on the FFRs for applicable grants.
- FFRs are reviewed prior to submission to FTA by a qualified individual outside of the direct chain of command of WMATA's grant management office.

WMATA will also implement these procedures within 30 days of receipt of the final report.

Primary Owner Concurrence: _____

Managing Director, OMBS

Date: _____

4/9/2014

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

MANAGEMENT RESPONSES

TO THE

FEDERAL TRANSIT ADMINISTRATION

FINANCIAL MANAGEMENT OVERSIGHT (FMO)

MARCH 13, 2014

DRAFT REPORT FINDINGS

SECTION IV – ADVISORY COMMENTS

APRIL 10, 2014

**Federal Transit Administration
Financial Management Oversight (FMO) Review
Draft Report Issued March 13, 2014
for the Washington Metropolitan Area Transit Authority
MANAGEMENT RESPONSE**

FMO Finding Reference

Advisory Comments IV.1 – Improve Documented Procedures for Payroll and Human Resources

WMATA Management Response:

WMATA concurs, in part, with the above referenced finding(s).

Progress to Date:

WMATA has an existing Policy/Instruction 7.3.3, *Employee Separation Procedures* that established the responsibilities and foundational procedures by which departments are required to follow so that HR and ACCT/Payroll are notified of the pending separation of an employee prior to employee notification. The policy further established the sequence of events for the recovery of Metro property, identification and removal of network/systems access.

WMATA has begun making additional progress in improving processes and related control procedures within this area. In summary, WMATA has taken the following measures:

- Upgraded the Metroconnect Human Capital Management (HCM) System to version 9.1.; such transactions will be automated. Once a transaction has been initiated in the system by the appropriate department, Human Resources confirms the transaction and Payroll is automatically notified of the action.
- Began training appropriate staff on the new HCM system, including initiating personnel action transactions.

Corrective Action Plan (with Due Dates):

WMATA is prepared to take additional measures to audit the timeliness of transactions for separating employees as follows:

- Provide on-going refresher training to management staff on procedures for processing personnel action transactions. **(On-going)**
- Develop a checklist for departments of required action items when it becomes apparent that an employee will separate from employment. **(Within 60 days)**
- Develop audit report which identifies all terminations that exceed a specified timeframe for initiating the personnel action within the HCM system. **(Within 60 days)**
- Develop additional audit reports to monitor the timely initiation of other personnel action transactions, including but not limited to, employee transfers, department reorganizations, and reporting structure changes. **(Within 180 days)**

Primary Owner Concurrence:


Chief Human Resources Officer

Date:

4/9/14

**Federal Transit Administration
Financial Management Oversight (FMO) Review
Draft Report Issued March 13, 2014
for the Washington Metropolitan Area Transit Authority**

MANAGEMENT RESPONSE

FMO Finding Reference

Advisory Comment IV.2 – Organizational Structure

WMATA Management Response:

WMATA concurs with the above referenced finding(s).

Prior to receipt of the draft FMO Audit Report WMATA sought third-party review of its organizational structure as it relates to procurements. WMATA engaged Thompson Coburn, a highly respected law firm with substantial experience with FTA procurement requirements, to conduct a review of its procurement systems. Thompson Coburn was hired in December 2013 to review and identify potential for organizational conflicts of interest arising within the DGMA/CFO chain of command and specifically the WMATA procurement system. The recommendations from Thompson Coburn related to this Advisory Comment include these actions taken to date:

- Elevate the Chief Procurement Office to the ELT
- Relocate the MetroAccess Services (paratransit) to the Deputy General Manager of Operations

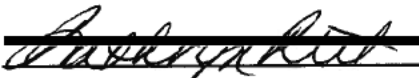
Progress to Date:

WMATA has improved its organizational structure consistent with the recommendations of Thompson Coburn and this Advisory Comment. WMATA has taken the following measures:

- The Office of MetroAccess Services (paratransit operations) was relocated to report to the Deputy General Manager of Operations effective March 1, 2014.
- The Chief Procurement Officer was designated as a full participatory member of the Executive Leadership Team (ELT) effective March 20, 2014.

Corrective Action Plan:

The General Manager/CEO will ensure that major projects and major procurement activities are not in the same chain of command as the Chief Procurement Officer and shall make necessary changes to WMATA's organizational structure within 60 days of the Final Report.

Primary Owner Concurrence: 
General Counsel

Date: 4.9.2014

**Federal Transit Administration
Financial Management Oversight (FMO) Review
Draft Report Issued March 13, 2014
for the Washington Metropolitan Area Transit Authority**

MANAGEMENT RESPONSE

FMO Finding Reference

Advisory Comment IV.3 – Entity-wide Risk Assessment

WMATA Management Response:

WMATA accepts this finding and notes that this effort is well underway since early 2013.

Progress to Date:

Following the establishment of a new Mission Statement, the WMATA Board of Directors vested the GM/CEO with the authority and responsibility to accomplish the mission. In recognition of the risks that could affect performance towards achieving the mission, the GM/CEO directed that efforts be initiated towards the development of a comprehensive risk assessment framework with initial emphasis on risks in the areas of finance, reputation, infrastructure and human capital.

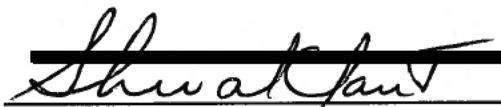
A scope of work was prepared and the Request for Proposal (RFP) was issued in May 2013. The key purpose of this effort was to evaluate how the organization is identifying and managing critical risk areas and make recommendations that will assist the executive leadership in making needed changes and improvements to fully implement a functioning enterprise risk management (ERM) framework including appropriate placement of various risk management activities. Once an ERM framework is in place, it will operate as a continuing process of assessing, identifying and prioritizing internal and external risks and enabling the Board and senior leadership to develop appropriate mitigation measures to address these risks. Following a review and evaluation of the responses to the RFP, a contract was awarded in August 2013 to the firm of Crowe Horwath. An internal multi-disciplinary steering committee is guiding this effort and the first phase of this effort will be completed in spring 2014.

Corrective Action Plan (with Due Dates):

The following timelines are anticipated for this effort following the completion of the first phase in spring 2014:

- Integrate risk management as part of business planning in the development of the FY2015 budget
- During the remainder of 2014 and 2015, continue to drive the risk culture and practices throughout the organization, including training business unit leaders and project managers.

Primary Owner Concurrence:



Chief Policy Officer

Date: 4/10/2014

**Federal Transit Administration
Financial Management Oversight (FMO) Review
Draft Report Issued March 13, 2014
for the Washington Metropolitan Area Transit Authority
MANAGEMENT RESPONSE**

FMO Finding Reference

Advisory Comment IV.4 – Risk Assessment of Financial Management System

WMATA Management Response:

WMATA concurs with the referenced findings.

Progress to Date

- WMATA has developed a draft risk assessment process that ensures the periodic review of financial applications as well as the supporting operating system and database infrastructure. This process will assess systems, users, assets, information and policies and procedures, both from the perspective of regulatory compliance as well as to maintain confidentiality, integrity, and availability of information. The schedule for implementation of this process is in progress for leadership approval. This assessment process will also ensure that access controls are deployed in accordance with published policy as well as ensuring the appropriate separation of duties are integrated within IT operations such as the separation of data base administration and application change control.
- As of March 2014, WMATA completed the approval process for restructuring the vulnerability management program starting with the authoritative policy being signed that gives authority to the process. Additionally, enterprise vulnerability management tools have been procured and are in final deployment to give system owners a more self-service and ease of use toolset to streamline vulnerability management within their prescribed maintenance window. WMATA will submit the new vulnerability management program Policy for FTA review
- Patch levels for the financial management system have been brought up to date and all applications, operating systems, and databases for the financial management system now fall under the new enterprise vulnerability management policy. A key component of this vulnerability management policy is the requirement to maintain a sustainment & support plan that outlines the systems maintenance cycle and vendor lifecycles.

Additional Corrective Action steps planned:

- Once the current enterprise toolsets are fully deployed, a metrics and measurement program will be implemented that gives leadership situational awareness on their system state as well as gives them decision support on what vulnerabilities are high impact versus low impact that require remediation. A plan for implementing a metrics and measurement program will be provided 90 days after issuance of final report.

Primary Owner Concurrence: _____



AGM, Information Technology

Date: 4-9-14

**Federal Transit Administration
Financial Management Oversight (FMO) Review
Draft Report Issued March 13, 2014
for the Washington Metropolitan Area Transit Authority
MANAGEMENT RESPONSE**

FMO Finding Reference

Advisory Comment IV.5 – Contingency Planning Controls over the Financial Management System

WMATA Management Response:

WMATA concurs with the referenced finding.

Progress to Date

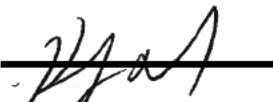
WMATA has already fully addressed this issue by taking the following measures:

- PeopleSoft Financial system's procedures have been updated to reflect all activities required to recover the system at the secondary CTF site. The procedures are aligned to the WMATA Data Center recovery operations and are tested annually. The last tested date was Oct. 20, 2013.
- PeopleSoft HR system's procedures were updated based on PeopleSoft Version 8.8 which was in production during the time of audit. However, this system has since been upgraded to PeopleSoft HCM 9.1.

Additional Corrective Action steps planned:

- As of 24 March 2014 the PeopleSoft HRPR application v8.8 was upgraded to PeopleSoft HCM v9.1. Due to the upgrade the recovery procedures will be developed and tested on the required cycle. A plan to create the procedures for the upgraded HCM system will be developed and commenced within 90 days of issuance of the final report.

Primary Owner Concurrence: _____



AGM, Information Technology

Date: 4-9-14

PRESENTED AND ADOPTED: April 7, 2014

SUBJECT: ADOPTION OF GRANTS MANAGEMENT POLICY

2014-18

**RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY**

WHEREAS, The Washington Metropolitan Area Transit Authority (WMATA) Board of Directors is committed to continuing to improve WMATA's finance and administration functions, including procurement, grants management, budgeting, reporting and risk assessment; and

WHEREAS, As part of this commitment, the Board of Directors has determined that WMATA should have a Grants Management Policy in order to ensure compliance with all applicable laws, regulations, guidance and grants agreements in the conduct of WMATA grant management activities, including pre-award, draw-down, reporting, budget amendment and close-out activities; now, therefore be it

RESOLVED, That the Board of Directors adopts the Grants Management Policy set forth in the attachment to this Resolution; and be it further

RESOLVED, That the Board of Directors directs that the General Manager/Chief Executive Officer (GM/CEO) develop and implement a WMATA Grants Management Procedure Manual that gives effect to the Grants Management Policy and incorporates that Policy as its first chapter; and be it further

RESOLVED, That the Board of Directors directs that the GM/CEO promptly train all relevant staff regarding the WMATA Grants Management Procedure Manual; and be it further

RESOLVED, That the Board of Directors directs the GM/CEO to present a plan to monitor the Grants Management Policy by June 30, 2014, so that key performance measures can be adopted and monitored by the Board; and be it further

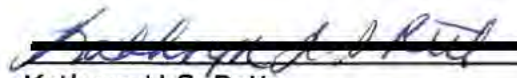
RESOLVED, That the Board of Directors directs that the GM/CEO ensure that all WMATA policies and procedures are conformed to the Grants Management Procedure Manual; and be it finally

Motioned by Mr. Dyke, seconded by Mrs. Hudgins

Ayes: 8 – Mr. Downs, Mr. Downey, Mr. Nichols, Mrs. Hudgins, Mr. Dyke, Mr. Bulger, Mr. Acosta and Ms. Porter

RESOLVED, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Kathryn H.S. Pett
General Counsel

WMATA File Structure No.:
4.4 Grants

ATTACHMENT: GRANTS MANAGEMENT PROCEDURES MANUAL
CHAPTER 1 – BOARD OF DIRECTORS APPROVAL,
DELEGATION & GRANT ADMINISTRATION REQUIREMENTS

SECTION 100 - GENERAL

- 101. Purpose.** This Chapter 1 sets forth the guidance and requirements that will govern Washington Metropolitan Area Transit Authority ("Authority") grant management activities, including: activities prior to grant award, grant draw-down activities, grant reporting activities, grant budget amendment activities, grant close-out activities, and conduct of personnel engaged in those activities.
- 102. Policy.** The Authority shall comply with all applicable laws, regulations, guidance, and grant agreements in the receipt, use, and administration of grants that the Authority receives from the Federal Transit Administration ("FTA"), the State of Maryland, the Commonwealth of Virginia, the District of Columbia, and any transportation district, county, city or other political subdivision thereof, or other sponsor – including but not limited to:
- (a) FTA enabling legislation, 49 U.S.C. Chapter 53;
 - (b) Common Grant Rule (49 C.F.R. § 18.1, *et seq.*); and
 - (c) FTA Circular 5010.1D (as may be amended and revised by the FTA).
- 103. Grants Management Procedures Manual.** The Authority's Grants Management Policy, as defined in this Chapter 1, establishes the broad framework for its Grants Management Procedures Manual. The Procedures Manual consists of this Grants Management Policy approved by the Authority Board of Directors ("Board"), and procedures that are developed and issued by the Deputy General Manager, Administration/Chief Financial Officer ("DGMA/CFO"), and approved by the General Manager/Chief Executive Officer ("GM/CEO").
- 104. Reference to Statutes or Regulations.** Reference in the Authority's Grants Management Policy to any federal, state, or local statute, regulation, or circular or other guidance, shall be deemed to include any revision, amendment, or replacement therein, effective after the date of the adoption of this Policy by the Board.

SECTION 200 – RESPONSIBILITY AND AUTHORITY

201. Responsibility. With respect to this Policy, the following responsibilities apply:

- (a) Board of Directors.** The Board is responsible for approving grants management policies; approving deviations from grant management policies; authorizing the GM/CEO to apply for, accept, manage, report on, amend, and close-out grant awards consistent with the approved Authority operating and multi-year capital budgets; and authorizing the GM/CEO to delegate authority hereunder.
- (b) General Manager/Chief Executive Officer.** The GM/CEO is delegated full authority with respect to grant management. The GM/CEO is authorized to apply for, accept, manage, report on, amend, and close-out grant awards consistent with the approved Authority operating and multi-year capital budgets and is responsible for delegating grant management authority to qualified employees of the Authority and authorizing the re-delegation of authority to other qualified employees of the Authority; approving employee standards of conduct; and approving Authority grant management and related policies and procedures that augment the Authority's Grants Management Policy. The GM/CEO is also responsible for establishing a system for the timely review and approval of grant management actions and implementing grant management policies and procedures.
- (c) Deputy General Manager, Administration/Chief Financial Officer.** The DGMA/CFO, with approval of the GM/CEO, is authorized to apply for, accept, manage, report on, amend, and close-out grant awards consistent with the approved Authority operating and multi-year capital budgets; developing and issuing grant management procedures to implement Board grant management policies; establishing a system to select, recommend, appoint and re-delegate grant management officer authority; preparing quarterly reports for presentation by the GM/CEO to the Board; and preparing reports in accordance with statutes and regulations for submission to Federal and state authorities.

SECTION 300 – ACTIVITIES PRIOR TO GRANT AWARD

301. Budget. Consistent with Section 23 of the Authority Compact, the Board shall annually adopt a capital budget, including all capital projects it proposes to undertake or continue during the budget period, containing a statement of the estimated cost of each project and the method of financing thereof. In developing the annual capital budget and multi-year Capital Improvement Program, the Board shall give due consideration to any funding levels and

restrictions on funding announced by the FTA, the jurisdictions, and other grant sponsors.

302. Grant Applications. Cognizant Office of Management and Budget personnel shall, as soon as reasonably practicable after adoption by the Board of the annual budget, prepare and submit grant applications. Grant applications shall be developed based on the Board-approved project budget, including the planned budget by project expense activity, grant line items, and planned funding sources. In accordance with FTA grant application requirements, the Authority shall also include in FTA grant applications budget detail at the activity line-item level, including extended budget descriptions that describe the nature of the work to be funded by the line item. Concurrent with the submittal of the final grant application to FTA, cognizant Office of Management and Budget personnel shall set up and review activity line-item detail for the project in the financial system.

303. Commencement of Work in Anticipation of Funding. The Authority, to the maximum extent practicable, shall submit grant applications reasonably in advance of commencing work on the projects for which the grant funding is budgeted, to minimize the commitments and obligations that the Authority incurs with respect to capital projects when anticipated funds have not yet been awarded. *See Authority Compact §§ 21-22.* When the Authority commences a capital project in advance of the award of the expected funding for the project as set forth in the Board-approved budget, the Authority shall give full effect to all statutes, regulations and other requirements applicable to the grant used or reasonably anticipated to be used to fund the project. In the event that there are delays in federal funding, Management will develop and implement a plan to mitigate the effects of such a delay to the greatest extent reasonably feasible.

SECTION 400 – GRANT MANAGEMENT

401. Grant Acceptance. No grant shall be accepted and executed by the Authority absent verification that the grant activity line items are correct. Systems and procedures shall be maintained to ensure that any inappropriate costs are not drawn down from FTA grants, including procedures to: detect and remediate any potential errors in the set-up in the financial system of grant funding amounts and, if costs in excess of the activity line-item limit are inadvertently processed, identify the excess costs and hold them in an over-the-limit ("OLT") account until appropriate adjustments can be made; and ensure that any OLT costs are not drawn down from FTA grants.

