



MONTHLY COMMISSION MATERIALS

October 2016

MEETING OVERVIEW – October 6, 2016

Tonight's meeting includes seven action Items:

- September Meeting Minutes
- Consent Agenda: 1) Notice of Direct Contributions to NVTC's Jurisdictions and 2) a Tenant Broker Agreement
- Standard Component Agreements for the Transform66: Inside the Beltway Project
- Amended Memorandum of Agreement Transform66: Inside the Beltway Project
- Letter to WMATA Regarding Metrorail Service Hours Changes
- VRE's Preliminary FY2018 Budget to the Jurisdictions
- Executive Director's Spending Authority

The Commission meeting will also include the following:

- Discussion of WMATA issues including SafeTrack, safety and security, system performance, budget, Virginia ridership and parking facility utilization, and upcoming Board actions
- Presentation on the Metro Safety Commission
- Update on the I-95/I-395 Transit/TDM Study
- Report from the Legislative and Policy Committee, including the presentation of the draft 2017 Legislative and Policy Agenda
- Executive Director's Report include the proposed 2017-2018 Work Plan and FY2018 Key Budget Issues

There will be a Closed Session at the end of the meeting.

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**NVTC COMMISSION MEETING
THURSDAY, OCTOBER 6, 2016
MAIN FLOOR CONFERENCE ROOM
2300 Wilson Blvd.
Arlington, VA 22201**

7:30 – 9:45 P.M.

**6:30 P.M. Closed Session — First Floor Small Conference Room
7:30 P.M. Commission Meeting — First Floor Main Conference Room
(dinner is available at 6:20 P.M.)**

AGENDA

- 1. Opening Remarks**
- 2. ACTION ITEM: Approve the Minutes of the September 1, 2016 NVTC Meeting**
- 3. ACTION ITEM: Approve the Consent Agenda (Subject to Chairman Approval)**
 - A. Authorize Staff to Provide Notice of Direct Contributions to NVTC's Jurisdictions
 - B. Authorize the Acting Executive Director to Enter into an Agreement with a Tenant Broker
- 4. Transform66 Multimodal Project**
 - A. **ACTION ITEM:** Authorize the Acting Executive Director to Execute the Standard Component Agreements for the Transform66 Inside the Beltway Project
 - B. **ACTION ITEM:** Approve Resolution #2319: Authorize the Acting Executive Director to Execute the Amended Memorandum of Agreement Transform66: Inside the Beltway Project
- 5. Washington Metropolitan Area Transit Authority (WMATA)**
 - A. Proposed Changes to Metrorail Service Hours
ACTION ITEM: Authorize NVTC's Chairman to Send a Letter to WMATA Regarding the Proposed Changes to Service Hours
 - B. SafeTrack
 - C. Budget and Financial News
 - D. Safety and Security
 - E. Vital Signs Report
 - F. Virginia Ridership and Parking Facility Utilization
 - G. Schedule of Upcoming Board Decisions

6. Department of Rail and Public Transportation (DRPT)

- A. DRPT Report
- B. Metro Safety Commission
- C. I-395 Transit/TDM Study Update

7. Virginia Railway Express (VRE)

- A. VRE CEO Report and Minutes
- B. **ACTION ITEM:** Approve Resolution #2320: Authorize the Referral of VRE's Preliminary FY2018 VRE Operating and Capital Budget to the Jurisdictions
- C. VRE Customer Survey Results
- D. VRE Annual Master Agreement Survey

8. ACTION ITEM: Approve Resolution #2321: Increase the Executive Director's Spending Authority**9. Report of the Legislative and Policy Committee**

- A. Proposed 2017 NVTC Legislative and Policy Agenda
- B. Transit Service Delivery Advisory Committee (TSDAC) and Transit Capital Project Revenue Advisory Board (TCPRAB)
- C. Federal Legislative Update

10. Executive Director Report

- A. Executive Director Report
- B. NVTC 2017-2018 Work Plan
- C. FY2018 Key Budget Issues
- D. NVTC Financial Items

11. CLOSED SESSION

**MINUTES
NVTC COMMISSION MEETING – SEPTEMBER 1, 2016
NAVY LEAGUE BUILDING – FIRST FLOOR CONFERENCE ROOM
ARINGTON, VIRGINIA**

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Fisette at 7:42 P.M.

