

MINUTES
NVTC COMMISSION MEETING – JUNE 4, 2015
NAVY LEAGUE BUILDING – FIRST FLOOR CONFERENCE ROOM
ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Snyder at 8:05 P.M.

Members Present

Richard Black
Sharon Bulova
Jim Corcoran
John Foust
Catherine Hudgins
Mary Hynes
David LaRock
James LeMunyon
Jeff McKay
J. Randall Minchew
Ken Reid
Thomas D. Rust
Paul Smedberg
David F. Snyder
J. Walter Tejada
Jennifer Wexton

Members Absent

John Cook
William Euille
Jeff Greenfield

Staff Present

Doug Allen (VRE)
Karen Finucan Clarkson
Kelley Coyner
Jeremy Flores (VRE)
Rhonda Gilchrest
Laurel Hammig
Chris Henry (VRE)
Scott Kalkwarf
David Koch
Kate Mattice
Aimee Perron Siebert (Hillbridge Group)
Joe Swartz (VRE)
Melissa Walker

Opening Remarks

Chairman Snyder will leave at 8:30 P.M. to catch a flight at Dulles for business. Vice-Chairman Fisette has agreed to take over chairing the meeting.

Chairman Snyder observed that later in the agenda NVTC will be discussing next steps resulting for NVTC's Transit Means Business Forum on May 8th. He thanked everyone who participated in the forum, including Commissioners, staff, elected officials, jurisdictional staff, Chambers of Commerce, researchers and business leaders. NVTC is working to take the content of the forum and make it available in various forms.

Ms. Coyner introduced a new NVTC employee, Laurel Hammig, Transit Project and Policy Manager, whose responsibilities include the New Electronic Payments Program (NEPP) and emergency preparedness.

Ms. Coyner also acknowledged Amanda Baxter, VDOT's project manager for the I-66 Inside the Beltway program. Ms. Baxter plans to regularly attend NVTC meetings.

Minutes of NVTC's May 8, 2015 Meeting

Mr. McKay moved, with a second by Mrs. Bulova, to approve the minutes. The vote in favor was cast by Commissioners Black, Bulova, LeMunyon, McKay, Rust, Smedberg and Snyder. Commissioners Corcoran, Hudgins, Minchew, Reid and Wexton abstained.

Mr. Foust arrived at 8:08 P.M.

Consent Agenda

Mrs. Hudgins moved, with a second by Mrs. Bulova, to approve the following Consent Agenda:

- Authorize the Chairman to Send Letters Regarding PRIIA Funding for WMATA

Mr. Reid asked that the letters be sent to the Congressional leadership. Ms. Coyner stated that NVTC will include Congressional leadership as well as House and Senate Appropriations Committee Chairs and Ranking Members and the Northern Virginia Congressional delegation.

The Commission then voted on the motion and it passed. The vote in favor was cast by Commissioners Black, Bulova, Corcoran, Foust, Hudgins, LeMunyon, McKay, Minchew, Reid, Rust, Smedberg, Snyder and Wexton.

Virginia Railway Express

Chairman Snyder observed that Mr. Allen has not yet arrived from the PRTC meeting but suggested the Commission take up the action item now and leave the information items for when he arrives. There were no objections.

Mrs. Bulova stated that the VRE Operations Board recommends the Commission authorize the VRE Chief Executive Office to modify the contract with Keolis for operations and maintenance services by approving the first of two five-year option periods. Resolution #2275 would also approve up to \$20,931,000 for the first year of the first option period for a total contract value not to exceed \$116,527,554 for operations and maintenance through June 30, 2016.

Mrs. Bulova moved, with a second by Mr. Smedberg, to approve Resolution #2275. The vote in favor was cast by Commissioners Black, Bulova, Corcoran, Foust, Hudgins, LeMunyon, McKay, Minchew, Rust, Smedberg and Wexton. Mr. Reid and Mr. Snyder abstained. (A copy of the resolution is attached.)

Transit Means Business Forum Report and Next Steps

Ms. Coyner reported that 140 people from across the region and the Commonwealth participated in NVTC's May 8th Transit Means Business Forum. The purpose was to bring policymakers and business leaders together to discuss what transit means to business and economic competitiveness. NVTC has released two studies, one by George Mason University on what transit means to economic competitiveness in this region over the last 50 years, and an analysis by NVTC and Virginia Tech on the number of jobs in relation to transit in Northern Virginia. Additional research will be released over the coming months.