402. Grant Draw-downs – Project Cost Eligibility Review. No amount shall be drawn down on any grant absent cognizant Office of Management and Budget

personnel sign off that the costs to be charged to grant line items are eligible to be charged to such grant line items in accordance with the following:

- (a) Cognizant Office of Management and Budget personnel shall review each line of a draw-down request prior to submission to FTA or other grant sponsor, and shall confirm the expense is within the limit of the line item on the grant and that the expense is eligible for the activity line item it is charged against. In conducting this review, Office of Management and Budget personnel shall give due consideration to the Authority's financial system controls which prevent project expenses that exceed activity line-item limits from being charged to the grant and drawn down.
- (b) If cognizant Office of Management and Budget personnel identify a problem or if additional information is required before the draw-down is requested, no sign off shall be provided for with respect to the specific expense at issue, and the specific expense shall be excluded from any draw-down requests until the issue is resolved.

403. Project Budget Amendments. The Authority's project budgets can be modified as a result of Board of Directors amendments to the capital budget, capital budget reprogramming actions (approved by the General Manager and Chief Executive Officer), or Department adjustments to project expense activity budgets. When changes to project budgets are made, cognizant Office of Management and Budget personnel shall: (i) revise and update funding source allocations; and (ii) assess the project budget changes to determine if the project budget being modified is funded by one or more FTA grants. If FTA grants are affected, cognizant Office of Management and Budget personnel shall determine whether the change meets one of the criteria specified in FTA Circular 5010.1D Chapter III Section 4a(3) Budget Revisions that Require Prior (FTA) Approval. If the project budget change meets one or more of the criteria, cognizant Office of Management and Budget personnel shall submit a grant revision request to FTA before the Authority incurs the associated project costs.

404. Continuation of Work Pending Grant Revision. The Authority, to the greatest extent practicable, shall complete and validate all amendments to grants to modify funding availability prior to incurring costs based on the grant amendments. Except where prior FTA prior approval is required, the Authority shall not delay the performance of a project while amendments to grants are in process. Whenever funding modifications are not completed before the costs are incurred, the Authority shall prevent project expenses that exceed activity line-item limits (or in the case of projects funded by FTA grants, exceed more than the 20% variance permitted in FTA regulations) from being charged to a grant or other funding source, and shall accumulate those costs in an ODL account until the associated funding modifications are complete.

- 405. Grant Reporting.** All grant reporting shall be done in accordance with statutes, regulations and other requirements. All Federal Financial Reports ("FFRs") shall include: (i) amounts actually drawn down on a grant, (ii) accrued amounts, and (iii) undrawn expenditures allocable to a grant, which shall be treated as accruals. Any undrawn expenditures that cannot properly be included in any FFR until aligned with an FTA grant (*e.g.*, over distribution limit amounts; costs associated with unresolved allowability issues; and amounts where the source of funding is changed to the FTA) shall be reported separately to FTA. The Authority shall prepare Schedules of Expenditures of Federal Awards using the methodology for preparing FFRs described above.
- 406. Grant Close-outs.** Cognizant Office of Management and Budget personnel shall work expeditiously to complete grant close-out procedures in accordance with the rules and requirements of grant sponsors. Reconciliation of prior years' grant awards and amendments shall be given due priority and attention so that the policies set forth herein with respect to grant application and funding draw downs are implemented and effective.

PRESENTED AND ADOPTED: April 7, 2014

SUBJECT: APPROVAL OF REVISED WMATA PROCUREMENT POLICY

2014-19

RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, Pursuant to Resolution #2011-30, the Board of Directors adopted changes to the Procurement Procedures Manual (PPM) designed to improve business functions; and

WHEREAS, The Washington Metropolitan Area Transit Authority (WMATA) Board of Directors is committed to continuing to improve WMATA's finance and administration functions, including procurement, grants management, budgeting, reporting and risk assessment; and

WHEREAS, As part of this commitment, the Board of Directors has determined that the PPM should be revised to ensure that the Chief Procurement Officer is a member of WMATA's Executive Leadership Team; to provide a more active role for the General Counsel's office in the procurement process; to require that the General Counsel's office include at least one attorney with experience in procuring information technology products and services; to strengthen WMATA's commitment to full and open competition, and limit exceptions to this requirement; to more quickly identify and thus prohibit organizational conflicts of interest in procurement; to prohibit personal conflicts of interest; to specifically prohibit procurement practices that unduly restrict competition; to detail the requirements for independent cost estimates; to ensure the revised practices are consistently incorporated in each procurement; and to provide complete, annual training for procurement personnel including attorneys; now, therefore be it

RESOLVED, That the Board of Directors approves the revisions to PPM Sections 200 and 300 set forth in the attachment to this Resolution; and be it further

RESOLVED, That the Board of Directors directs the General Manager/Chief Executive Officer (GM/CEO) to present a plan to monitor compliance with procurement policies by June 30, 2014, so that key performance measures can be adopted and monitored by the Board; and be it further

Motioned by Mr. Dyke, seconded by Mr. Downey

Ayes: 8 – Mr. Downs, Mr. Downey, Mr. Nichols, Mrs. Hudgins, Mr. Dyke, Mr. Bulger, Mr. Acosta and Ms. Porter

RESOLVED, That the Board of Directors directs that the GM/CEO ensure that all WMATA policies and procedures are conformed to the revised PPM sections; and be it further

RESOLVED, That the Board of Directors directs the GM/CEO to ensure that major projects and major procurement activities are not in the same chain of command as the Chief Procurement Officer; and be it finally

RESOLVED, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,


Kathryn H.S. Pett
General Counsel

WMATA File Structure No.:
17.9.1 Procurement Procedures Manual

ATTACHMENT: REVISIONS TO SECTIONS 200 AND 300 OF WMATA PROCUREMENT POLICY

Section 200 of the WMATA Procurement Policy Resolution is revised as follows:

Section 201(c) shall be amended by inserting a new sentence after the heading **"Chief Procurement Officer."** And before the current text– which new sentence shall be as follows: "The Chief Procurement Officer shall be a full participatory member of the Executive Leadership Team."

A new Section 201(d) shall be created and the current Section 201(d) shall be re-numbered as Section 201 (e). The new Section 201(d) shall be as follows

- (d) **General Counsel.** The General Counsel shall have responsibility for: providing legal counsel regarding procurement matters within WMATA, including to the Chief Procurement Officer, contracting officers and others involved in the procurement process; assigning a cognizant attorney in the Office of General Counsel (COUN) for each WMATA procurement; reviewing and approving procurement policies and procedures within WMATA, and ensuring they are consistent with all applicable laws and regulations and effectively fulfill the needs and purposes of WMATA; and ensuring appropriate legal review at all appropriate steps of a procurement. The General Counsel may delegate within COUN any or all of the foregoing authorities and responsibilities. At least one attorney within the Office of the General Counsel shall have experience in procurement of information technology products and services.

Section 300 of the WMATA Procurement Policy is revised by replacing that section in its entirety with the revised Section 300 set forth below. Management shall incorporate these revisions into appropriate sections of the WMATA Procurement Procedures Manual.

SECTION 300 – COMPETITION REQUIREMENTS

- 301. Commitment to Full and Open Competition.** WMATA shall conduct procurements using full and open competition consistent with the standards set forth herein and in applicable statutes and regulations. WMATA shall take into account and give effect to competition requirements that are contained in any statute, regulation or guidance that applies to grant funds used in the procurement – including but not limited to the following, as applicable:

- (a) Section 73 of the WMATA Compact;
- (b) Federal Transit Administration ("FTA") enabling legislation, 49 U.S.C. § 5325(a) (FTA grant recipients to conduct all procurements financed under 49 U.S.C. Chapter 53 in a manner that provides full and open competition);
- (c) Common Grant Rule (49 C.F.R. § 18.1 et seq.);
- (d) FTA Circular 4220.1(as may be amended and revised by the FTA)
- (e) American Reinvestment and Recovery Act, Pub. L. 111-5 (Feb. 17, 2009) ("ARRA") ("To the maximum extent possible, contracts awarded under this Act shall be awarded . . . through the use of competitive procedures.")

In conducting procurements that use non-federal funds, WMATA shall use procedures pertaining to full and open competition (and pertaining to restrictions on procurements not using full and open competition or excluding sources) that are consistent with competition procedures used in procurements using federal funds. WMATA's procedures for procurements using non-federal funds also shall provide, as authorized by the Compact, for WMATA to: (i) make purchases using state and local sources; and (ii) make purchases using the GSA schedule.

302. Restrictions on Procurements Not Using Full and Open Competition or Excluding Sources. Under certain circumstances, it may be appropriate to conduct a procurement using: (a) full and open competition after exclusion of sources; or (b) other than full and open competition. Procurements not using full and open competition will be reported to the Board on a quarterly basis. Such approaches may be used only after written approval of both the General Counsel and the Chief Procurement Officer of an appropriate Determination and Findings ("D&F") – who shall approve such approaches only upon a determination that the procurement cannot reasonably be accomplished using full and open competition without exclusion of sources. WMATA procurement personnel and counsel shall comply strictly with WMATA restrictions and, to the extent applicable, federal restrictions on procurements conducted not using full and open competition or excluding sources.

303. Prohibition Against Organizational Conflicts of Interest. WMATA shall analyze each planned acquisition in order to identify and evaluate potential organizational conflicts of interest as early in the acquisition process as possible, and avoid, neutralize, or mitigate potential conflicts

before contract award. In any instance in which WMATA first becomes aware of an organizational conflict of interest after contract award, it shall conduct a review to determine whether the organizational conflict of interest was reasonably foreseeable and should have been identified by the contractor prior to award. In an instance where WMATA first becomes aware of an organizational conflict of interest after award, the Chief Procurement Officer may in his/her discretion terminate the contract or, if reasonably possible, take appropriate steps to avoid, neutralize or mitigate such organizational conflict of interest.

(a) Definition. An "organizational conflict of interest" means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to WMATA, or the person's objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage. An organizational conflict of interest occurs when any of the following circumstances arise:

- i. Lack of Impartiality or Impaired Objectivity. When the contractor is unable, or potentially unable, to provide impartial and objective assistance or advice to the recipient due to other activities, relationships, contracts, or circumstances. Such an OCI would occur, for example, if the service the contractor is to perform under a contract with WMATA might involve that contractor in evaluating its own performance or the performance of an affiliate under another WMATA contract.
- ii. Unequal Access to Information. The contractor has an unfair competitive advantage through obtaining access to nonpublic information during the performance of an earlier contract. Such an OCI would occur, for example, if the contractor's service under a prior contract gave it access to non-public, proprietary information of a company competing with it for a subsequent contract. It merits note that relevant case law makes clear that no unfair competitive advantage is created by an offeror's prior performance of a particular requirement. WMATA is under no obligation to equalize other offerors with an incumbent by providing information in the hands of the incumbent due to prior performance of the requirement.
- iii. Biased Ground Rules. During the conduct of an earlier procurement, the contractor has established the ground rules for a future procurement by developing specifications,

evaluation factors, or similar documents. To ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids and/or requests for proposals shall be excluded from competing for such procurements.

- (b) Identifying and Addressing Organizational Conflicts of Interest. The contracting officer and cognizant COUN attorney shall analyze every planned procurement to determine whether there is an opportunity for any actual or apparent conflict of interest. A clause requiring offerors to identify any potential or actual organizational conflict of interest shall be included in all solicitations, absent a written determination by the contracting officer and the cognizant COUN attorney that there is no opportunity for an actual or apparent conflict of interest and such a clause is not necessary for the procurement. In any instance where a potential or actual organizational conflict of interest is identified, the procurement shall be reviewed by the Chief Procurement Officer and the General Counsel. The Chief Procurement Officer shall be responsible for ensuring that such organizational conflict of interest is appropriately avoided, neutralized or mitigated. The Chief Procurement Officer shall not act to address an organizational conflict of interest without written concurrence from the General Counsel.

304. Prohibition Against Personal Conflicts of Interest. No employee, officer, agent, or board member, or his or her immediate family member, partner, or organization that employs or is about to employ any of the foregoing may participate in the selection, award, or administration of a contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when any of those previously listed has a financial or other interest in the firm considered or selected for award. This provision is applicable to individuals serving on a Technical Evaluation Team.

305. Prohibition on Provisions within Solicitation That Unduly Restrict Competition. WMATA shall not include in a solicitation any feature that unduly restricts competition. Some of the situations considered to be restrictive of competition include, but are not limited to, the following:

- (a) Excessive Qualifications. Imposing unreasonable business requirements for bidders or offerors;
- (b) Unnecessary Experience. Imposing unnecessary experience requirements for bidders and offerors

- (c) Improper Prequalification. Using prequalification procedures that conflict with the prequalification standards described in the WMATA Compact, the WMATA Procurement Policy, or the FTA Circular 4220.1F.
- (d) Retainer Contracts. Making a noncompetitive award to any person or firm on a retainer contract with the recipient if that award is not for the property or services specified for delivery under the retainer contract.
- (e) Excessive Bonding. Requiring a bonding that far exceeds the requirements described in state or local law or those described in FTA Circular 4220.1F.
- (f) Brand Name Only. Specifying only a "brand name" product without allowing offers of "an equal" product, or allowing "an equal" product without listing the salient characteristics that the "equal" product must meet to be acceptable for award.
- (g) In-State or Local Geographic Restrictions. Specifying in-State or local geographical preferences, or evaluating bids or proposals in light of in-State or local geographic preferences, even if those preferences are imposed by state or local laws or regulation except as permitted by FTA Circular 4220.1F.
- (h) Restraint of Trade. Supporting or acquiescing in noncompetitive pricing practices between firms or between affiliated companies. Questionable practices would include, but not be limited to submissions of identical bid prices for the same products by the same group of firms, or an unnatural pattern of awards that had the cumulative effect of apportioning work among a fixed group of bidders or offerors;
- (i) Arbitrary Action. Taking any arbitrary action in the procurement process.
- (j) Excessively Specific Qualifications. Development of specifications and evaluation criteria which unnecessarily favor a particular contractor.
- (k) Arbitrary Contract Splitting. Splitting larger procurements into multiple smaller procurements to evade competition requirements at certain ordering thresholds.

306. Review of Procurements by the Office of General Counsel. The General Counsel shall be responsible for ensuring appropriate legal review

at all appropriate steps of a procurement (including task orders), including the following: completion of advance procurement planning for a fiscal year, initiation of individual procurement, completion of the requirements document (e.g., specification, purchase description, statement of work); completion of solicitation; completion of source selection; contract modification; and exercise of options. The Chief Procurement Officer also shall have responsibility for ensuring that procurement personnel seek the involvement of counsel at appropriate junctures. The General Counsel and the Chief Procurement Officer shall develop and implement written procedures to give effect to the foregoing.

307. Independent Cost Estimate Required. WMATA shall perform a cost or price analysis in connection with every procurement action including contract modifications before receiving bids or proposals. The cost estimate shall be included with the procurement record submitted to the cognizant COUN attorney for review.

- (a) Equipment and Supplies. Contracting officers shall ensure preparation and documentation of equipment estimates using appropriate sources – such as published price lists; prices from past competitive procurements updated with inflation factors; and pricing data from other agencies that obtained competitive bids for the same equipment or supplies. In the case of specialized equipment, care must be taken that the source of the estimates is not disproportionately obtained from one supplier.
- (b) Professional services. Contracting officers shall ensure preparation and documentation of estimates for professional services using appropriate sources, such as past competitive procurements updated with inflation factors, published price lists such as Federal Supply Schedules, and pricing data from other agencies that obtained competitive bids for the same professional services. The Authority may also consider obtaining a professional cost estimate by a firm not interested in the final procurement if cost and price estimates are not reasonably available from other sources.
- (c) Construction. In some cases, cost estimates may be difficult to obtain or may lie outside the competence of Authority personnel. Contracting officers shall ensure preparation and documentation of cost estimates using appropriate sources, such as prior WMATA construction projects awarded competitively; and pricing data from other agencies that obtained competitive bids for similar construction work. A design firm may already be under contract, or may be engaged, to perform this service. In some cases, the Authority's in-house personnel who have participated in design or

past construction efforts may be the most professional and reliable cost estimators.

- 308. Required Use of Procurement Checklists.** The Chief Procurement Officer, with the concurrence of the General Counsel, shall create and maintain checklists to be used by procurement personnel and COUN attorneys to ensure: procurement processes are followed; all relevant considerations are taken into account in a procurement; and all components of procurement files are assembled timely. The checklists shall be consistent with the procurement checklists contained in the FTA Guide for Procurement System Reviews (including any amendments).
- 309. Procurement Training.** Under the direction and control of the GM/CEO, the Chief Procurement Officer and the General Counsel shall prepare and implement an annual training plan for ensuring that procurement personnel and attorneys in the Office of General Counsel understand and adhere to applicable procurement policies and procedures, and are fully trained to perform their duties with regard to Authority procurements.



Finance & Administration Committee

Information Item IV-A

April 10, 2014

Metro's Sustainability Initiatives

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

☐ Action ☒ Information

MEAD Number:
200596

Resolution:
☐ Yes ☒ No

TITLE:

Metro's Sustainability Initiative

PRESENTATION SUMMARY:

Staff will update the Finance and Administration Committee on Metro's sustainability efforts, which were last brought before the Board in April 2012.