Members Present

David Albo
Sharon Bulova
John Cook
Jim Corcoran
Katie Cristol
Adam Ebbin
Jay Fisette
John Foust
David LaRock
James LeMunyon
Matt Letourneau
Tim Lovain
Jeff McKay
David Meyer (Alternate, City of Fairfax)
Ron A. Meyer
Paul Smedberg
David Snyder
Jennifer Wexton

Members Absent

Christian Dorsey
Jeff Greenfield
Catherine Hudgins
J. Randall Minchew

Staff Present

Karen Finucan Clarkson
Jen Deci
Rhonda Gilchrest
Dan Goldfarb
Laurel Hammig
Patricia Happ
Scott Kalkwarf
Kate Mattice
Melissa Walker
Steve MacIsaac (Counsel)
Doug Allen (VRE)
Joe Swartz (VRE)
Todd Horsley (DRPT)

Minutes of the June 2, 2016 NVTC Meeting

Ms. Bulova moved, with a second by Mr. Ron Meyer, to approve the minutes. The vote in favor was cast by Commissioners Albo, Bulova, Cook, Corcoran, Cristol, Fisette, Foust, LaRock, LeMunyon, Letourneau, Lovain, McKay, David Meyer, Ron Meyer, Smedberg and Wexton.

Mr. Snyder arrived at 7:45 P.M.

Report of the Legislative and Policy Committee

Mr. McKay reported that the Legislative and Policy Committee met tonight prior to the Executive Committee meeting. The Legislative and Policy Agenda is still being prepared and will be presented as an information item at the October meeting with approval requested at the November meeting. Comments are still welcome.

Mr. McKay stated that the committee also discussed the governor's recent announcement about a budget shortfall. Also, the Joint House and Senate Transportation Committee will be meeting on October 19th in Crystal City prior to the Governor's Transportation conference. It is anticipated that NVTC and NVTa will each give a presentation on their roles and responsibilities. The Legislative and Policy Committee discussed how best to make this presentation.

Ms. Mattice announced that NVTC and PRTC will hold a Joint Legislative and Policy Briefing on December 12th at the Springfield Hilton. The event will be similar in focus to last year's event. WMATA General Manager Paul Wiedefeld and VRE CEO Doug Allen have confirmed their participation and an invitation has been made to Secretary of Transportation Aubrey Layne. Mr. McKay noted that last year's event was well attended by local, state and federal legislators and their staff.

Transform 66 Multimodal Project

Ms. Mattice explained that as part of administering the I-66 Multimodal project, staff is working with each awarded jurisdiction to finalize their funding agreements. Authorization to execute the agreements will be requested at the October meeting. In addition, the Commission will be asked to approve an Amended Memorandum of Agreement (MOA) between NVTC and the Commonwealth for the Transform 66 Multimodal Project. NVTC and the Commonwealth propose to amend the MOA in the following four ways:

1. Remove references to the use of tolls for widening the facility;
2. Modify language to enhance the credit-worthiness of the toll revenues;
3. Clarify the use of funds for transit operations; and
4. Address technical corrections identified by the Commonwealth, NVTC staff and NVTC jurisdictions.

Ms. Mattice explained that NVTC staff and counsel are continuing to work with the Commonwealth to finalize the amendment language. The Commonwealth Transportation Board will also be required to approve the amendments to the MOA.