Delegate LaRock arrived at 8:12 P.M.

Ms. Coyner reported that NVTC received great press coverage of the forum. The key is how to sustain that energy created by the forum. Staff is compiling a report and interviewing each of the business partners on how to sustain the work supporting transit. The business partners plan to meet in July.

Mr. Corcoran stated it was an outstanding forum that provided a lot of information from many different angles. The follow-up conversations he had were eye opening.

Mr. Tejada joined the discussion at 8:14 P.M.

Chairman Snyder stated that NVTC needs to provide the content of the forum in various forms. Ms. Coyner noted that the content is already being repurposed. Delegate Rust in his keynote speech at the Virginia Transit Association's Annual Conference Luncheon made use of much of this information. Another General Assembly member used text from NVTC's Transit Newsletter to do an op-ed piece about the importance of supporting transit investments. NVTC is now working with each one of the Chambers of Commerce

to customize the information for each Chamber. Secretary Layne has also asked NVTC to share lessons learned from the forum with other parts of the Urban Crescent, as well as Lynchburg and Roanoke, with a particular focus on the economic value to businesses in terms of access to workforce, investors and customers.

Chairman Snyder encouraged Commissioners to have one-on-one conversations with staff about next steps and the Commission will also have a discussion at the next meeting to determine how to make follow-up most helpful to the public and private sectors.

VRE Mobile Ticketing Application

Ms. Coyner announced VRE successfully launched its Mobile Ticketing Application on May 15th. It allows VRE passengers to purchase and validate their tickets using their mobile phones. She introduced Chris Henry, VRE's Director of Rail Operations, and Jeremy Flores, VRE's Manager of Operations and Customer Communications. Mr. Henry stated that three years ago VRE started to look at a new fare collection system. VRE's current fare collection system is 13 years old and uses old technology with paper tickets. VRE knew NEPP would be operational in the next three years, so VRE wanted to find a technology that could be interoperable with NEPP and still incorporate leading technology. Mobile ticketing has low capital costs, and over time operations costs will also be lower compared to the older fare collection system. Instead of \$35,000 - \$40,000 per ticket vending machine (VRE has 80 machines) every passenger carries their own ticket vending machine via their mobile device. This system allows passengers to pay with commuter benefits or credit card (or a combination of both) and all fare media can be purchased via mobile ticketing, including reduced fares and Amtrak Step-Up fares.

Mrs. Hynes arrived at 8:22 P.M.

Mr. Henry and Mr. Flores gave a real-time demonstration on how to buy a ticket using the mobile ticketing application. Mr. Henry explained that a person needs to be online to purchase the ticket but doesn't have to be online to activate, validate or show a ticket. He reviewed the safety measures that are built into the system.

Mr. Henry explained that VRE can use this technology for different uses. For example, VRE will be adding automatic passenger counters in FY2016. VRE will be able to know how many people boarded the trains at each station and how many people are in each train by car at any given time. VRE will be able to export this information into the mobile application so that passengers waiting on the platforms can see when trains will be arriving and which cars have available seating. VRE also plans to use the same concept for parking counters. Passengers will be able to use their mobile app to receive alerts when a parking lot is full and where there is available parking.

Mr. Henry stated that since the Mobile Ticketing App launched on May 15th, there have been 4,200 downloads, 1,200 daily users and \$160,000 in fare media sold. VRE also produced YouTube videos showing how to use the mobile ticketing system.

In response to a question from Mr. Reid, Mr. Henry stated that the app will be interoperable with NEPP and VRE has been working with WMATA and Accenture, WMATA's NEPP consultant. Mr. Reid stated he assumes this type of technology saves money. Mr. Henry agreed and stated that this technology versus regular fare collections systems realizes substantial savings in operating and capital. However, VRE does not know how much it will cost to integrate with the NEPP system. In response to a question from Vice-Chairman Fisette, Mr. Henry explained the Amtrak Step-Up ticket.

Chairman Snyder left the meeting at 8:30 P.M. and did not return.

Mr. Smedberg congratulated VRE staff on the success of the first few weeks of the launch. He observed VRE staff did a great job working through all the issues on this procurement and launch of the system. It will be even better when other local systems are integrated.

Virginia Railway Express

VRE CEO Report. Mr. Allen stated VRE is very focused on safety and security issues. He stated that VRE staff received safety training from the Transportation Safety Administration's (TSA) surface transportation security office and from a security expert from San Francisco's Bay Area Rapid Transit. VRE is also conducting a "crossing blitz" this weekend going out to the community in Spotsylvania County to hand out flyers to cars stopped at rail crossings to promote safety around crossing gates and railroad tracks.