PURPOSE:

At the April 2012 presentation on sustainability projects, the Board requested regular updates on: sustainability project completion and development; incorporation of sustainability into Metro business planning and capital budgeting; and communication of Metro's commitment to sustainability. Since that meeting, several major steps have been taken to move sustainability forward at Metro. This presentation summarizes that progress.

DESCRIPTION:

The Business Case for Sustainability at Metro

Sustainability investments support Metro's Strategic Goal #4 - Ensuring Financial Stability and Investing in our People and Assets - because sustainability drives operating savings, promotes lifecycle asset investment, and introduces cost-saving technologies and practices. Fundamentally, sustainability is sound business practice that also has the benefit of promoting a more livable region.

The potential fiscal impacts of sustainability investments at Metro are sizable. Consider, for example, that the FY14 energy and water budget (vehicle and facilities combined) is just over \$125 million, a figure that may grow to approximately \$175 million by 2025 given anticipated rates of service growth, including Metro 2025 and the Silver Line. These estimates, though inclusive of service growth, do not take account of potential increases in utility rates.

Reducing energy spending by even one percent annually would save the Authority and its funders \$12.6 million over the next 10 years; a five percent reduction would increase the savings to \$63.3 million. Notably, investments in sustainability are among the most effective ways to catalyze these operating cost reductions; for example, assuming savings are achieved across fuel sources, increasing energy efficiency by 15 percent could save Metro nearly \$20 million per year by 2025.

Sustainability and Momentum

Momentum highlights sustainability under Strategic Goal #4 - Ensuring Financial Stability and Investing in our People and Assets.

Strategies highlighted in *Momentum* that align with sustainability include:

- Incorporation of lifecycle costing;
- Performance based management;
- Identification of efficiencies; and
- “Going green” through the employment of technologies and practices to reduce natural resource consumption and pollution through:
 - expansion of alternative fuel vehicles;
 - pursuit of energy efficient equipment and facilities; and
 - ensuring environmental excellence inside and out.

Progress to Date

Key projects have been advanced that showcase the potential of sustainability investments. One example is the garage lighting efficiency contract, a self-funding infrastructure improvement that reduces both operational costs and energy and resource consumption. This contract shows the potential for reconceptualization of certain infrastructure investments.

Metro’s Sustainability Initiative

Over the past several years, Metro has moved forward on sustainability investments and:

- Funded garage lighting energy efficiency upgrades through \$1.5 million in annual energy savings (approximately 2% of the Authority’s FY14 natural gas and electric costs);
- Piloted a wayside storage technology that has the potential \$250,000 reduction in traction power expenditure from a single installation;
- Invested in a tub grinder this fiscal year, which will eliminate \$53,000 in landscaping expenses and as much as \$35,000 in waste disposal expenses annually; and
- Accelerated station chiller upgrades throughout the system that generate annual savings of approximately \$15,000 per station.

Recognizing that a project by project approach alone not be sufficient to achieve a meaningful bottom line impact quickly, the Office of Planning (PLAN) has examined ways in which industry-tested sustainability investments might be both financially attractive and implementable at Metro. Staff crafted ambitious but achievable goals for the Authority to achieve by 2025 and tied these goals to specific activities the Authority should undertake to achieve these goals.

This body of work, Metro’s Sustainability Initiative, integrates sustainability into Metro’s business practices and organizational culture. It was developed over the course of several months in coordination with a multi-departmental sustainability working group and key insights from WMATA leadership.

Metro’s Sustainability Initiative has four components:

- Business Plan Commitments – Agreed-upon relatively simple actions or commitments to be incorporated into fiscal year 2014 and 2015 business plans for immediate action.
- The State of Metro Sustainability - Highlights Metro’s existing sustainability investments.
- Sustainability Performance Targets – Measurable targets toward which Metro can manage to “green” the Authority.
- Sustainability Lab – Dedicated to identifying and piloting new cost saving technologies for

Authority-wide rollout.

Each of the four components of the Sustainability Initiative demonstrates Metro's commitment to efficient stewardship of public dollars. Through smart and sustainable investments to meet the targets, the Authority can streamline operating costs and continue to build customer satisfaction. By continuing to identify new projects through the Sustainability Lab and supporting existing projects already underway, the Sustainability Initiative provides cost savings and targets operational efficiency throughout the Authority.

Key Highlights:

Sustainability investments are good business practice. Sustainability:

- Drives operating savings,
- Improves the customer experience, and
- Helps the Authority "go green".

Metro has committed to sustainability in *Momentum* under Strategic Goal #4 - Ensuring Financial Stability and Investing in our People and Assets. Metro's Sustainability Initiative is a comprehensive plan to meet that commitment.

Several sustainability projects on which this commitment builds have been initiated to date, including the Garage Lighting Efficiency Contract funded entirely through an estimated \$1.5 million in annual energy savings.

As we move forward, Metro will:

- Integrate sustainability into business plans
- Report on sustainability metric performance
- Share Sustainability Lab outcomes with the public and the transit industry
- A public release that highlights Metro's existing sustainability investments and announces Metro's commitment to sustainability targets.

Background and History:

When sustainability activities were last presented to the board in April of 2012, the case was made for sustainability as good business practice. Sustainable investments:

- Drive operating savings;
- Improve customer experience; and
- Help the authority "be green".

The Board's requests from that meeting were to:

- Integrate sustainability into business practice; and
- Inform the public about sustainable projects.

Since that meeting:

- *Momentum* has committed Metro to sustainability;
- Key projects such as the garage lighting contract have been advanced; and
- Metro has developed its Sustainability Initiative; a comprehensive sustainability plan to green the Authority inside and out.

Discussion:

For information only. See above Description, Key Highlights, Background and History.

FUNDING IMPACT:

For Information	
Project Manager:	Rachel Healy
Project Department/Office:	Chief of Staff/Planning

TIMELINE:

Previous Actions	Board presentation April 2012
Anticipated actions after presentation	Track and report annually on progress toward sustainability targets

RECOMMENDATION:

For information only.



Washington Metropolitan Area Transit Authority

Metro's Sustainability Initiative

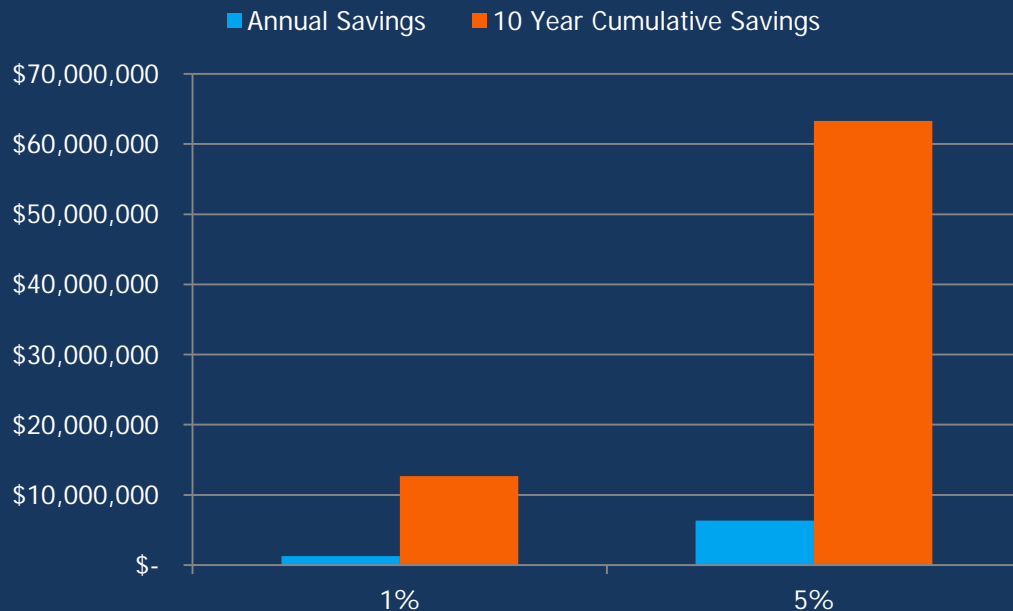
Finance and Administration Committee

April 10, 2014

The Business Case for Sustainability

Investments in sustainability are among the most effective ways to achieve operating cost reductions.

Potential Operating Budget Energy Saving Impacts





Sustainability Initiative



FY14/15 Business Plan Commitments

The State of Metro Sustainability

Sustainability Performance Targets

Sustainability Lab



FY14/15 Business Plan Commitments

Commit to
lifecycle asset
management

Incentivize
resource
consumption
reduction

Introduce
“Metro Green”
Award

Move to
paperless
meetings

Create
Sustainability
Lab

Commit to
Energy Star
purchasing



The State of Metro Sustainability - Highlight existing investments

Energy-Efficient Station Chillers

- Savings of \$15,000 annually per station

Wayside Energy Storage

- Saves \$250,000 annually per traction power substation

Net Zero Treatment Facility

- Designed for net zero energy use





Sustainability Performance Targets - Regional

Maximize Ridership

- 25% increase in ridership by 2025
- Increased mode share

Connect Communities

- Increasing share(s) of regional growth within "transit sheds"

Climate Change

- 10% increase in GHG displacement by 2025

Sustainability Performance Targets - Internal

Energy

- 15% reduction in energy use per vehicle mile by 2025

Greenhouse Gas (GHG)

- 50% reduction in GHG emissions per vehicle mile by 2025
- 30% renewable energy (electric) by 2025

Stormwater and Potable Water

- 20% reduction in water use per vehicle mile by 2025
- 100% on site stormwater management

Waste/Supply Chain

- 100% waste diversion rate (zero waste)

FY14 Sustainability Lab Investments

Sustainability Lab

- Identify new cost saving technologies and practices for Authority-wide rollout
- Pilot projects before system roll-out



Metro News Release

For immediate release: April 22, 2014

 SHARE     PRINT

Metro announces new sustainability initiative

Actions underway to 'green' Metro inside and out through 2025

Metro today unveiled a new sustainability initiative aimed at enhancing regional sustainability through performance based targets for ridership, travel mode share, regional greenhouse gas emissions and connected communities.

The Metro Sustainability Initiative also commits the Authority to internal performance targets for energy consumption, greenhouse gas emissions, waste reduction, renewable energy, stormwater runoff impacts and potable water use. Taken along with near term action commitments from paperless meetings to a renewed commitment to lifecycle asset management—these internal sustainability targets set Metro on a path to continue to rebuild efficiently to support a growing region.

Specific targets set by the Sustainability Initiative include:

- Increasing Metro ridership 25 percent by 2025
- Increasing greenhouse gas displacement 10 percent by 2025
- Reducing energy use per vehicle mile 15 percent by 2025, and cutting in half greenhouse gas emissions per vehicle mile during the same timeframe
- Reducing water use per vehicle mile 20 percent by 2025

Last spring Metro's Board of Directors adopted Momentum, metro's strategic plan, committing Metro to sustainability through 2025 and beyond.

"Momentum sets Metro on a path to respond to today's service demands and plan to accommodate millions of new riders while continuing to support the region's economic competitiveness and quality of life," said Metro General Manager and CEO Richard Sarles. "As a companion to Momentum, the Sustainability Initiative sets Metro on course to maximize the value of the investment placed in the system while adding value to the region through increased mobility and transit-oriented land use."

Many 'greener' investments are already underway throughout the system and support both the regional and internal goals of the Sustainability Initiative, including:

- Garage lighting energy efficiency upgrades through \$1.5 million in annual energy savings (over 1% of the Authority's FY14 natural gas and electric costs)
- Wayside energy storage technology pilot that has resulted in \$250,000 reduction in traction power expense from a single installation
- Investments in a tub grinder that is expected to eliminate \$53,000 in landscaping expenses and as much as \$35,000 in waste disposal expenses annually
- Station chiller upgrades throughout the Metrorail system that generate annual efficiency savings of approximately \$15,000 per station
- Investments in clean hybrid and natural gas buses increasing fuel economy by 30% over the past 8 years
- All new Metro facility construction and major retrofits are LEED certified – using less energy and producing fewer greenhouse gas emissions

For additional information about Metro's Sustainability Initiative, please read the brochure [here](#).

News release issued at 11:44 am, April 22, 2014.

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COMMONWEALTH of VIRGINIA

Jennifer L. Mitchell
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)

TO: Chairman Smedberg and NVTC Commissioners

FROM: Commissioner Dyke

DATE: April 18, 2014

SUBJECT: DRPT Update

General Update

DRPT has completed the FY15 grant application reviews. The draft Six Year Improvement Program (SYIP) has been released by the Commonwealth Transportation Board and posted on DRPT's website. Total operating revenue for Northern Virginia District is \$377.9 million (\$131.2 million state) and total capital funding is \$426.8 million (\$158.7 million state). TDM and TMP funding is \$2.9 million (\$2.3 million state). The Secretary of Transportation is holding a series of pre-allocation hearings in the 9 transportation districts. The FY15 SYIP public hearing for the NoVA District is scheduled for Thursday, April 24.

FY15 WMATA Funding

In February, the Governors McAuliffe and O'Malley and Mayor Gray agreed to a near-term framework which includes \$75 million in funding for FY15 for the WMATA 2025 Program, with \$25M coming from each from the three jurisdictions. For Virginia, \$9 million will be provided directly from the state and the balance from the local jurisdictions.

WMATA operating funding in the draft DRPT SYIP is \$478.8 million (\$87.1 million state) for Metrobus and Metrorail service and \$58.6 million for Silver Line operations (\$8.2 million state). Total capital funding is \$177.4 million (\$51.1 million in PRIIA match, \$42.1 million in match to NVTC jurisdictions and \$9 million in direct state funding for the WMATA 2025 program). Total state funding for WMATA is \$196.4 million.

DRPT provided revenue estimates to VDOT NoVA District and NVTC for DRPT transit capital assistance for WMATA operating and capital funding for 2014 update to 2040 Constrained Long Range Plan (CLRP). The fiscally constrained CLRP draft is anticipated to be released for public comment in the late summer or early fall.

Route 1 Multimodal Alternatives Analysis

145 people attended a public meeting about the Route 1 Multimodal Alternatives Analysis held on March 26 at the South County Government Center and 108 survey responses have been received. Materials from public meeting are on the project website. WTOP, the Mount Vernon Voice, Mount Vernon Gazette and Greater Greater Washington ran stories on the meeting. A final public meeting is anticipated in late June with recommendation for project for implementation among four alternatives: Curb running Bus Rapid Transit (BRT), median running BRT, light rail and Metrorail BRT hybrid. An evaluation of the alternatives will occur in April and May.

TSDAC (SB1140)

A Transit Service Delivery Advisory Committee (TSDAC) meeting was held on April 8. The draft Performance Based Funding Allocation Study Report is under review by DRPT staff. It summarizes the four Transit Agency Working Group meetings held since December 2013 and makes recommendations for data collection practices and outlines potential grant programs congestion mitigation and transit dependent outcomes. The working group considered a methodology for allocating funding to reward systems that are consistent high performers, as compared to a statewide average. However given the complexity of the formula and the limited impact of the funding allocation, The Transit Agency Working Group recommended against incorporating this into the operating funding allocation formula.

Rail

Rail Enhancement Fund projects included in the draft DRPT SYIP in Northern Virginia are \$15.4 million for VRE Potomac Shores station and other station platform improvements and \$28.7 million for I-95 Richmond to DC high speed rail Tier II draft environmental impact statement.



AGENDA ITEM# 8C

SUPREME COURT OF VIRGINIA

PATRICIA L. HARRINGTON, CLERK

SUPREME COURT BUILDING

100 NORTH 9TH STREET, 5TH FLOOR

RICHMOND, VIRGINIA 23219

(804) 786-2251 V / TDD

FAX: (804) 786-6249

DOUGLAS B. ROBELEN

CHIEF DEPUTY CLERK

April 7, 2014

Hon. John T. Frey, Clerk
Circuit Court of Fairfax County
4110 Chain Bridge Road
Fairfax, VA 22030

Dear Mr. Frey:

Because no petition for appeal has been filed and the time allowed by law within which to do so has expired, I am returning herewith the record in the case of Northern Virginia Transportation Authority v. Statutory Defendants Pursuant to Virginia Code, etc., Circuit Court No. CL-2013-11988.

Sincerely,

Patricia L. Harrington, Clerk

By: *P. Walton*

Phyllis T. Walton
Office Services Manager

Enclosures

cc: Robert G. Marshall
Robert L. Hodges, Esq.
Christopher Harlow, Esq.
Erin C. Ward, Esq.
John E. Foster, Esq.

ITEM 11- Information

April 16, 2014

Briefing on the COG Cooperative Forecasting Process

Staff

Recommendation: Receive briefing on how the COG Cooperative Forecasting Process develops population, household and employment forecasts for use in the regional transportation planning process, including key features of the recently developed Round 8.3 forecasts.

Issues: None

Background: The Cooperative Forecasting Process was established in 1975 to enable local, regional, and federal agencies to coordinate planning using common assumptions about future growth and development. Each series of forecasts constitutes a "Round," and each round covers a period of 20 to 30 years.