In regards to the I-395 Express Lanes project, Chairman Fisette announced that as stated in a recent letter from Secretary of Transportation Layne to Arlington County, City of Alexandria, and Fairfax County, the Commonwealth has committed to provide at least \$15 million annually through the reinvestment of revenues to support new and expanded transit and transportation demand management (TDM) throughout the I-95/I-395 corridor. Chairman Fisette stated that from his perspective, this is a good start. In the past, there would have been no funding allocated for multimodal projects. VDOT and Transurban have worked collectively with the localities on this issue.

Washington Metropolitan Area Transit Authority (WMATA)

Proposal for a Special WMATA Meeting. Chairman Fisette stated that some Commissioners expressed interest in having a special meeting to focus on WMATA issues. The Executive Committee discussed this and there is general agreement that if there is a meeting it should not focus on the negative nor be duplicative of what other agencies have done. There was discussion of timing the meeting to coincide with the Governor's Transportation Conference to provide value to those coming to the conference. He asked for comments.

Delegate LeMunyon asked about the role of NVTC and how it can be helpful to WMATA. Mr. Lovain observed that the Council of Governments (COG) and the Transportation Planning Board (TPB), as well as others, have held similar WMATA-focused meetings. He is skeptical if such a meeting would only be to provide more oversight to the WMATA General Manager. He stated that the purpose of the meeting needs to be very clear. Mr. Ron Meyer stated TPB is working on compiling a list of 8-12 "game changer" regional projects. The Rosslyn Tunnel is a good example of this type of project. He stated that it could be productive to talk about these big regional projects to gain momentum and interest as part of a forum discussion. Mr. Cook observed that in the past NVTC has discussed its role with respect to WMATA. NVTC should not get involved with operational issues but there may be issues NVTC should weigh in on, including policy issues, governance issues, and funding issues. He stated NVTC needs to define its role with respect to WMATA.

Senator Ebbin arrived at 8:02 P.M. and joined the discussion.

Mrs. Bulova stated there are many organizations discussing Metro and she would not like to see NVTC have another forum to focus on what WMATA is or not doing. NVTC does have a role and she suggested a forum to learn about what other organizations are doing, such as the Board of Trade, COG or TPB. Ms. Cristol noted that this might be a good solution to understand NVTC's role in the context of what other regional bodies are doing. In response to a question from Ms. Cristol, Ms. Mattice noted that there was interest by some Commissioners to having a longer term conversation about how NVTC can inform

WMATA. At this point, it may also be a good time to have a forum to educate new Commissioners on WMATA issues.

Mr. Foust stated NVTC needs to decide if it has a role or if it is not interested in playing a role. He hopes some constructive ideas can come out of a special meeting. He believes that NVTC is the organization in Virginia that has the greatest responsibility to speak on WMATA issues. Mr. Snyder agreed with Mr. Cook and Mr. Foust and stated NVTC can continue to be briefed on WMATA issues at regular meetings but a special meeting would be good to focus on two key issues—funding and finance issues and governance issues. He is concerned about financial exposure to the local governments. There needs to be a serious look at the WMATA's governance structure. The Metro Safety Commission is also an important issue.

Chairman Fisette summarized that a special meeting could be helpful to identify NVTC's role in WMATA as to how it can help WMATA succeed. It can also educate Commissioners on WMATA issues so they can communicate effectively with their constituents and the public. He stated that he will work with Ms. Mattice, with the help of the Virginia WMATA Board Members, and come back at the October meeting with a plan. NVTC will also look at coordinating this meeting with the Governor's Transportation Conference.

Report of the Virginia Members of the WMATA Board of Directors. Mr. Corcoran gave an update on the SafeTrack surges, the investigation underway of the derailment outside the East Falls Church Metro station, and changes in top management at WMATA. Mr. Corcoran stated NVTC may want to invite the WMATA management team to a future meeting. He reported that Metrorail ridership is down 16 percent since SafeTrack started. He reviewed some of the positive changes that are occurring. WMATA has introduced a pilot program of offering free public Wi-Fi at six stations (Metro Center, Gallery Place, Judiciary Square, Union Station, Archives and L'Enfant Plaza). The WMATA Board approved the University pass and the expansion of the monthly pass program. He announced that the *Washington Post* will have an upcoming article comparing Metrorail system with other large systems.