Mr. Allen stated that following the recent Amtrak accident in Philadelphia, safety continues to be a top priority. Positive Train Control (PTC) would have slowed that train down around the curve where the accident happened. Federal law mandates all commuter rail systems install PTC by the end of 2015. VRE is working with its host railroads (CSX and Norfolk Southern) to have a seamless PTC system. It is a new technology and CSX and Norfolk Southern have been spending money and time to integrate this PTC system. It is a very expensive and complex system. VRE, CSX and Norfolk Southern will not be able to make that deadline, although it should be up and running in 2016. He is aware of only one commuter rail system (MetroLink in Los Angeles) that will meet the deadline. VRE is working alongside other systems to encourage Congress to approve an extension.

Mr. Allen reported that on-time performance for the month of May was 96 percent on both lines, with average daily ridership at 19,000. He also reported that Meet the Management events were successful and gave passengers a chance to provide feedback to VRE. He also announced the Operations Board held a locomotive naming ceremony to honor 14 past and present Operations Board members, including Sharon Bulova and Elaine McConnell.

Delegate Rust asked if the Positive Train Control is a shared cost arrangement with VRE's host railroads and how is VRE paying for it. Mr. Allen explained that VRE is very fortunate because VRE runs its service on the host railroads. The arrangement allows VRE to use all of the PTC equipment installed on the tracks and tie into their PTC system. VRE costs are associated with the radio equipment on the trains and a share of the costs of the back

office expenses. VRE's costs are less than \$12 million in total, compared to some of its peer agencies spending \$250-\$300 million.

Mr. Foust asked if there is a financial consequence to not meeting the deadline. Mr. Allen answered that the law is written that system cannot operate after the first of the year. There have been discussions on extensions at the federal level; there could also be civil fines.

Procurement and Contract Award Threshold Increase for VRE CEO. Mr. Allen explained that the Management Audit recommended the authority levels for him as CEO be increased from \$50,000 to \$100,000. The Operations Board approved this with the understanding that he will inform the Board on expenditures over \$50,000.

VRE Financial Plan. Mr. Allen stated that the Financial Plan is a companion piece to the System Plan to look at system costs now and in the future and to identify shortfalls and funding needs and resources. He explained that the Southern VRE jurisdictions are not part of the Northern Virginia Transportation Authority (NVTA) district and do not have access to the funding resources the NVTA jurisdictions have. If these jurisdictions could identify a funding source that is comparable, it would help. He also noted that there has not been a jurisdictional subsidy increase for four years.

Report of the Virginia Members of the WMATA Board of Directors

Mrs. Hudgins reported that the WMATA Board of Directors adopted the FY2016 operating and capital budgets. At the time the budget was adopted there was some concern about the 220 Series 7000 railcar option and it was not included in the budget at that time. FTA notified WMATA late today that it has approved WMATA's request to retire the Series 5000 railcars instead of rehabilitating them so that WMATA has the opportunity to move forward on the Series 7000 220 railcar option. Mrs. Hudgins expressed optimism that the budget would be amended to include the railcar option and accompanying power upgrades can be added back into the budget.

Mrs. Hynes stated that the WMATA Board had a good session with the Chief Procurement Officer and the WMATA Board gave approval to proceed with an efficiency and effectiveness survey focusing on financial management issues. A scope of work has been developed and the Board will be involved in the process. A subcommittee has been formed and Mr. Corcoran will represent Virginia on that committee. The full Board will receive regular reports from the consultant. The results of the survey will give a better platform to start with a new General Manager/CEO. The search for a new General Manager/CEO is expected to start up again in the fall. She reported that Secretary Layne sent a letter to WMATA encouraging WMATA to restart the search process for a new General Manager/CEO.

Mrs. Hudgins and Mrs. Hynes gave details about the upcoming National Transportation Safety Board (NTSB) investigative hearing on the January 12 smoke and electrical arcing accident that occurred in a Metrorail tunnel near the L'Enfant Plaza Metro Station. The hearing will be held June 23-24, 2015, at the NTSB's Board Room and Conference Center

in Washington, DC. Mrs. Hynes stated that the NTSB results of the Fort Totten accident in 2009 helped put WMATA on a much stronger safety path. Mrs. Hudgins noted that the NTSB report will not be released until early 2016.