Round 8.3 Cooperative Forecasts of Future Growth

National Capital Region Transportation Planning Board
April 16, 2014

Paul DesJardin
Director of Community Planning
and Services

Robert Griffiths
Acting Co-Director, DTP
Director of Technical Services

Use of Round 8.3 Cooperative Forecasts

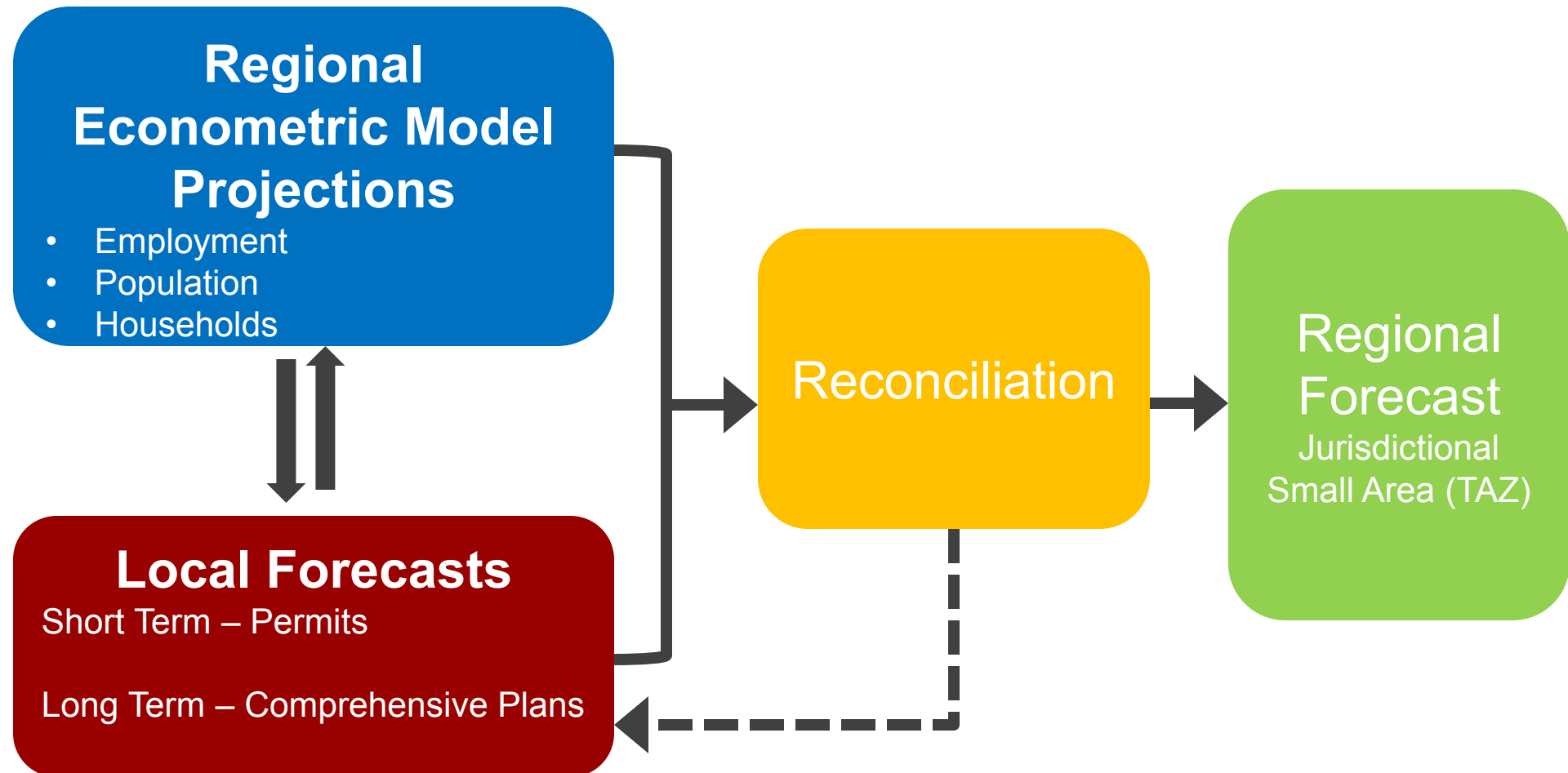
**2014 Air Quality
Conformity Analysis***

**Transportation Planning
Board Analysis**

Activity Center Analysis

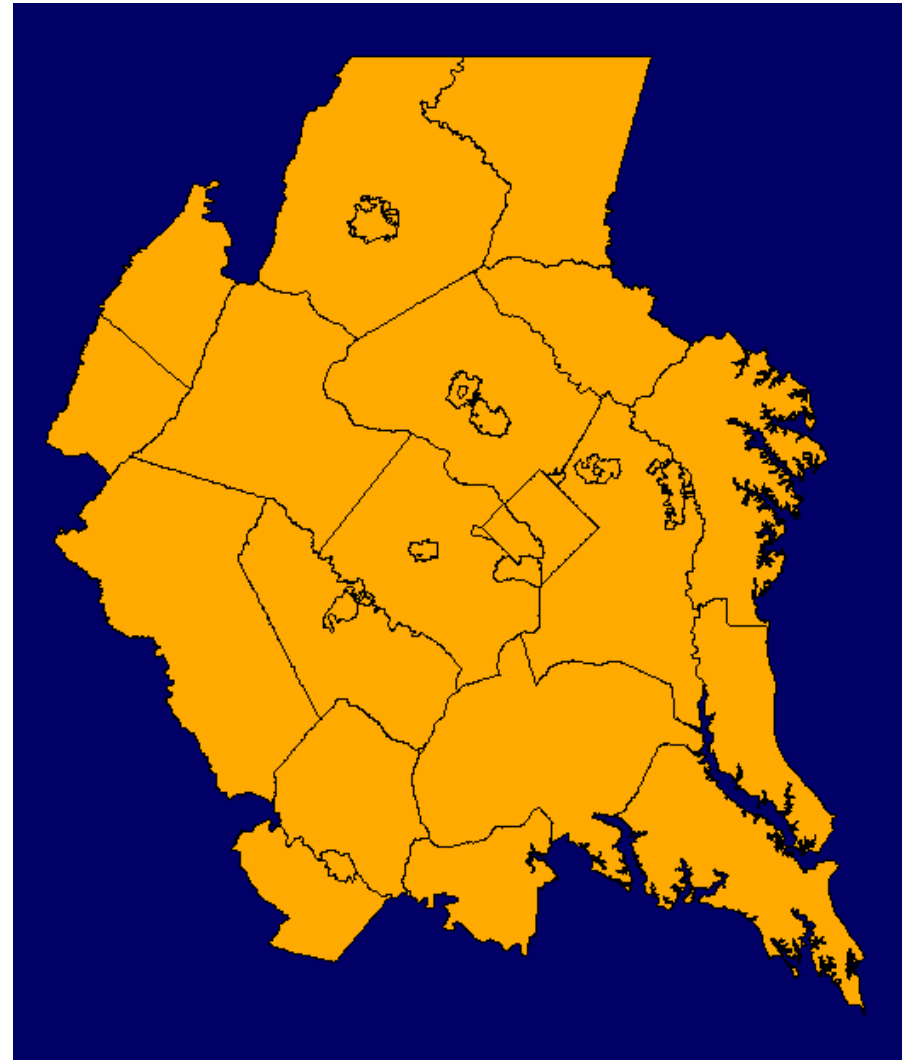
**In March, the COG Board approved the Draft Round 8.3 Cooperative Forecasts for use by the TPB in the Air Quality Conformity Analysis of the 2014 Financially Constrained Long-Range Plan and the FY 2015 to 2020 Transportation Improvement Program*

Cooperative Forecasting Process



Growth Forecasts for All Jurisdictions in the TPB Modeled Area are included in Round 8.3

- **COG Member Jurisdictions**
- **BMC Counties in TPB Modeled Area**
 - Anne Arundel, Carroll & Howard Counties in MD
- **FAMPO**
 - Fredericksburg, King George, Spotsylvania & Stafford Counties in VA
- **Others**
 - Calvert & St. Mary's Counties in MD
 - Clarke & Fauquier Counties in VA
 - Jefferson County in WV



4 Major Updates from Round 8.2:

1. The District of Columbia and Loudoun County updated household, population, & employment forecasts
2. Fairfax County updated its employment forecast
3. The city of Frederick has Cooperative Forecast totals for the first time
4. New data for Anne Arundel, Carroll, and Howard Counties from the Baltimore Metropolitan Council

Summary of Round 8.3 Cooperative Forecasts

Round 8.3 Forecast Summary TPB Modeled Area

(Thousands)

	2010 to 2040			
	<u>2010</u>	<u>2040</u>	<u>Number</u>	<u>Percent</u>
Employment	3,920	5,573	1,652	42.2%
Population	6,641	8,777	2,137	32.2%
Households	2,465	3,373	908	36.8%

Change from Round 8.2 Forecasts

TPB Modeled Area

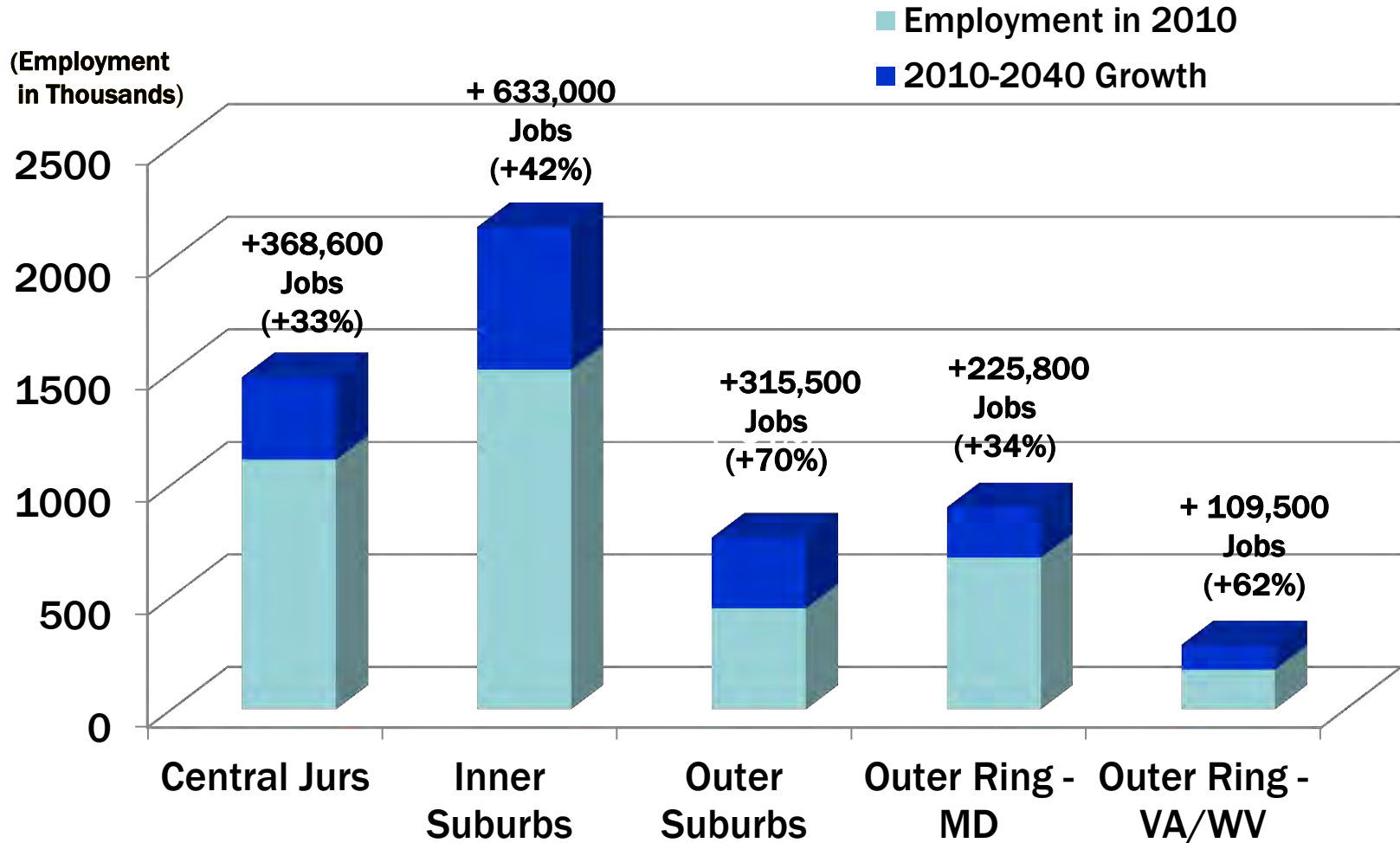
(Thousands)

	Round 8.2 2040	Round 8.3 2040	Number	Percent
Employment	5,502	5,573	71	1.3%
Population	8,653	8,777	124	1.4%
Households	3,338	3,373	35	1.0%

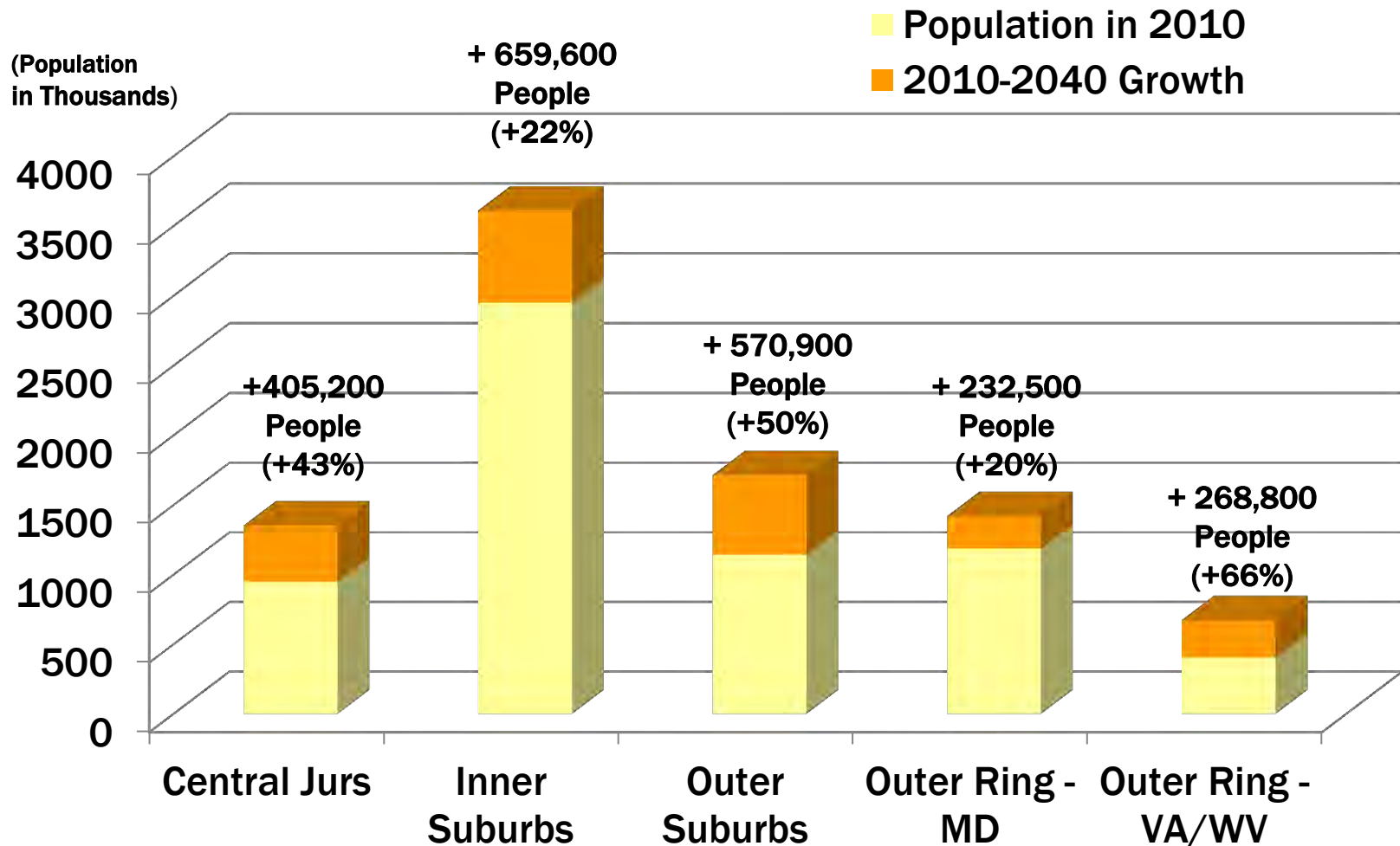
Forecasts for Jurisdictions in TPB Modeled Area Have Been Grouped Geographically for Analysis Purposes

Central Jurisdictions	Inner Suburbs	Outer Suburbs	Outer Ring - MD	Outer Ring – VA/WV
<ul style="list-style-type: none">• District of Columbia• Arlington• Alexandria	<ul style="list-style-type: none">• Montgomery• Prince George's• Fairfax (County)• Fairfax (city)• Falls Church	<ul style="list-style-type: none">• Loudoun• Prince William• Manassas• Manassas Park• Charles• Frederick County (MD)	<ul style="list-style-type: none">• Anne Arundel• Calvert• Carroll• Howard• St. Mary's	<ul style="list-style-type: none">• Fredericksburg• King George• Spotsylvania (portion)• Stafford• Clarke• Fauquier• Jefferson (WV)