Mr. Corcoran reported that discussions of the preliminary budget will begin in September. This year capital funds will not be transferred to operating, which will create a \$200 million shortfall. With ridership down, there are financial issues that will need to be addressed.

Mr. Smedberg gave an update on several FTA directives, including stop signal overruns, track integrity and vehicle securement issues. WMATA is working on these and progress has been made. SafeTrack continues to be on schedule.

Chairman Fisette asked Ms. Hammig to give a brief update on NVTC's work regarding SafeTrack. Ms. Hammig explained that NVTC coordinates conference calls every week with all the Virginia stakeholders (e.g. local transit operators, state police, Pentagon, National Airport, VRE) to coordinate and communicate with WMATA on SafeTrack issues. NVTC has been able to help facilitate coordination of unexpected situations, such as weekend shutdowns where local transit providers were able to coordinate service for the public.

In response to a question from Mr. Foust, Mr. Corcoran stated that the financial audit reports are due in October and he anticipates that they will be completed on-time. It will not be a completely clean audit because past issues were not resolved before the end of the last fiscal year but he does not anticipate any new issues. Mr. Letourneau asked about the timetable for labor negotiations. Mr. Corcoran replied that discussions are continuing on work rules.

Mr. Letourneau suggested NVTC may want to consider weighing in on the General Manager's proposal to change service hours. Mr. Corcoran agreed that it is important for the Virginia WMATA Board Members to know jurisdictions' positions on this issue. Chairman Fisette stated this may be one of those issues that NVTC should provide comment and can be placed on a future agenda. Mr. Corcoran stated that the service hours proposal goes to the Board in September for approval to hold public hearings.

Delegate LeMunyon asked about the status of the Metro Safety Commission. Chairman Fisette explained that DRPT Director Mitchell was unable to attend this meeting but would like to brief the Commission at the October meeting. Delegate LeMunyon stated that a Freedom of Information Act (FOIA) provision would substantially help to get it passed in the General Assembly.

Mr. Snyder expressed his concern about the long-term financial impact to the WMATA Compact jurisdictions. He does not see WMATA's funding as sustainable and there needs to be an additional funding source. He would like to see this issue as a part of the WMATA discussion. As a regular rider, he has seen service improve and appreciates the hard work of the WMATA Board and WMATA employees.

How WMATA is Funded in Virginia. Ms. Mattice explained that staff has updated the flow chart documenting the flow of funds to WMATA. Mrs. Bulova suggested "Northern Virginia Regional" be added to the description of the motor vehicles tax. Mr. Kalkwarf reviewed the updated chart. Chairman Fisette observed that it is a complicated process. Mr. McKay stated that all revenue under the "NVTC Jurisdictions" heading is revenue generated by local governments and not motor vehicles tax revenue. He stated it is important to make this clear to show the magnitude of funds for Metro that are coming out of the jurisdictions' general funds. Mrs. Bulova suggested adding "local general funds and local bond revenue." Chairman Fisette also suggested inserting a table listing the basic source of funds (federal, state, local).

Regional Transit Performance

Ms. Mattice stated that every month Commissioners are provided with WMATA ridership data. On a quarterly basis staff provides data on all the local transit systems. She introduced Patricia Happ, who will provide the ridership report, and Dan Goldfarb, who will give an update on the Regional Bus Agenda.

Ms. Happ reported that ridership is down across the region, which echoes a nationwide trend of bus ridership decline. However, ART bus ridership is up as it took over Metrobus

Routes 3A as the new ART, as well as adding more routes. She stated that the region is seeing changes in land use, travel and work patterns. These are impacting some of the ridership changes. Vehicle Miles Travelled has remained relatively unchanged but the population is rising. Trends show that employers are relocating to less transit friendly areas. Telework has experienced rapid growth.