Mrs. Hudgins announced that WMATA expects the audited financials to be completed by the end of June. Mr. Corcoran stated that WMATA's new auditor, McGladrey, LLP, has all the information now to form an opinion. Mrs. Hudgins stated that the old auditor is helping the new auditor. Mr. Corcoran cautioned that it is not going to be a good audit result and it will be not be an unqualified opinion. However, he feels comfortable that all the issues have been identified. Cash flow is much better and processes are in place that have addressed these issues.

Delegate LeMunyon asked if the forensic auditor will complete their work in the same time frame. Mr. Corcoran explained that McGladrey is the new auditor and the old auditor has been rehired to help clean up the audit. Mrs. Hynes stated that the auditors are working together to make comparable numbers possible. The goal is to have the FY2013 and FY2014 audits comparable. Delegate LeMunyon stated that he hopes that they are not implying that WMATA is paying the old auditor to fix their audit mistakes. Mrs. Hudgins and Mrs. Hynes stated that this is not the case. The current auditor McGladrey felt comfortable with the information they were getting but not comfortable with making changes or giving an opinion without having the old auditor come in and explain their reporting. Mr. Corcoran stated that some of it goes back to not reporting in man hours. All of these issues have already been identified by the new financial management.

Delegate LeMunyon expressed concern about the status of the delivery of Series 7000 railcars and asked if there are railcars that have been built but not delivered. Mrs. Hudgins stated that the new railcars are arriving and WMATA expects another delivery next week. WMATA needs to run them through testing before they can go into revenue service. She believes Delegate LeMunyon's question is referring to the budget issue of whether to exercise an option for 220 railcars to the existing railcar contract which expires in July 2015. If the option is not exercised, WMATA will need to start a new design of railcars which will result in a whole new investment piece and will be more costly. Mrs. Hynes confirmed there is no delay in the Series 7000 railcars already ordered.

Delegate LeMunyon asked about Virginia's share of the FY2016 net subsidy of \$845.3 million. Mrs. Hynes replied that Virginia's share is approximately 26-28 percent.

Delegate LeMunyon stated he was impressed during the Mobile Ticketing Demonstration about VRE's parking counter project. He noted that WMATA did a study six years ago about running a pilot parking counter project at the Vienna Metrorail station. He asked if there is anything NVTC can do to encourage WMATA to do a pilot parking initiative. Mrs. Hynes stated that it is a funding priority as there are other state of good repair and expansion items that are given a higher priority in the CIP.

In response to a question from Mr. Reid, Mrs. Hudgins clarified that the capital budget included rehabilitation of the Series 5000 railcars in the future as well as new Series 7000 railcars. Some WMATA Board members felt WMATA should not expand the capital budget to do both. WMATA needed FTA approval to retire the Series 5000 railcars. In

response to a question from Vice-Chairman Fisette, Mrs. Hynes stated that exercising the option to purchase 220 Series 7000 cars will increase WMATA's ability to run eight-car trains. Additional purchases will be required to meet WMATA goals.

Mr. Reid asked if any other Commissioners besides WMATA Board members submitted questions on the WMATA budget. Loudoun County submitted questions to WMATA and was told they should be submitted through NVTC. Ms. Coyner stated that Delegate LaRock submitted questions related to the Silver Line funding and it was agreed that NVTC would do a briefing on the Silver Line. She apologized for the confusion but the intent was to coordinate the questions to make sure that everyone received answers to all the questions. She believes that the answers to Loudoun County's questions are being vetted and should be released soon. Mr. Reid stated that he hopes next year any questions can be answered before the budget is adopted.

Delegate Minchew noted that the Capital Funding Agreement (CFA) will end June 30, 2016. He asked about the status of the draft new CFA and when it will be presented to the member jurisdictions and what happens if a new agreement has not been signed by June 30, 2016. Mrs. Hudgins stated that the primary responsibility of the WMATA Board was to get a budget passed that had at least a beginning capital commitment. One of the big challenges is to put in place an agreement that can fund the next five years and the jurisdictions will want to know if WMATA can spend all the funding they are being asked to commit. Mrs. Hynes stated that staff has been working on the structure of the new CFA over the last 6-8 months. Negotiations stalled over the level of funding. The new WMATA Board membership will need to reengage around the Strategic Plan and WMATA's vision. She thinks the work on the efficiency and effectiveness study and looking at management controls are important and will help the Board rebuild the vision as it moves forward.