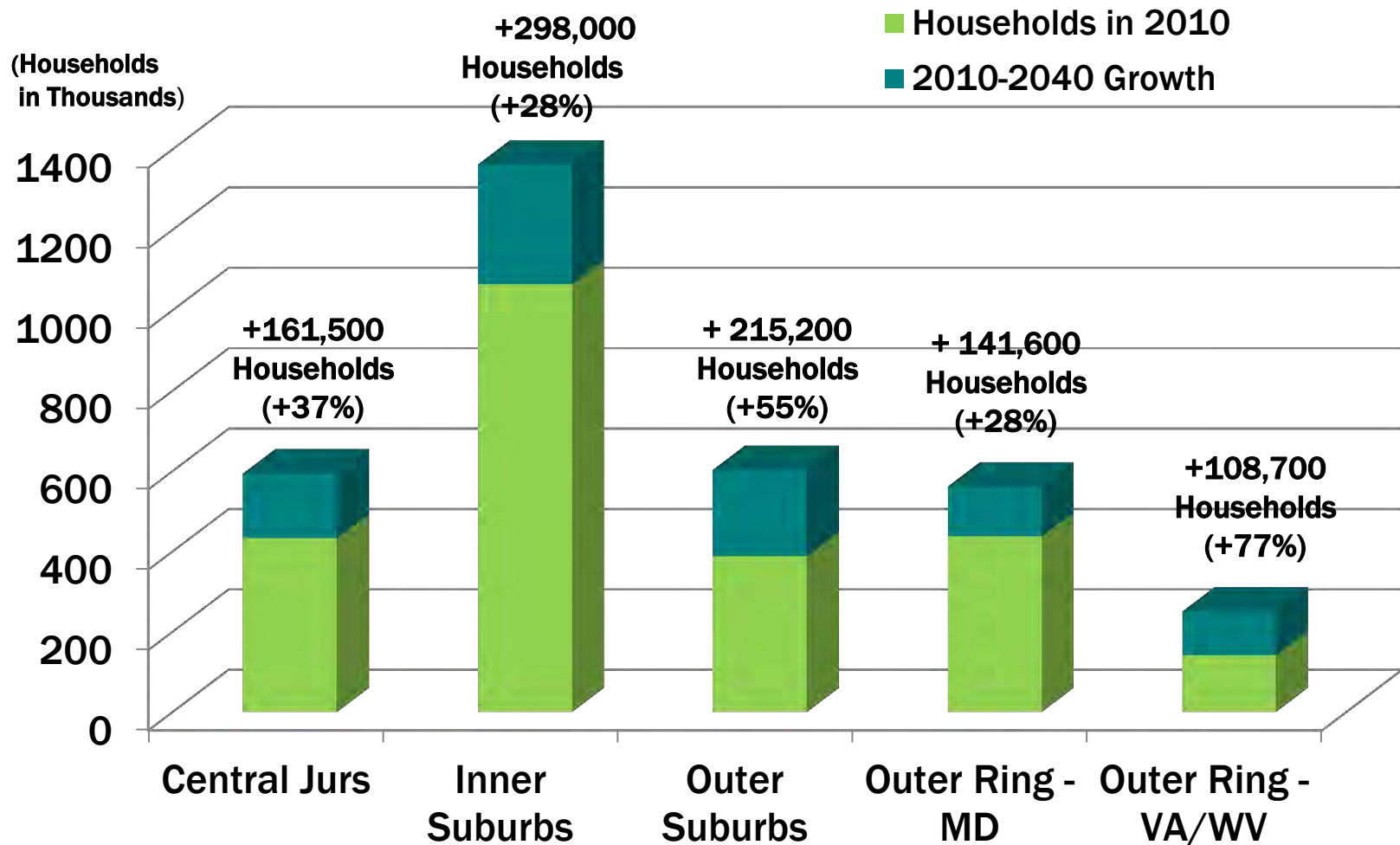
Forecast Employment Growth (2010-2040)



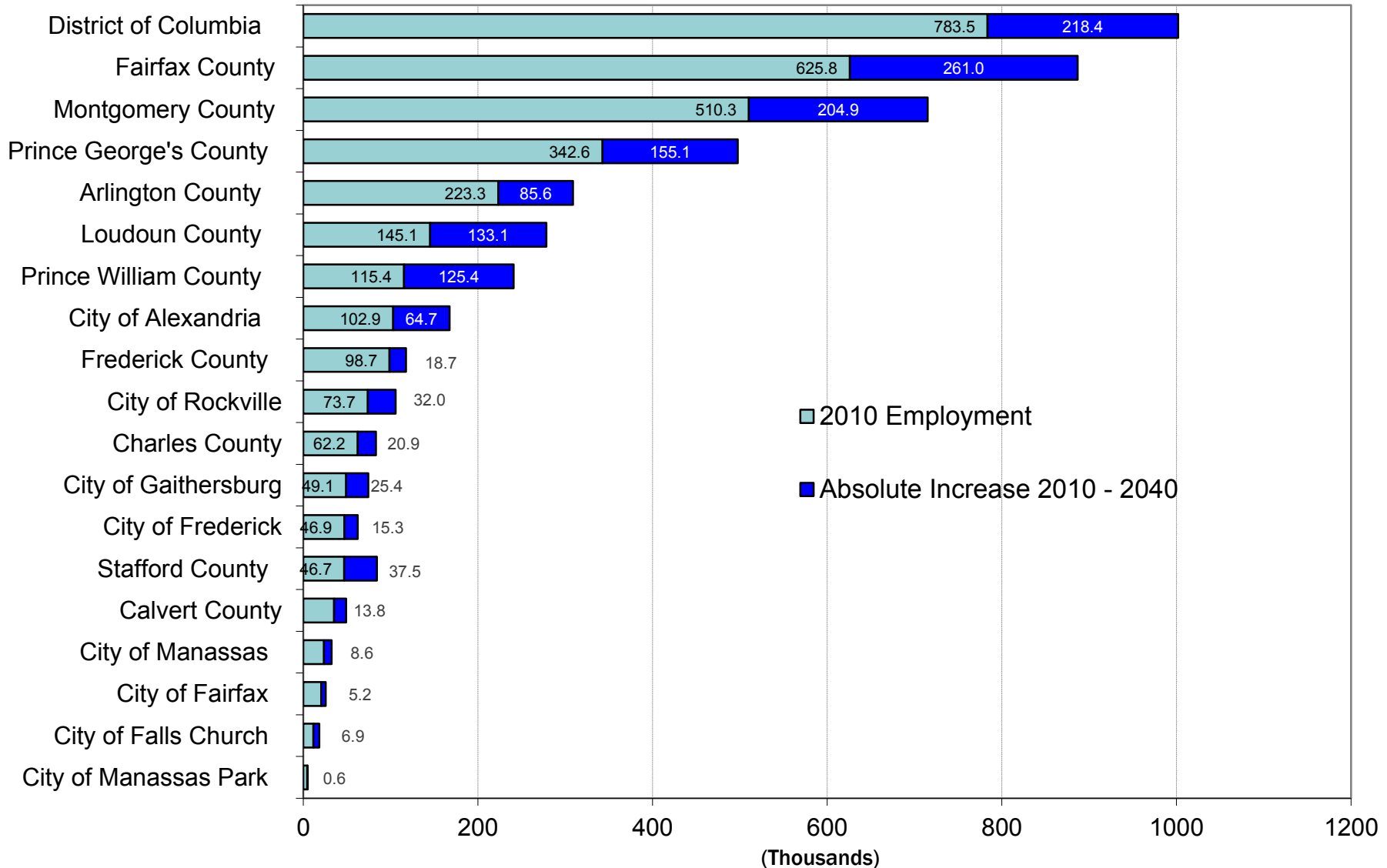
Forecast Population Growth (2010-2040)



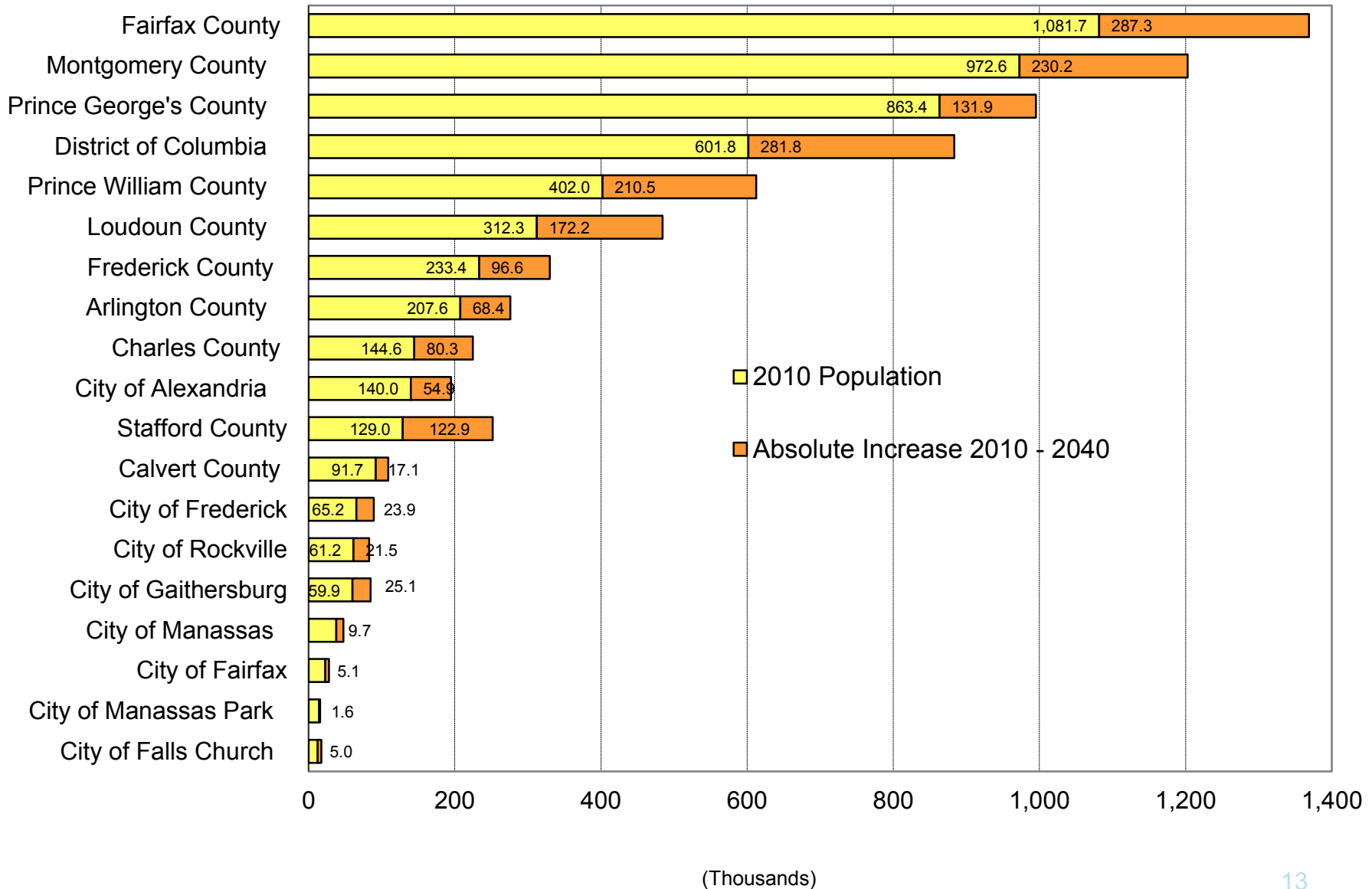
Forecast Household Growth (2010-2040)



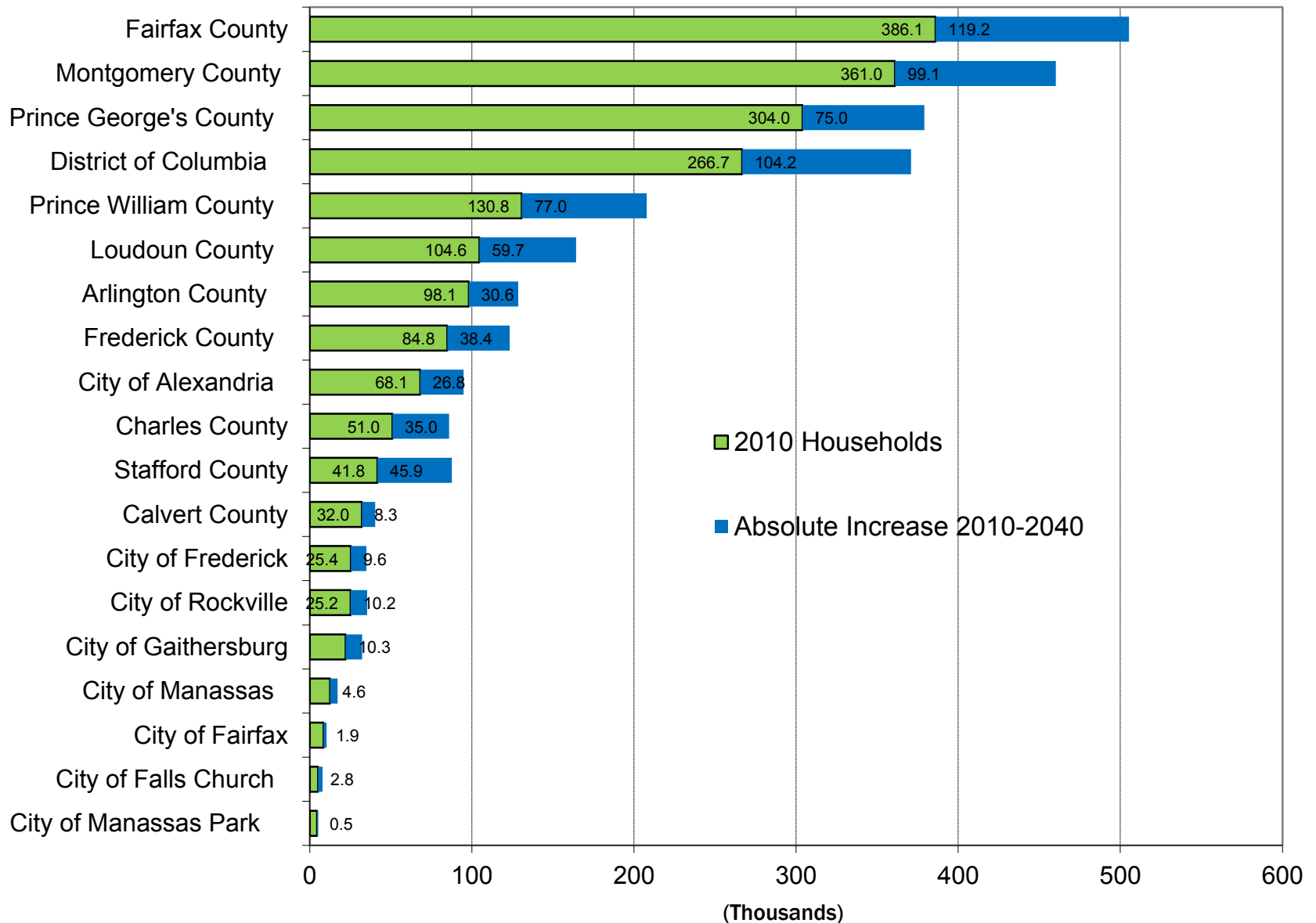
Employment 2010 - 2040



Population 2010 - 2040

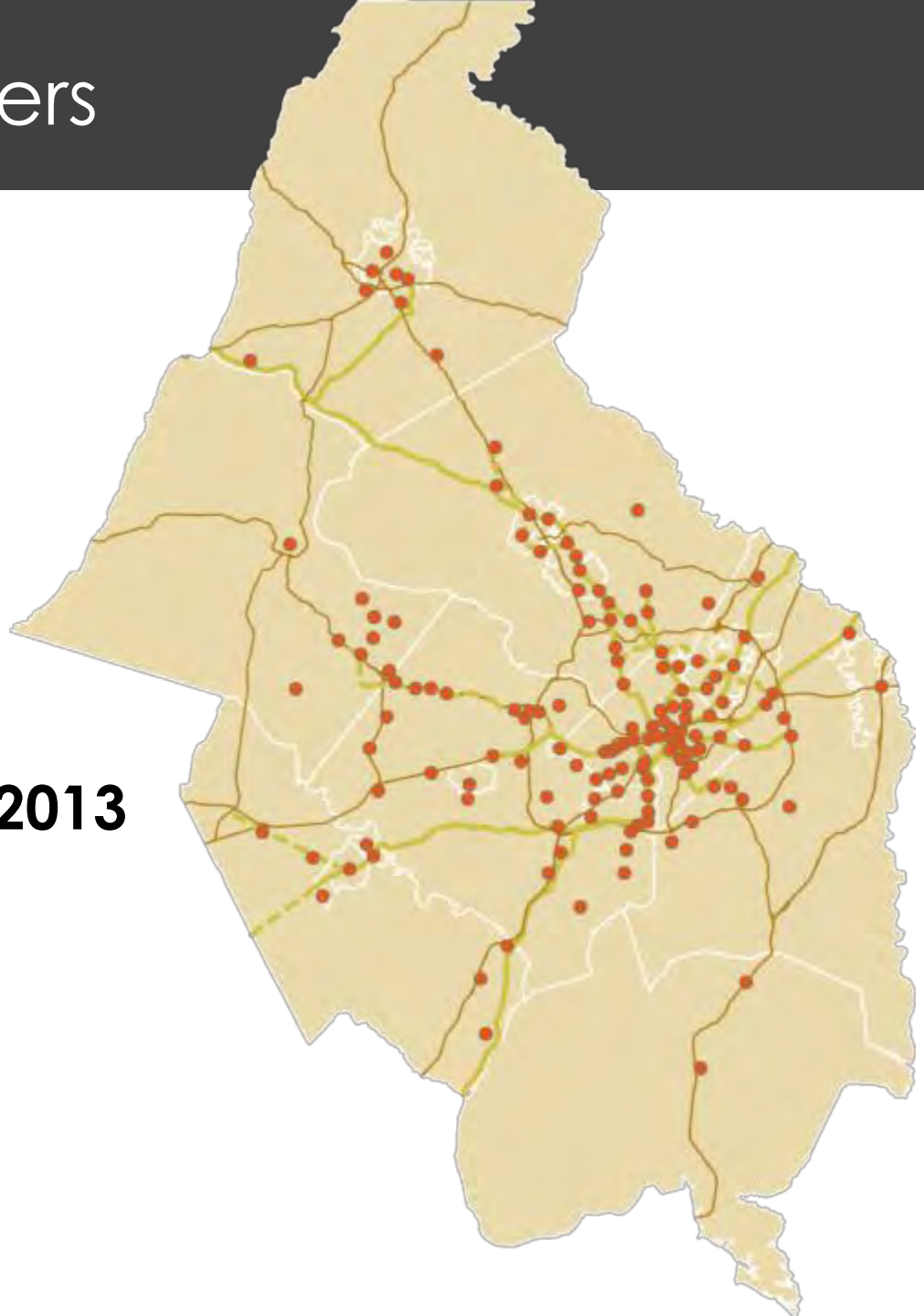


Households 2010 - 2040



Activity Centers

**141 Activity Centers
Approved in January 2013**



Round 8.3 Growth Forecasts

Within and Outside of Activity Centers

EMPLOYMENT

	<u>2010</u>	<u>2040</u>	<u>2010 to 2040</u>	
Within Activity Centers	2,019,000	3,023,000	1,004,000	76.2%
Outside Activity Centers	1,050,000	1,364,000	314,000	23.8%
TOTAL	3,070,000	4,387,000	1,317,000	100.0%