Mr. Smedberg left the meeting at 8:54 P.M. and did not return.

Ms. Happ discussed new initiatives designed to increase ridership and revenue, including programs such as WMATA Select Pass and Upass, as well as Connector's Student bus pass. NVTC is developing local and regional consensus on solutions such as farebox technology. NVTC is also analyzing regional trends such as regional bus initiatives.

Mr. Goldfarb stated that NVTC's Regional Bus Agenda is aimed at providing an understanding of bus operations in Northern Virginia across jurisdictional boundaries. The goal is to identify opportunities within the region for bus services that connect across jurisdictions, including high quality modes such as Bus Rapid Transit (BRT). He reviewed the status of the Regional Bus Agenda, including objectives, baseline performance metrics, geographic-based database, service supply metrics, market analysis, and next steps. This is a year-long effort and should be completed in the spring or summer of 2017.

Mr. Lovain stated that it is his understanding that 85 percent of all office space is located within ¼ mile of a Metrorail station. He finds it hard to believe that employers are moving away from transit centers. Ms. Mattice explained that this data was provided at a recent WMATA forum on ridership. Staff can research this issue further with WMATA.

Mr. Foust asked a philosophical question about the difference between "gap" and "opportunities." Mr. Goldfarb explained that they are intended to be the same thing in this context. A gap in service is an opportunity to provide better transit service. Members of the Management Advisory Committee (MAC) felt that "opportunities" was a better word choice.

Mr. Letourneau asked about the source of the data. Mr. Goldfarb explained that the data came from several sources, including COG's clearinghouse as well as GIS files from jurisdictions. Mr. Letourneau stated that with ridership being in massive fluctuation, he is concerned that it won't be an accurate picture. Mr. Goldfarb replied that COG data covers multiple years and that NVTC's database will be refreshed as new data is made available.

Mr. David Meyer observed that gathering data on teleworking is a challenge. The numbers are probably higher than reported since smaller employers don't necessarily submit data. New technology has also advanced teleworking. He cautioned singling out Metrorail issues or employment center relocations as the only impacts on ridership.

Virginia Railway Express

VRE CEO Report. Mr. Allen reported on VRE safety and security activities over the last month, including training for the undercover law enforcement program. These officers

are regular VRE riders and are represented on all VRE trains and are available to assist VRE train crews in the event of a possible emergency or felony taking place on board the trains.

Mr. Allen reported overall on-time performance (OTP) for the month of August was 75 percent. The Fredericksburg line had major heat restrictions, track work, and train congestion. Average daily ridership remains strong at over 19,000. VRE saw significant increases in ridership during the WMATA SafeTrack surges #3 and #4. He gave a brief update on how VRE will benefit from the Atlantic Gateway project.

Mr. Allen reported that he gave a presentation at the July Commonwealth Transportation Board (CTB) meeting highlighting VRE's need for an additional funding source. DRPT is finishing its own independent review of VRE's financial and strategic plans and the results will be presented to the CTB in October.

Authorization to Amend the Contract for New Passenger Railcars with Sumitomo Corporation of Americas and to Execute an Assignment Agreement to Assign Options to Purchase Additional Railcars to Chicago Metra. Mrs. Bulova stated that Resolution #2315 would authorize the VRE CEO to amend the contract with Sumitomo Corporation of Americas and to execute an Assignment Agreement with Chicago Metra. She reminded the Commission that at the last meeting, this action was deferred to allow the agreements to be finalized. The agreements have now been finalized and reviewed by legal counsel.

Mrs. Bulova moved, with a second by Mr. David Meyer, to approve Resolution #2315 (copy attached).