Mr. McKay observed that overall trips and specifically long-haul trips on Metrorail were down due to teleworking, reduction in the commuter benefits, etc. These are most likely effecting all modes and not just long-haul trips. He asked for information on ridership by line, so that it shows which lines are overproducing or under producing. He also noted that when parking fees were increased there was some utilization decline. He asked for information on parking utilization to see if it flat lined or is continuing to decrease.

Legislative and Policy Committee Chairs Update

Ms. Coyner reported that the Legislative and Policy Committee will be meeting in the near future to prepare the Legislative and Policy Agenda for Commission approval in the fall. In the meantime, NVTC is working with local jurisdictions, WMATA and VRE on key legislative issues, mostly related to funding. There is also work underway on the analysis of expanding NVTC membership. Two Commissioners have agreed to work on this issue, Mr. Smedberg as chair of the Governance Committee, and Mr. Reid.

VTrans2040 Multimodal Transportation Plan Update

Ms. Coyner reported that the Office of Intermodal Planning and Investment (OIPI) is leading the development of the VTrans2040 Multimodal Transportation Plan (VTrans 2040) and is currently in the second phase of development, identifying performance targets, priorities and projects that can help advance the VTrans2040 vision. VTrans2040 will serve as a guiding document for modal agency business plans and statewide transportation funding programs.

Executive Director Report

Ms. Coyner announced that earlier this week NVTC launched its emergency planning effort to make sure each station has an emergency plan, which includes a service transportation component. Another meeting is scheduled for July 14. Vice-Chairman Fisette stated that there is already a station plan for many of the stations for evacuation. This work is updating plans and creating new ones for those stations that don't have plans. Ms. Coyner stated that seven plans were done before and NVTC will work to make all comprehensive and fully integrated in the regional planning effort with first responders.

Ms. Coyner noted that there is a lot of activity on I-66 multimodal projects. There were four public hearing on I-66 Outside the Beltway as well as two public information meetings on I-66 Inside the Beltway. At the July 9 meeting, the Commission will discuss the I-66 Inside framework agreement with VDOT and NVTC, with approval being requested in October. At the September meeting, NVTC will have a presentation on the status of the I-66 Inside the Beltway project.

Commonwealth and Regional Agency Reports

Department of Rail and Public Transportation (DRPT). Delegate LeMunyon observed that the DRPT report states that DRPT's annual FY2016 budget is \$664.1 million representing a 14 percent increase due to the full impact of the revenues from HB2313. He suggested DRPT might want to fund a pilot parking-space counter project at the Vienna Metrorail station. He asked if there is interest in approaching DRPT for that purpose. Vice-Chairman Fisette said that this would be at DRPT's discretion and expressed concern about funding for all the stations.

Commonwealth Transportation Board (CTB). Mr. McKay noted NVTC's memo regarding DRPT's analysis of the tiered capital allocation states that "the analysis did note that the Northern Virginia CTB district did receive \$3.6 million less as a result of a change in the calculation of the state participation in capital projects." He suggested staff follow-up on this to get a clear understanding how this happened. Ms. Coyner stated she will forward the analysis and NVTC's response to Commissioners.

NVTC's Electronic Participation Policy

Ms. Coyner stated that back at the November 6, 2014 meeting, the Commission adopted an Electronic Participation Policy with a proviso to assess the policy in six months. The Virginia Freedom of Information Advisory Council has developed sample policy language which staff is reviewing. Progress has been made on upgrading communication and technology in the first floor conference space. Although NVTC did not include funding for upgrades in its FY2016 budget, staff has been working with building management for them to make the upgrades. The question of whether the upgrade might be added to this year's budget (calendar year 2015) is pending before the building owner. Staff will report on the sample policy in July. Staff further recommends that the issue of electronic participation in Commission meetings be revisited after the communications technology issues are resolved.

Financial Items for March 2015

The financial reports were provided to Commissioners and there were no questions. Ms. Coyner reported that the auditors will be onsite at NVTC doing preliminary field work during the next week.

Mr. Reid observed that the one-year anniversary of the Silver Line opening is next month. He asked for ridership data for the Silver Line, especially how many passengers are coming by bus. Ms. Coyner agreed to circulate the ridership data it has and will work with WMATA on updating it.

Adjournment

Without objection, Vice-Chairman Fiset adjourned the meeting at 9:32 P.M.

Approved this 9th day of July, 2015.

David F. Snyder
Chairman

Jeffrey McKay
Secretary-Treasurer