POPULATION

	<u>2010</u>	<u>2040</u>	<u>2010 to 2040</u>	
Within Activity Centers	1,377,000	2,278,000	901,000	55.1%
Outside Activity Centers	3,669,000	4,404,000	735,000	44.9%
TOTAL	5,047,000	6,682,000	1,636,000	100.0%

HOUSEHOLDS

	<u>2010</u>	<u>2040</u>	<u>2010 to 2040</u>	
Within Activity Centers	578,000	984,000	406,000	60.1%
Outside Activity Centers	1,307,000	1,576,000	269,000	39.9%
TOTAL	1,886,000	2,560,000	675,000	100.0%

Change in 2010 to 2040 Growth Forecasts Inside and Outside of Activity Centers Round 8.3 Compared to Round 8.0

GROWTH WITHIN ACTIVITY CENTERS

	Round 8.0 Growth <u>2010-2040</u>	Round 8.3 Growth <u>2010-2040</u>	Change Round 8.0 <u>to Round 8.3</u>
Employment	923,000	1,004,000	81,000
Households	348,000	406,000	58,000
Population	732,000	901,000	169,000

GROWTH OUTSIDE ACTIVITY CENTERS

	Round 8.0 Growth <u>2010-2040</u>	Round 8.3 Growth <u>2010-2040</u>	Change Round 8.0 <u>to Round 8.3</u>
Employment	298,000	313,000	15,000
Households	262,000	269,000	7,000
Population	644,000	735,000	91,000

Round 8.3 Cooperative Forecasts

Summary Findings

- The Round 8.3 Forecasts show that the TPB Modeled Region would add slightly more than 1.6 million jobs, 2.1 million people and 908,000 households between 2010 and 2040.
- Round 8.3 Forecasts are approximately 1.3 percent higher than the Round 8.2 Forecasts
- The Region's "Inner Suburbs" – Fairfax, Montgomery and Prince George's counties and the cities of Fairfax and Falls Church – would collectively have the greatest total number of jobs, people and households throughout the 2010 to 2040 forecast period

Round 8.3 Cooperative Forecasts

Summary Findings

- The “Outer Suburbs” – Charles, Frederick, Loudoun and Prince William counties, and the cities of Manassas and Manassas Park – would, as a group, experience the fastest rates of growth
- The Round 8.3 Forecasts indicate that 76 percent of all new jobs, 55 percent of the Region’s population growth, and 60 percent of all new households are anticipated within Activity Centers.
- Local governments continue to focus more growth in Activity Centers. Compared to Round 8.0, the Round 8.3 Forecasts for 2040 within Activity Centers contain 81,000 more jobs, 58,000 more people and 169,000 more households than Round 8.0.

Questions . . .

ITEM 12- Information

April 16, 2014

Briefing on a Draft Initial Assessment of the 2014 Update of the CLRP and the Regional Transportation Priorities Plan (RTPP)

Staff

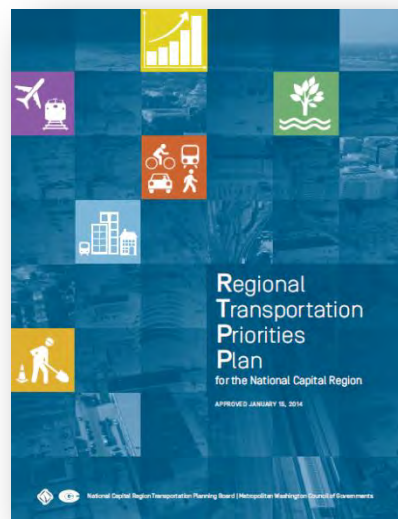
Recommendation: Receive briefing on the enclosed initial qualitative assessment of how the priorities identified in the RTPP compare to the transportation system in the CLRP as it is being updated with a new financial analysis and additional projects in 2014.

Issues: None

Background: In January, the TPB approved the RTPP which identifies strategies that are “within reach” both financially and politically and have the greatest potential to respond to the most significant transportation challenges. In response to a request at the February TPB meeting, staff have prepared this draft initial assessment.

An Initial Comparative Assessment

of the *Regional Transportation Priorities Plan*
and the *2014 Update to the Constrained
Long-Range Transportation Plan*



April 10, 2014

DRAFT



National Capital Region Transportation Planning Board

Initial RTPP-CLRP Assessment

DRAFT

The Regional Transportation Priorities Plan is a new policy framework for transportation decision making in the National Capital Region. Approved by the Transportation Planning Board (TPB) in January 2014, the Priorities Plan identifies strategies with the greatest potential to respond to our region's most significant transportation challenges. It aims to identify those strategies that are "within reach" both financially and politically—recognizing the need for pragmatism in an era of limited financial resources and a lack of political will to raise significant amounts of new revenue.

The Priorities Plan was explicitly intended to influence the regional transportation planning process, including the annual update of the region's Constrained Long-Range Transportation Plan (CLRP). In the coming months, the TPB will consider key elements of the 2014 CLRP update, including projects proposed to be added to or changed in the plan and forecasts of available funding for maintenance, operation, and expansion of the region's transportation system.

This assessment is designed to inform discussions and deliberations related to the CLRP update process. It uses the best available information about the CLRP and its anticipated future performance to assess the degree to which it supports the strategies and objectives spelled out in the Priorities Plan. The assessment follows up on the Priorities Plan's own directive: "In the future, the TPB will undertake efforts to evaluate how well the projects and programs in the CLRP, taken as a whole, support regional priorities."

1 | BACKGROUND

Origin

At its meeting on February 19, the TPB requested that staff provide information on how the proposed 2014 CLRP, including the projects and programs proposed to be added or changed this year, compares with the priorities laid out in the Priorities Plan. This direction from the board was consistent with the Priorities Plan itself, which called for a comparison of the CLRP and the Priorities Plan as part of future updates to the CLRP. At the TPB meeting on March 19, TPB staff presented a proposed approach for conducting such an assessment.

Purpose and Approach

This draft Initial Assessment, which will be presented to the TPB in April, provides a high-level summary of how the proposed 2014 CLRP update supports the priorities spelled out in the Priorities Plan. It is designed to provide decision makers with readily accessible information that will help them understand the wider context of the CLRP as they discuss proposed changes to the plan this spring and consider the full 2014 CLRP for approval in the fall.

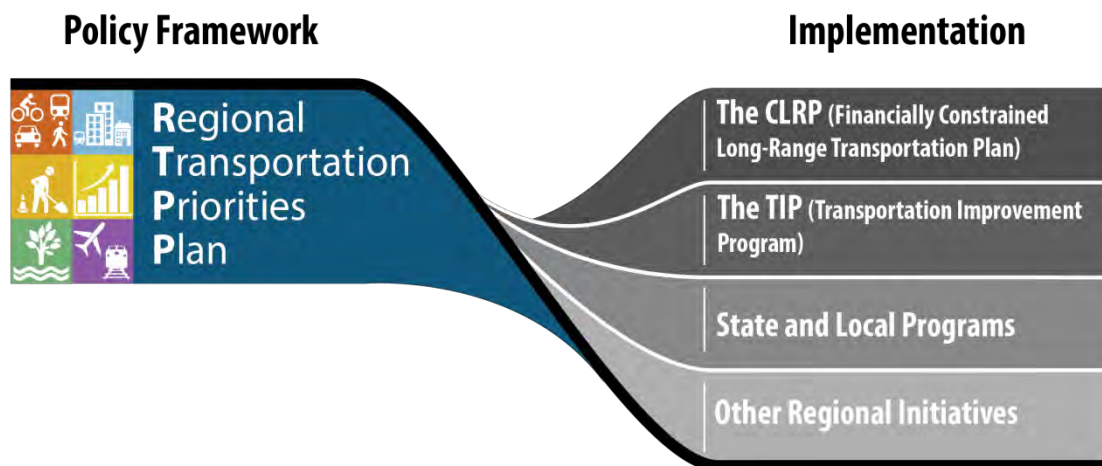
Some key features underlay the development of this Initial Assessment:

- ☐ **The Assessment is largely qualitative.** For the most part, the Priorities Plan did not identify measurable targets for any of the strategies in the plan. Therefore, the Initial Assessment largely provides qualitative analysis that is supported, when possible, by data and illustrative examples.
- ☐ **The Assessment is based on the full transportation system that is anticipated for 2040, not just new 2014 project submissions.** The assessment makes reference to projects that are already in the CLRP as well as projects that have been submitted for this year's update. The assessment does not use the Priorities Plan as a screen to rate, rank, or judge individual projects.
- ☐ **This Assessment addresses strategies that were established in the Priorities Plan.** The Plan identified three overarching priorities and framed 18 strategies within those three priorities. Those strategies, particularly those that are addressed in the CLRP, provide the basis for this Initial Assessment. The required analyses of the CLRP process, including air quality conformity, are not addressed in this document. In addition, objectives and targets that have been established in other COG policy documents but not included in the Priorities Plan, such as targets for reducing greenhouse gas emissions, are not included in this Assessment. The performance analysis of the 2014 CLRP, which will be available later this year, will provide these data.
- ☐ **The Assessment will be released in two phases.** Because the Priorities Plan was only approved in January and because the 2014 CLRP development process is still underway, staff have developed an initial assessment focused on Priorities Plan strategies that can most easily and most directly be

assessed based upon the existing CLRP and changes proposed as part of this year's CLRP update. This Initial Assessment is being provided in time for the April TPB meeting, when the Board will be asked to approve project submissions for inclusion in the Air Quality Conformity Assessment for the 2014 CLRP. In the fall, staff will provide the Board with additional information on the region's progress in supporting the strategies in the Priorities Plan. Findings from the full Assessment will be incorporated into the 2015 CLRP Call for Projects, which is currently scheduled to be released in draft form in October 2014.

- ☐ **The different phases of the Assessment will use whatever data and information is available at the time.** The 2014 CLRP is a work in progress. Project submissions for the 2014 CLRP update are currently available for review and will be referenced in this Initial Assessment. However, staff will not be able to analyze the performance of the full network proposed in the 2014 CLRP until much later in the year, once the new plan has been adopted by the TPB. Therefore, the Initial Assessment relies mostly on the 2013 CLRP Performance Analysis to provide relevant contextual information about anticipated trends based upon the latest planning trajectories. Information in the Initial Assessment about revenue projections and other funding issues will rely on whatever preliminary information is currently available from the ongoing 2014 CLRP Financial Analysis development process.
- ☐ **Much of the implementation of the Priorities Plan will not be reflected in the CLRP.** The Plan calls upon the region to act at local, state, and regional levels—and many of these actions will not be included in the federally required CLRP. Some implementation activities are small-scale capital improvements that are not required for inclusion in the CLRP, but will be featured in local funding programs. In other cases, implementation will be funded through private sector partnerships. Implementation also may not take the form of capital improvements; local or state policies and regulations will help to effect changes called for in the Plan. And regional initiatives, such as the Metropolitan Area Transportation Operations Coordination (MATOC) Program, play an important role in achieving progress toward the Plan's objectives, although they may not appear as specific projects in the CLRP. The chart below illustrates the overarching role that the Priorities Plan was intended to play, and the various processes through which implementation can be achieved and observed.

Implementation of the Regional Transportation Priorities Plan



Framework and Information Sources for the Initial Assessment

Staff have based the Initial Assessment upon the three broad priorities that were identified in the Priorities Plan. These priorities were presented as “building blocks” to illustrate the fact that our vision for the future must be built upon a solid foundation of system maintenance and effective institutional practices.



Within these three priorities, staff have identified those strategies that can most clearly be reflected in the CLRP or measured using existing analyses of the performance of the transportation system as it is planned.

For each of these strategies, the Initial Assessment includes the following:

- ☐ **Current Assessment.** Based upon our professional judgment and knowledge of the CLRP at this time, is our region achieving desired outcomes?
- ☐ **Basis for Assessment.** What information, analysis, or data support the Current Assessment?
- ☐ **Forthcoming Information.** Will more information become available in the next few months? Is there additional analysis we might perform to better understand the degree to which the region is achieving desired outcomes?

As noted above, this Initial Assessment uses the best available information to help show whether the transportation system laid out in the CLRP is supportive of the Priorities Plan. These are sources of information upon which it is largely drawn:

☐ 2014 CLRP, including 2014 Project Submissions

The current CLRP, as approved in 2013, already includes more than 500 projects planned to be built or implemented by 2040. The TPB received 11 major new projects or changes to existing projects for inclusion in this year's CLRP update.

☐ 2013 CLRP Performance Analysis

The 2014 CLRP Performance Analysis will not be available until later this year. However, the 2013 CLRP Performance Analysis provides useful and relevant information about trends that the 2014 CLRP analysis is likely to show, too.

☐ Draft Round 8.3 Cooperative Land-Use Forecasts

The COG board in March 2014 approved the most recent round of regional forecasts of future jobs, population, and households for use in the 2014 CLRP conformity analysis. These land-use forecasts provide a basis for forecasting future travel demand, which will be carried out later this year to assess the performance of the 2014 CLRP.

☐ Information Not Yet Available:

- Submissions for the FY2015-2020 Transportation Improvement Program (expected July 2014)
- 2014 CLRP Financial Analysis (expected Fall 2014)
- 2014 CLRP Performance Analysis (expected Winter 2014)

2 | INITIAL ASSESSMENT

Priority 1: Meet Our Existing Obligations

The Priorities Plan says that our very first priority should be to keep our existing transportation system in a state of good repair, because it is the backbone of our economy and must be properly maintained and safe before we can move on to other investments.

Ensure Maintenance of the Transit System (Ongoing Strategy 1)

The Priorities Plan says we should finish addressing any remaining backlog of deferred transit maintenance, set up systems to address maintenance challenges as they arise, and secure funding to ensure transit maintenance is carried out as needed.

CURRENT ASSESSMENT

The 2014 CLRP is expected to exhibit full state-of-good-repair funding for WMATA and for the region's other transit systems, according to preliminary information emerging from the ongoing 2014 CLRP Financial Analysis development process.

BASIS FOR THE ASSESSMENT

- WMATA has undertaken major efforts to bring Metrorail and Metrobus to a state of good repair, and additional efforts to keep the system in a state of good repair have been planned and will be funded. WMATA in 2011 launched a \$5 billion program to deal with deferred maintenance. This six-year effort, known as MetroForward, has already delivered improvements in safety, reliability, and customer service. MetroForward's funding includes \$3 billion that was provided through the Passenger Rail Investment and Improvement Act (PRIIA) of 2008, which authorized \$1.5 billion in federal funding along with state matches totaling \$1.5 billion (\$500 million from each state). The additional funding for MetroForward was provided by the American Recovery and Reinvestment Act of 2009 and increased funding from the participating jurisdictions.

The funding agreements for MetroForward will end in FY2017. WMATA estimates it will need sustained funding at current levels to maintain and replace assets on a regular life-cycle basis to ensure a state of good repair and continue current levels of service. These projects include safety improvements recommended by the National Transportation Safety Board (NTSB), railcar and bus replacement and repairs, and escalator replacements.

WMATA's funders have preliminarily indicated that full funding for WMATA's state-of-good-repair needs will be met in the 2014 CLRP. Details regarding this funding will be included in the 2014 CLRP Financial Analysis, which TPB staff is currently working with its regional partners to develop.