In response to a question from Ms. Cristol, Mr. Allen stated that there is no fiscal impact since Metra would buy railcars directly from Sumitomo. Mr. Foust disagreed and observed there would be a potential fiscal impact of \$1,000 as part of the indemnification requirement. Mr. Allen stated that the assignments of options are a very low risk issue. Mr. MacIsaac explained that the mutual indemnity clause is a standard provision for this type of agreement. VRE's only obligation is to sign the agreement. VRE's ability to indemnify is limited to the extent of its insurance. VRE has limited insurance so exposure is minimal. Mrs. Bulova noted that this is a standard practice in the industry and VRE has benefited from this type of assignment in the past. Chairman Fisette stated that the VRE Operations Board and PRTC have supported this action.

The Commission then voted on the motion and it passed. The vote in favor was cast by Commissioners Albo, Bulova, Cook, Corcoran, Cristol, Ebbin, Fisette, LeMunyon, Lovain, McKay, David Meyer, Ron Meyer and Wexton. Mr. Foust voted no. Commissioners LaRock, Letourneau, and Snyder abstained. The motion passed.

Authorization to Sell Seven Gallery Cars to Chicago Metra. Mrs. Bulova reported that the Commission is asked to approve Resolution #2316, which would authorize the VRE CEO to sell seven Legacy cars to Metra of Chicago, Illinois for a total amount of \$3,500. In response to a question from Senator Ebbin, Mr. Allen explained that since VRE is receiving new railcars, these Legacy cars are no longer needed and have reached

their useful life. This sale will save VRE money on the cost of storing these cars as well as dismantling them at a cost of \$10,000.

Mrs. Bulova moved, with a second by Mr. McKay, to approve Resolution #2316 (copy attached). The vote in favor was cast by Commissioners Albo, Bulova, Cook, Corcoran, Cristol, Ebbin, Fisette, Foust, LaRock, LeMunyon, Letourneau, Lovain, McKay, David Meyer, Ron Meyer, Snyder and Wexton.

Authorization to Submit Two VRE Projects to the CTB for Evaluation under Smart Scale. Mrs. Bulova stated that the VRE Operations Board recommends that the Commission approve Resolution #2317, which would authorize NVTC's Acting Executive director to submit the Gainesville-Haymarket Extension Project and the Fredericksburg Line Capacity Expansion Project to the CTB for evaluation under the Smart Scale scoring process (formerly known as HB2) and funding consideration in the FY2022-2023 Program, to make any necessary corrections to project amounts or descriptions in the applications, and to execute all project funding agreements that may result from consideration of the projects.

Mrs. Bulova moved, with a second by Mr. David Meyer, to approve Resolution #2317 (copy attached). The vote in favor was cast by Commissioners Albo, Bulova, Cook, Corcoran, Cristol, Ebbin, Fisette, Foust, LaRock, LeMunyon, Letourneau, Lovain, McKay, David Meyer, Ron Meyer, Snyder and Wexton.

DRPT Report

Chairman Fisette stated that DRPT Director Mitchell will brief the Commission on the Metro Safety Commission at the October meeting.

Executive Director Report

Ms. Mattice explained that the monthly Executive Director Newsletter highlights topics and events that may not be included in the agenda. She explained that NVTC staff is focused on providing greater clarity on the work being done at the staff level to support the Commission. Staff is documenting a Work Plan and working with the Management Advisory Committee (MAC) to present it at the October meeting.

Ms. Mattice stated that there are Wi-Fi challenges in this meeting space that are out of NVTC control. As such, the electronic meeting materials will continue to be available in Adobe Acrobat "PDF" format. To avoid any challenges with Wi-Fi access during the meeting, she encouraged Commissioners to download the materials prior to the meeting. The materials will no longer be available in Flipbook since it requires active Wi-Fi. Chairman Fisette observed that the best solution is for building management to upgrade the Wi-Fi capability.

NVTC Financial Items

The Financial Reports for June and July 2016 were provided to Commissioners and there were no questions.

Closed Session

Chairman Fisette moved, with a second by Mr. David Meyer, the following motion:

Pursuant to the Virginia Freedom of Information Act (Sections 2.2-3711A (1) of the Code of Virginia), the Northern Virginia Transportation Commission authorizes a Closed Session for the purpose of discussion of two personnel matters.

The vote in favor was cast by Commissioners Albo, Bulova, Cook, Corcoran, Cristol, Ebbin, Fisette, Foust, LaRock, LeMunyon, Letourneau, Lovain, McKay, David Meyer, Ron Meyer, Snyder and Wexton.

The Commission entered into Closed Session at 9:22 P.M. and returned to Open Session at 10:22 P.M.

Chairman Fisette moved, with a second by Mr. McKay, the following certification to reconvene in an open meeting:

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

The vote in favor was unanimous and cast by Commissioners Albo, Bulova, Cook, Corcoran, Cristol, Ebbin, Fisette, Foust, LaRock, LeMunyon, Letourneau, Lovain, McKay, David Meyer, Ron Meyer, Snyder and Wexton.

Mr. Cook moved, with a second by Mr. David Meyer, to approve the Third Amendment to the employment agreement with Mr. Allen and authorizes NVTC's Chairman to execute it on behalf of the Commission. This action is reflected in Resolution #2318 (copy attached). The vote in favor was cast by Commissioners Albo, Bulova, Cook, Corcoran, Cristol, Ebbin, Fisette, Foust, LaRock, LeMunyon, Letourneau, Lovain, McKay, David Meyer, Ron Meyer, Snyder and Wexton. Mr. Ron Meyer voted no. The vote passed.

Adjournment

Without objection, Chairman Fisette adjourned the meeting at 10:25 P.M.

Approved this 6th day of October 2016.

Jay Fisette
Chairman

Paul Smedberg
Secretary-Treasurer



RESOLUTION #2315

SUBJECT: Authorize the VRE CEO to Amend the Contract for New Passenger Railcars with Sumitomo Corporation of Americas and to Execute an Assignment Agreement to Assign Options to Purchase Additional Railcars to Chicago Metra

WHEREAS: In March of 2012 the VRE CEO executed a Contract with Sumitomo Corporation of the Americas (SCOA) for a base order of eight passenger railcars with the option for 42 additional passenger railcars;

WHEREAS: The Contract has been amended three times to exercise options for the purchase of 21 passenger railcars;

WHEREAS: The current Contract expires in March of 2017;

WHEREAS: VRE will not exercise the remaining options for 21 passenger railcars prior to March of 2017;

WHEREAS: Metra of Chicago approached VRE requesting VRE assign to them the remaining options;

WHEREAS: VRE, SCOA and Metra are currently working to finalize agreements to assign these options to Metra in a form approved by VRE's legal counsel; and

WHEREAS: The VRE Operations Board recommends the following action.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission hereby authorizes the VRE Chief Executive Officer to execute the attached contract amendment with Sumitomo Corporation of the Americas to assign options for up to 21 passenger railcars to Metra in a form approved by legal counsel, and to execute the attached assignment agreement with Metra assigning the options for up to 21 passenger railcars in a form approved by legal counsel.

Approved this 1st day of September 2016.

Paul C. Smedberg
Secretary-Treasurer

Jay Fisette
Chairman



RESOLUTION #2316

SUBJECT: Authorize the Sale of Seven VRE Legacy Gallery Cars

WHEREAS: In February of 2013, the VRE Operations Board granted authority to sell the remaining Legacy Gallery cars in anticipation of the new railcar delivery;

WHEREAS: VRE posted a Request for Interest (RFI) on the VRE website for public sale; and

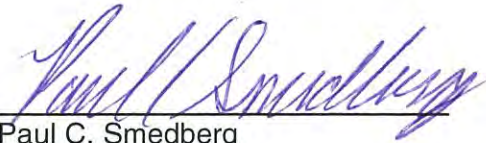
WHEREAS: A proposal was received from Metra of Chicago, Illinois to purchase the 405, 408, 412, 422, 423, 425 and 429 Legacy Gallery cars.