- *The region's commuter rail operators are anticipating the necessary resources to ensure a state of good repair on their respective systems.* The 2014 CLRP Financial Analysis is expected to show that state-of-good-repair needs for the MARC and VRE commuter rail systems will be fully funded on an ongoing basis. Some of these funding commitments have been highlighted in the VRE System Plan and the MARC Growth and Investment Plan, elements of which have been submitted for inclusion in the 2014 CLRP. Local bus operators in the region have also prioritized maintenance and state of good repair.

FORTHCOMING INFORMATION

Detailed information about the states' and jurisdictions' funding forecasts for transit maintenance will be included in the 2014 CLRP Financial Plan, which will be presented in draft form to the TPB in September.

Ensure Maintenance of Roadways and Bridges (Ongoing Strategy 2)

The Priorities Plan states that we should ensure that our roadways and bridges provide safe, reliable, and comfortable travel for people and goods, and that needed maintenance projects are completed as a first priority for use of highway funding.

CURRENT ASSESSMENT

The 2014 CLRP will demonstrate a full commitment to keeping the region's roadways and bridges in a state of good repair, backed in part by new revenues in Maryland and Virginia.

BASIS FOR ASSESSMENT

- *2010 CLRP Financial Analysis demonstrates commitment to funding maintenance needs.* The 2010 CLRP Financial Analysis showed that 93 percent of all highway funding in the CLRP would be dedicated to operations and preservation of the roadway system, with only 7 percent dedicated to capacity expansion. This emphasis is expected to continue in the 2014 CLRP Financial Assessment, due later this year.

- *State highway agencies have further demonstrated their commitment to maintenance.* Maintenance of the existing roadway and bridge system is highlighted as a priority in the long-range transportation plans for Maryland, Virginia, and the District of Columbia.
 - *Maryland Department of Transportation (MDOT).* One of the goals put forth in Maryland's statewide transportation plan, known as the Maryland Transportation Plan (MTP), calls for efforts to preserve the existing transportation system. The objective of this goal is to "preserve and maintain State-owned or -supported roadways, bridges, public transit, rail, bicycle and pedestrian facilities, ports, airports, and other facilities in a state-of-good-repair." The plan recommends a number of actionable strategies to achieve the goal. Each year MDOT publishes an assessment, known as the Annual Attainment Report on Transportation System Performance, to track and evaluate the performance of Maryland's transportation system. This report contains a number of quality-of-service measures that specifically look at maintenance.
 - *Virginia Department of Transportation (VDOT).* Virginia's current statewide transportation plan, known as VTRANS 2035, states: "Under current law, maintenance of existing transportation assets to ensure the safety of the public is the first priority in allocation of transportation resources." In addition, one of the investment priorities in the plan—"Address Environmental, Safety, and Maintenance Needs"—contains maintenance priorities that call for repairing deficient bridges and rehabilitating structurally deficient bridges.
 - *District of Columbia Department of Transportation (DDOT).* The District of Columbia's forthcoming long-range transportation plan, moveDC, will emphasize the importance of state of good repair. As part of the budgeting process, the draft plan calls for the following approach in prioritizing investments over the next 25 years: 1) fund basic state-of-good-repair and maintenance for existing programs; 2) allocate additional resources that accelerate the pace of reaching state-of-good -repair for all infrastructure; and 3) fund critical transportation infrastructure investments to address deficiencies, safety, or capacity needs.
- *New state transportation revenues will further support maintenance efforts.* In 2013, both Maryland and Virginia approved measures to increase state transportation revenues, the first statutory increases in such funding in either state in more than two decades. The measures will raise upwards of \$800 million more a year for transportation in each state, with much of the new revenue will be dedicated to maintenance and preservation efforts.

FORTHCOMING INFORMATION

Detailed information about the states' and jurisdictions' funding forecasts for road maintenance will be included in the 2014 CLRP Financial Analysis, which will be presented in draft form to the TPB in September.

Priority 2: Strengthen Public Confidence and Ensure Fairness

The second priority in the Priorities Plan calls for across-the-board institutional practices to ensure accessibility for traditionally disadvantaged groups, promote efficiency through the use of technology, and engage and communicate with the public in a transparent fashion. For the most part, the strategies under this priority are not easily measurable by looking at projects or programs in the CLRP, or by analyzing the performance of those projects, taken together, in meeting future transportation needs. However, one of the strategies in this priority—“Ensure Accessibility for Traditionally Disadvantaged Groups”—can be partly assessed by examining the CLRP and its performance.

Ensure Accessibility for Persons with Disabilities, Low Incomes, and Limited English Proficiency (Ongoing Strategy 5)

A key strategy under Priority 2 calls upon the region to ensure accessibility for persons with disabilities, low incomes, and limited English proficiency. In general, progress in achieving these objectives is not clearly measurable by looking at the CLRP. However because low-income populations are concentrated on the eastern side of the region, a comparative east-west regional analysis does provide useful information on the degree to which the accessibility needs of low-income populations are being met.

CURRENT ASSESSMENT

The Washington region has many programs and services available to serve the mobility needs of people with disabilities, limited incomes, and limited English proficiency. Those programs are not typically identified in the CLRP.

The 2014 CLRP will contain many projects that will improve transportation options in underserved areas on the eastern side of the region. However, disparities in accessibility to economic opportunity and unbalanced travel demand will continue because job growth is expected to continue to concentrate on the western side of the region.

BASIS FOR ASSESSMENT

- *A variety of programs throughout the region, including those funded through federal grants, will continue to provide funding for projects that improve transportation access for people with disabilities and/or low incomes. The TPB previously administered the federal Job Access Reverse Commute (JARC) program, which aimed to improve transportation for those with limited incomes, and the New Freedom program, which provides funding for transportation programs for persons with disabilities. The most recent federal surface transportation reauthorization, MAP-21, eliminated the JARC program and combined the New Freedom program with other grants programs to create the Enhanced Mobility program, which TPB will continue to administer.*

- *MetroAccess and other paratransit programs provide mobility services to people with disabilities – MetroAccess, WMATA's paratransit program, provides door-to-door service to people with disabilities within three-quarters of a mile of fixed route transit service. Many other public and private transportation providers provide similar services throughout the region.*
- *Transit providers throughout the region provide vital information in multiple languages. WMATA supplies information on routes, schedules, and fares in multiple languages, and the agency has plans to expand this service to include more languages. In addition, important announcements are currently made in both Spanish and English at Metrorail stations and on Metrobuses.*
- *The 2014 CLRP will contain a number of transportation projects that will increase travel options on the eastern side of the region.*
 - New transit capacity. Several projects will enhance access to jobs for low-income and minority communities, and increase mobility for people without cars:
 - *Purple Line.* This 14-mile east-west light rail route will provide greater access to jobs currently concentrated or forecast to be concentrated along the western end of the line. The new transit line will also catalyze job growth along the eastern end of the line in Prince George's County.
 - *DC Streetcar.* Four streetcar projects in the 2014 CLRP will connect neighborhoods east of the Anacostia River where there are higher concentrations of low-income households. These projects will provide greater access to jobs in existing or planned commercial corridors in the District and elsewhere.
 - H Street / Benning Road Line
 - Anacostia Initial Line
 - M Street SE/SW Line (proposed to be added in the 2014 CLRP update)
 - Minnesota Avenue Spur (proposed to be added in the 2014 CLRP update)
 - Improved access to Metrorail stations. The 2014 CLRP will include a number of key projects that will improve access to Metrorail stations on the eastern side of the region and support future job growth and economic development near those stations:
 - *Branch Avenue Metro station* access enhancements
 - *Greenbelt Metro station* full interchange on the Capital Beltway (proposed to be added in the 2014 CLRP update)
 - Key roadway improvements. The CLRP contains a number of roadway projects that aim to improve accessibility by automobile on the eastern side of the region:
 - *Intercounty Connector (ICC):* completion from I-95 to US 1
 - *Interchanges and road upgrades near Westphalia*
 - *MD 5/Branch Avenue:* update/widen, including upgraded intersections
 - *MD 4/Pennsylvania Avenue:* update/widen, including upgraded intersections
 - *MD 210/Pennsylvania Avenue:* update/widen, including upgraded intersections
 - *Suitland Pkwy and Rena/Forestville Road:* upgraded interchange
 - *MD 202:* upgrades

- *Westbound ramp from US 50 to Columbia Road*
 - *MD 450: widening, from Bowie to the Capital Beltway*
 - *US 1: widening, in College Park and Greenbelt*
 - *Baltimore-Washington Pkwy and MD 193: intersection improvement*
- *Jobs are forecast to continue to concentrate on the western side of the region.* The rate of job growth on the western side of the region will be much greater than on the eastern side, according to the land-use forecasts used in the 2013 CLRP. Fairfax County, Montgomery County, and the District of Columbia (west of the Anacostia River) are expected to retain the most jobs in 2040. Loudoun and Prince William counties are each expected to see job growth rates of 75 percent. Although Prince George's County is expected to have nearly one million residents in 2040, the number of jobs forecast is well below other similarly sized counties in the region.
 - *Residents of the eastern side of the region are forecast to face longer commutes.* Since congestion is forecast to increase throughout the region, and because jobs are expected to continue to concentrate on the western side of the region, those who live on the eastern side will face longer commutes to jobs in the west.

FORTHCOMING INFORMATION

TPB staff recognize that analysis of the eastern side of the region only provides a limited understanding of the degree to which low-income populations are served by the transportation system laid out in the CLRP. In addition, staff acknowledge that this analysis does not address the concerns of other disadvantaged populations, including people with disabilities and individuals with limited English proficiency. For future analysis, staff would welcome suggestions for methods to analyze the degree to which these strategies are being supported by transportation decision-making, both as part of the CLRP process and not.

Other Strategies Under Priority 2

Two strategies under Priority 2 are not implemented through projects and inputs identified in the CLRP. However, they are key components of the Priorities Plan and are essential for the balanced and efficient system that the TPB has promoted in its vision for the future. TPB staff welcome suggestions for determining how we might document and analyze planning and project development activities around the region that implement these strategies.

- ***Engage and Communicate with the Public***

Extensive public involvement and communications activities are woven into the planning and project implementation work of jurisdictions throughout the region. Nonetheless, public opinion research—including outreach for the Priorities Plan—consistently suggests that many people believe transportation planning and decision making is not adequately transparent and inclusive. Public

agencies at all levels must continually strive to improve the opportunities for meaningful collaboration and communication with the public.

- ***Promote System Efficiency through Management, Operations, and the Appropriate Use of Technology***

Jurisdictions throughout the region have made great progress in using technology to enhance the efficiency of transportation operations. Improvements include automatic payments systems, automated traffic monitoring, and electronic tolling. Such activities are expected to continue in the future. At the regional level, the state departments of transportation and other regional agencies are expected to continue to support MATOC, the Metropolitan Area Transportation Operations Coordination Program, in order to monitor traffic and weather conditions and coordinate the response to disruptive incidents.

Priority 3: Move More People and Goods More Efficiently

The strategies outlined in Priority 3 represent a shift from large-scale, supply-side investments of the past to more strategic approaches to alleviating congestion and crowding, and to accommodating future growth. This priority calls for a mix of supply- and demand-side strategies, multimodal options, and a focus on concentrating future growth in mixed-use Activity Centers.

Six of the strategies under Priority 3 can clearly be supported by the kinds of transportation projects and land-use forecasts that are included in the CLRP. Those six strategies are the subject of the assessments below.

Expand Capacity on the Existing Transit System (Long-Term Strategy 1)

The Priorities Plan calls upon the region to fund basic capital improvements on our existing transit systems—Metro, commuter rail, and local transit—to expand capacity in key locations, especially the regional core.

CURRENT ASSESSMENT

The 2014 CLRP is expected to include funding to expand the capacity of both the MARC and VRE commuter rail systems. Proposals to add capacity to the core of the Metrorail system, including all eight-car trains during rush hours and core station improvements, are not currently expected to receive full funding commitments in the 2014 CLRP.

BASIS FOR ASSESSMENT

- *MARC and VRE commuter rail investment plans include funding to expand capacity on existing lines.* In their 2014 CLRP submissions, both Maryland and Virginia submitted maintenance and expansion plans for their respective commuter rail systems—MARC in Maryland, and VRE in Virginia. The updated investment plans together include approximately \$2 billion in enhancements for which adequate funding has been identified. VRE has identified nearly \$1 billion in funded improvements, including buying additional railcars, expanding station platforms and parking facilities, and upgrading equipment storage and maintenance facilities to accommodate more riders on existing lines. MARC has identified about \$1 billion in funded improvements, too, including the purchase or refurbishment of hundreds of railcars and locomotives, numerous station improvements, and expanded service on all three lines, including more weekend and off-peak service on the Penn Line to Baltimore.
- *Funding for core capacity improvements in Metro 2025 has not yet been identified.* The Priorities Plan called upon the region to fund the Metro 2025 component of Metro's *Momentum* strategic plan. Metro 2025 includes running all eight-car trains during rush hours, expanding mezzanines and

adding fare gates and escalators at the busiest stations to handle more riders, and implementing priority bus treatment on a limited number of key, high-ridership bus corridors, among other improvements. The 2014 CLRP project submissions, which were released for public comment on March 13, 2014, did not include funding for these improvements.

Because of the lack of funding for these Metro improvements to accommodate projected ridership growth, the 2014 CLRP is expected to continue to include a “transit ridership constraint” that limits the growth in transit trips through the regional core beyond 2020. Under this constraint, the TPB’s models reflects the assumption that crowding on Metro will push some travelers into other modes of travel, mainly driving. Such a ridership constraint has been included in the CLRP since 2000.

FORTHCOMING INFORMATION

Further information regarding funding forecasts for capacity expansions on the existing transit system will be available in the 2014 CLRP Financial Analysis, which is scheduled to be released in draft form in September 2014. WMATA’s funding partners have indicated that they are seeking funding for core capacity improvements, which may lead to amendments to the CLRP prior to the next CLRP update in 2015.

Concentrated Growth in Activity Centers (Long-Term Strategy 2)

The Priorities Plan calls for the region to concentrate more development in the region’s 141 Activity Centers, as designated by the Metropolitan Washington Council of Governments. Greater concentration of development in Activity Centers will achieve transportation efficiencies by making travel modes other than driving alone more practical and convenient, and by shortening the distances people need to travel to meet their daily needs.

CURRENT ASSESSMENT

An increasing share of the region’s housing and job growth is forecast to occur in Activity Centers, according to COG’s latest Cooperative Land-Use Forecasts. Approved local land-use policies and transportation investments will continue to support and encourage this shift toward more concentrated development in Activity Centers.

BASIS FOR ASSESSMENT

- *Compared to past land-use forecasts, we are expecting more growth in Activity Centers. COG’s Draft Round 8.3 Cooperative Land-Use Forecasts, which were approved by the COG Board in March 2014 for use in the 2014 CLRP conformity analysis, anticipates that between now and 2040, 61 percent of new households forecast to be added to the region will be located in the 141 Activity Centers. Of the more than 1 million new jobs forecast to be added in the region, 76 percent of them will be located in Activity Centers. The forecasts from four years ago predicted*

less growth in Activity Centers. For 2040, those forecasts (Round 8.0) anticipated 81,000 fewer jobs, 58,000 fewer households, and 169,000 fewer people in Activity Centers, compared to the latest forecasts.

High-capacity transit will reach more Activity Centers by 2040. Today, 53 percent of the region's 141 Activity Centers are served by high-quality transit—Metrorail, commuter rail, light rail, or bus rapid transit. According to a preliminary assessment of the 2014 CLRP, planned transit improvements in Maryland, Virginia, and the District of Columbia, will bring this share to 66 percent.

Activity Centers with High Capacity Transit		
	Total	Percent
2014	74 (of 141)	53%
2040	93 (of 141)	66%

- *The majority of new trips will be to or from Activity Centers in 2040.* Of the 4 million more trips expected to be taken on the region's transportation system in 2040, 58 percent will originate in Activity Centers and 66 percent will end in Activity Centers. Such Activity Center-based travel is more likely to be non-motorized, and trip lengths are likely to be shorter than trips which begin or end in Activity Centers.

FORTHCOMING INFORMATION

Updated information on forecast differences in future travel patterns in Activity Centers will be available in the 2014 CLRP Performance Analysis. Results of future TPB household travel surveys, especially those in geographically-focused areas, will also shed light on differences in travel patterns inside and outside of Activity Centers.

Enhanced Circulation within Activity Centers (Long-Term Strategy 3)

The Priorities Plan calls for an array of transportation options for short trips within Activity Centers. That means improving bicycle and pedestrian infrastructure, proving short-range bus services, and enhancing street connectivity.

CURRENT ASSESSMENT

Trips in Activity Centers will be increasingly taken on foot, by transit, or by bike, according to the 2013 CLRP performance analysis.

BASIS FOR ASSESSMENT

- Compared to the rest of the region, a higher proportion of people living or working in Activity Centers will not be reliant on automobiles. The 2013 CLRP Performance Analysis forecasts that the majority of new transit, walking, and biking trips expected between now and 2040 will occur in Activity Centers. This forecast clearly indicates that Activity Centers are generators of non-motorized travel. Sixty-eight percent of new transit trips and 66 percent of new non-motorized (bicycle and pedestrian) trips are expected to originate in Activity Centers, while 88 percent of new transit and 66 percent of new non-motorized trips are expected to end in Activity Centers.
- A range of small-scale improvements contribute to positive change. Jurisdictions throughout the region are implementing changes to make non-motorized, short-range travel more attractive and viable. Such changes may include incremental improvements—such as new sidewalks in targeted locations—or they might comprise wholesale redesign of Activity Centers, such as the planned transformation of Tysons into a walkable community. Typically, such improvements are not included in the CLRP.

FORTHCOMING INFORMATION

Updated information on forecast differences in future travel patterns in Activity Centers will be available in the 2014 CLRP Performance Analysis. Results of future TPB household travel surveys, especially those in geographically-focused areas, will also shed light on difference in travel patterns inside and outside of Activity Centers.

Implement BRT and Other Cost-Effective Transit Alternatives (Long-Term Strategy 4)

The Priorities Plan calls for the implementation of street-level transit systems to provide cost-effective connections between Activity Centers and/or major rail stations. These services can expand the range of available transit options in locations that are unlikely to be served by heavy rail, reaching more people in more places, and supplementing existing transit services in high-demand corridors. Such systems can include high-quality bus rapid transit (BRT), light-rail, and streetcar systems.

CURRENT ASSESSMENT

The 2014 CLRP is expected to include a number of BRT, light-rail, and streetcar projects, many of which are due to become operational by the end of the current decade. Under the 2014 CLRP, the share of Activity Centers served by high-quality transit will grow to 66 percent by 2040.

BASIS FOR ASSESSMENT

- *The 2014 CLRP is expected to include the following street-level transit projects:*
 - Bus Rapid Transit (BRT)
 - *Route 1 BRT, Van Dorn to Pentagon.* Connecting two Metrorail Stations, this BRT line will serve the Mark Center, a regional Activity Center which will accommodate major BRAC-related growth. The BRT line will operate in dedicated lanes where possible, providing greater reliability of service that approximates rail travel at a much lower cost to build and operate.
 - *Corridor Cities Transitway (CCT).* This BRT line will extend the reach of high-quality transit in the busy I-270 corridor in Maryland, with a total of 16 stations serving six regional Activity Centers.
 - Other Street-Level Transit (Light Rail and Streetcar)
 - *Purple Line.* The Purple Line will be the region's first suburb-to-suburb light rail transit line, providing direct links between Activity Centers without passing through the congested regional core. The 16-mile circumferential transit line will feature 21 stations with connections to four Metrorail lines.
 - *Columbia Pike Streetcar.* This streetcar line will provide more capacity along the most heavily-traveled public transit corridor in Northern Virginia not currently served by Metrorail.
 - *DC Streetcar System.* The District's planned streetcar system will provide an additional transit option for District travelers, helping to answer the Priorities Plan's call for the region to develop diverse systems that will serve diverse needs. The streetcars will provide greater access to jobs by connecting neighborhoods with existing or planned commercial corridors in the District and elsewhere.
 - Two streetcar segments are already in the CLRP:
 - > H Street/Benning Road, from Benning Road Metro station to Union Station
 - > Anacostia Initial Line, connecting the Anacostia Metro Station with the Joint Base Anacostia-Bolling
 - Three additional segments of the DC Streetcar System have been proposed for inclusion in the 2014 CLRP:
 - > Union Station to Georgetown, from H Street NE to Wisconsin Avenue NW, mainly along K Street NW
 - > M Street Southeast/Southwest, from Good Hope Road SE to Maine Avenue SW, crossing the 11th Street Bridge
 - > Benning Road Spur, from Benning Road to Minnesota Avenue Metro station

FORTHCOMING INFORMATION

In addition to projects already included or submitted for the CLRP, a variety of BRT and street-level rail projects are under development in a number of jurisdictions throughout the region. Such projects are likely to be included in future CLRP updates.

Implement Tolling and Road Pricing (Long-Term Strategy 5)

The Priorities Plan calls upon the region to consider implementing tolling and road-pricing mechanisms to manage demand and raise new revenue for transportation. Managing demand through pricing makes more efficient use of roadway facilities by encouraging greater use of carpools, vanpools, and transit instead of single-occupancy vehicles.

CURRENT ASSESSMENT

Three major highways in the region, one in Maryland and two in Virginia, use tolling and pricing mechanisms to manage demand and raise new revenue, or will in the near future. The projects are all currently included in the CLRP. As a new addition, the 2014 CLRP is expected to include a study of adding toll lanes to three more highways in the region, all located in the District of Columbia. The study will look at the possibility of converting existing highway lanes to toll lanes, a first for the region.

BASIS FOR THE ASSESSMENT

- *The CLRP currently includes three variably priced lane projects.* These projects provide the opportunity to encourage more efficient use of road capacity, provide high-quality transit, and connect regional Activity Centers. Two of these projects—Virginia’s 495 Express Lanes and Maryland’s Intercounty Connector—are largely completed.
 - *Intercounty Connector (ICC).* This fully tolled facility connects important Activity Centers in the I-270 corridor in Montgomery County with Activity Centers in the I-95 and US 1 corridors in Prince George’s County. The first phase of the ICC opened in 2011. The final segment, between I-95 and US 1, is scheduled to open in 2014.
 - *495 Express Lanes.* This project added express toll lanes adjacent to existing general purpose lanes along 14 miles of one of the most congested highways in our region. While the facility was largely completed in 2013, work continues on extending the lanes from Georgetown Pike to the American Legion Bridge.
 - *95 Express Lanes.* This project will add express toll lanes adjacent to existing general purpose lanes along 29 miles of I-95 from the Capital Beltway to Stafford County. The lanes will encourage greater use of more efficient travel modes, including a number of express buses which already operate in the corridor.

- *As a new addition for the 2014 CLRP, the District of Columbia has proposed including a study of adding toll lanes to three highways.*
 - District of Columbia Managed Lanes Study. This study will look at implementing high-occupancy vehicle (HOV) lanes (including converting general purpose lanes or constructing new lanes) and subsequently converting those HOV lanes to express toll lanes. This project will consist of a network of three independent, but linked, corridors that will be priced to improve predictability and reduce solo driving. The three corridors are 14th Street/Rochambeau Bridge; I-395/I-695, Southeast-Southwest Freeway; and I-295. Although these projects are not funded for construction, the study's inclusion in the CLRP is noteworthy because it will examine the potential conversion of existing general purpose lanes to priced lanes, a first for the region.

FORTHCOMING INFORMATION

A TPB staff survey in 2010 (and unofficially updated in 2013) found that throughout the region there are many studies, both past and ongoing, that consider highway or express lane tolling at the regional and corridor levels. In future updates to the CLRP, we can expect to see some proposals emerge from these studies as projects to be included in the CLRP.

Alleviate Roadway Bottlenecks (Near-Term Strategy 2)

The Priorities Plan calls for targeted roadway improvements that provide congestion relief for drivers in key locations throughout the region and that support other regional goals.

CURRENT ASSESSMENT

The 2014 CLRP will include a number of interchange and road widening projects designed to alleviate key highway bottlenecks. Some of these projects will specifically address top bottlenecks and high-delay corridors identified by the TPB in its triennial aerial survey of freeway congestion

BASIS FOR ASSESSMENT

- *Top bottlenecks and high-delay corridors are receiving attention.* The TPB's Freeway Congestion Monitoring Program uses aerial photography to estimate travel speeds and congestion levels during morning and afternoon peak travel times. The latest survey, carried out in 2011, identified the "top ten" bottlenecks on the region's freeway system, as well the "top five" longest-delay corridors. The CLRP contains projects or studies that could help relieve congestion around six of the top ten bottlenecks, two of the top five "longest-delay corridors" during the morning peak period, and three of the top five during the afternoon peak.

CLRP Projects and Studies Near The Top 10 Bottlenecks in the Metropolitan Washington Region Identified by 2011 Freeway Congestion Monitoring Program ("Skycomp")

Rank	Facility	Direction	From	To	CLRP Project	CLRP Study
1	I-395	Northbound	VA 27	VA 110	-	DC: Managed lanes study I-395, I-695, I-295 (submitted)
2A	I-495	Inner Loop	VA 193	GW Pkwy	-	-
2B	I-395/SW Fwy	Southbound	4th St.	12th St.	-	DC: Managed lanes study I-395, I-695, I-295 (submitted)
4	I-66	Eastbound	VA 7	Dulles Access	VA: I-66, Construct 2 lanes in select spots inside I-495 (2020)	-
5A	I-495	Inner Loop	MD 355/ I-270	MD 185	-	-
5B	I-495	Outer Loop	VA 267	VA 123	VA: I-495 HOT Lanes (2015, 2030)	-
7A	I-495	Outer Loop	I-95	MD 650	-	-
7B	I-495	Inner Loop	Gallows Rd.	US 50	VA: I-495 HOT Lanes (2015, 2030)	-
8A	I-66	Eastbound	VA 234 bypass	VA 234	-	-
8B	11th St. Bridge	Westbound	I-295	Southeast Fwy	DC: 11th St. Bridge Reconstruction (2013)	-

CLRP Projects and Studies Near The Longest Delay Corridors in the Metropolitan Washington Region Identified by 2011 Freeway Congestion Monitoring Program ("Skycomp")

AM Peak Period

Rank	Facility	Direction	From	To	CLRP Project	CLRP Study
1	I-95/I-395	Northbound	US 1	GW Pkwy	VA: I-495 HOT Lanes (2015, 2030)	-
2	I-66	Eastbound	VA 234 bypass	I-495	-	-
3	I-495	Outer Loop	US 1	I-270	-	-
4	I-495	Inner Loop	I-95	I-66	VA: I-495 HOT Lanes (2015, 2030)	-
5	GW Pkwy	Eastbound	Chain Bridge Rd.	I-66	-	-

PM Peak Period

Rank	Facility	Direction	From	To	CLRP Project	CLRP Study
1	I-495	Inner Loop	VA 7	I-270 Spur	VA: I-495 HOT Lanes (2015, 2030)	-
2	I-395	Northbound	VA 110	Penn. Ave	-	DC: Managed lanes study I-395, I-695, I-295 (submitted)
3	I-495	Outer Loop	MD 187	VA 236	VA: I-495 HOT Lanes (2015, 2030)	-
4	I-95	Southbound	I-495	VA 123	VA: I-95 HOT Lanes (2015)	-
5	I-66	Westbound	I-495	VA 234	-	-

- Five specific highway projects in the CLRP will address many of the most congested roadways in the region:
 - *495 Express Lanes (Virginia)*
 - *95 Express Lanes (Virginia)*
 - *I-66 “Spot Improvements” Inside the Beltway (Virginia)*
 - *11th Street Bridge Reconstruction (District of Columbia)*
 - *District of Columbia Managed Lanes Study (proposed to be added in the 2014 CLRP update)*

FORTHCOMING INFORMATION

The TPB’s 2014 aerial traffic survey will identify a new list of bottlenecks and longest-delay corridors. Findings from this study are expected to be available for analysis and comparison with proposed capital improvements by the end of the year. The study will make it possible to examine the effects of highway improvements that have been made since the last survey in 2011.

Other Strategies Under Priority 3

Seven of the strategies under Priority 3 would not typically be implemented through projects and programs identified explicitly in the CLRP. In some cases, funding may only be found in local Capital Improvement Programs (CIPs) because the projects will only use locally available dollars or are not considered regionally significant. In other cases, implementation will be achieved with private funding or through changes in policies and regulations, none of which is included in the CLRP.

Although we cannot use the CLRP to assess the degree to which they are being implemented, these strategies are key components of the Priorities Plan and are essential for the balanced and efficient system the TPB has promoted in its vision for the future. TPB staff welcome suggestions for determining how we might document and analyze planning and project development activities around the region that implement these strategies.

- **Improve Access to Transit Stops and Stations (Near-Term Strategy 1)**

Local jurisdictions throughout the region are taking steps to improve bus stops and rail station areas, and to improve pedestrian and bicycle access to transit. The TPB is currently conducting a study under the federal Transportation, Community, and System Preservation (TCSP) Program to identify high-impact pedestrian and bicycle access improvements to underutilized rail transit stations. In the future, new efforts can be expected to improve accessibility at the region’s 19,000 bus stops, especially at high-priority locations.

- **Support and Promote Electric Vehicles (Near-Term Strategy 3)**

Actions to encourage the purchase and use of electric vehicles were identified in a 2012 COG report. Such actions would require a variety of local- or state-funded infrastructure, policies, and regulatory changes.

- **Promote Commute Alternatives (Near-Term Strategy 4)**

Programs to encourage alternative commute modes are in place throughout the region. The TPB's Commuter Connections program provides such services at the regional level, while numerous local governments and private employers have programs in place to provide information about commute alternatives and to encourage and support commuters who use commute modes other than driving alone.

- **Expand Pedestrian Infrastructure & Expand Bicycle Infrastructure (Near-Term Strategies 5 & 6)**

Jurisdictions at every level of government are working to build infrastructure and improve safety for walking and biking. The TPB's Bicycle and Pedestrian Plan identified more than 500 important regional projects. Every year the TPB's Bicycle and Pedestrian Subcommittee identifies a list of the top unfunded bicycle and pedestrian projects from a regional perspective.

- **Apply Priority Bus Treatments (Ongoing Strategy 3)**

The region is prioritizing these kinds of improvements and we are looking to do more. The Metrobus Priority Corridor Network (PCN), which would be fully funded under the *Metro 2025* component of WMATA's *Momentum* strategic plan (see page x), would apply significant priority treatments to 24 key, high-ridership routes to speed buses and improve on-time reliability. The TPB's federal TIGER grant, awarded in 2010, provided funding for some of these and other priority bus treatments throughout the region.

- **Update and Enforce Traffic Laws (Ongoing Strategy 6)**

Jurisdictions throughout the region are applying non-engineering solutions— through updated laws, better enforcement, and more public outreach—to make the transportation system safer, especially for pedestrians and bicyclists.

3 | MOVING FORWARD

Future Work Activities

TPB staff is planning a variety of activities to follow up on this Initial Assessment, conduct outreach, and promote integration between the Priorities Plan and other planning activities at COG.

Additional Comparative Assessment Activities

As a follow-on to this Initial Assessment, TPB staff will develop an additional assessment in time for the September TPB meeting. In the coming months, staff will engage with its partners to complete this additional work.

As part of the development of the 2015 CLRP, TPB staff will take the following steps:

- ☐ Work with partners to use the Assessment to identify focus areas or points of emphasis to incorporate into the 2015 CLRP Call for Projects, which is currently scheduled to be released in draft form in October 2014.
- ☐ Develop the annual 2014 CLRP Performance Analysis, which will be guided by the Priorities Plan framework and will be designed to inform decision making for the 2015 CLRP. The Performance Analysis is expected to be completed by the end of the calendar year.
- ☐ Work collaboratively with the local and state jurisdictions and agencies in the region to develop a process for describing—in a formal letter or other documentation—the ways in which the projects and programs that a jurisdiction submits for inclusion in the CLRP will address the priorities in the Priorities Plan. Such documentation was called for on page 77 of the Priorities Plan.

Conducting Outreach and Promoting Integration

TPB staff will conduct other activities to promote the implementation of the priorities in the Priorities Plan and seek integration between the Priorities Plan and other policy documents at COG, especially *Region Forward*. Much of the activity described below has been included in the TPB's FY2015 Unified Planning Work Program (UPWP).

- ☐ **Outreach on the Priorities Plan.** TPB staff will engage policy officials and staff of the TPB's member jurisdictions, as well as members of the general public, to stimulate dialogue on the Priorities Plan and to further the realization of its objectives. Outreach activities will promote discussion that connects the regional policy framework provided by the Priorities plan with the planning and decision-making activities conducted by the TPB's members.

- ☐ **Enhanced Linkages to COG's "Place + Opportunity" Report.** Many of the strategies and priorities laid out in the Priorities Plan are closely connected to COG's *Place + Opportunity* Report, which focuses on strengthening and enhancing the region's 141 Activity Centers. In FY2015, COG/TPB staff will identify ways to further promote those linkages through analysis and outreach.
- ☐ **Conduct Other Planning Activities and Analysis Related to the Priorities Plan.** In addition to the work identified above, staff will identify and conduct other analysis and planning activities related to key issues and themes identified in the Priorities Plan. Activities may include developing new or revised transportation and land-use scenarios, conducting analysis of those scenarios, and other research and analysis efforts. This analysis may also include evaluation of transportation metrics and targets that were established in other COG documents, particularly *Region Forward*. In addition, new MAP-21 statewide and metropolitan planning regulations, which are expected to be released this spring, will provide guidance on setting performance measures and targets, and conducting analysis.
- ☐ **Coordinate COG Planning Activities Through the Region Forward Coalition.** TPB members have expressed an interest in enhanced integration of the Priorities Plan with other planning efforts at COG, including *Region Forward*, *Place + Opportunity*, as well as work on climate change and air quality. Staff recommends that the Region Forward Coalition is the appropriate venue for determining how these different planning activities can be coordinated.

Conclusion

This assessment is a work in progress. TPB staff look forward to receiving suggestions and comments, and engaging in discussions regarding the information provided in this initial document. Based upon feedback from TPB members and other stakeholders, staff will determine what additional information can be presented to the TPB in the fall in advance of the final approval of the 2014 CLRP. Staff look forward to working to determine how future CLRP updates, as well as other planning activities, can better reflect the objectives of the Regional Transportation Priorities Plan.