NOW, THEREFORE, BE IT RESOLVED by the Northern Virginia Transportation Commission hereby authorizes the VRE Chief Executive Officer to enter into the attached agreement to sell seven Legacy Gallery cars Nos. 405, 408, 412, 422, 423, 425 and 429 to Metra of Chicago, Illinois for a total amount of \$3,500.

Approved this 1st day of September 2016.



Jay Fisette
Chairman



Paul C. Smedberg
Secretary-Treasurer



RESOLUTION #2317

SUBJECT: Authorize the Submission of VRE Projects to the Commonwealth Transportation Board for Evaluation Under Smart Scale

WHEREAS: VRE has identified two candidate projects for evaluation under the Smart Scale prioritization process (formerly known as HB2);

WHEREAS: The projects are the Gainesville-Haymarket Extension Project and the Fredericksburg Line Capacity Expansion Project;

WHEREAS: Projects must go through the Smart Scale prioritization process to receive funding under the High-Priority Projects Program;

WHEREAS: The Commonwealth Transportation Board (CTB) will use the Smart Scale scoring along with other information to inform their funding decisions; and

WHEREAS: The VRE Operations Board recommends the following action.

NOW, THEREFORE, BE IT RESOLVED by the Northern Virginia Transportation Commission hereby authorizes its Acting Executive Director to submit the Gainesville-Haymarket Extension Project and the Fredericksburg Line Capacity Expansion Project to the Commonwealth Transportation Board for evaluation under the Smart Scale scoring process and funding consideration in the FY 2022-2023 Program, to make necessary corrections to project amounts or descriptions, and to execute all project funding agreements that may result from consideration of the projects.

Approved this 1st day of September 2016.

Paul C. Smedberg
Secretary-Treasurer

Jay Fisette
Chairman



RESOLUTION #2318

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

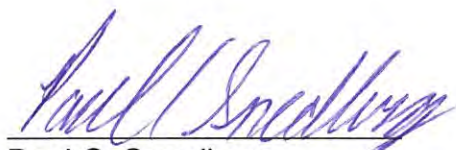
WHEREAS: The Virginia Railway Express (VRE) Operations Board has concluded an evaluation of the VRE Chief Executive Officer's performance for the third year of his service;


WHEREAS: The VRE Operations Board is recommending an amendment to the VRE Chief Executive Officer's employment agreement ("the Third Amendment") based on an assessment of his 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 Third Amendment to the employment agreement with Mr. Allen, and authorizes NVTC's Chairman to execute it on behalf of the Commission.

Approved this 1st day of September 2016.


Paul C. Smedberg
Secretary-Treasurer


Jay Fisette
Chairman

Agenda Item #3: Consent Agenda



TO: Chairman Fiset and NVTC Commissioners

FROM: Kate Mattice and Scott Kalkwarf

DATE: September 29, 2016

SUBJECT: Consent Agenda (Subject to Chairman Approval)

ACTION ITEM: Approve the Consent Agenda

A. Authorize Staff to Provide Notice of Direct Contributions to NVTC's Jurisdictions

The Commission is asked to authorize staff to provide notice of the FY2018 direct contributions to NVTC's member jurisdictions for planning purposes. Each fall, NVTC staff proposes a preliminary budget for the next fiscal year to be used by its member jurisdictions in planning their own budgets. NVTC funds its General and Administrative (G&A) budget through direct payments from the member jurisdictions, as well as an amount taken off the top of state aid received by NVTC on behalf of its member jurisdictions. While the direct contributions are fixed in total, each jurisdiction is assigned a share based on its percentage of revenue received through NVTC during the previous year.

NORTHERN VIRGINIA TRANSPORTATION COMMISSION PRELIMINARY FY 2018 DIRECT G&A JURISDICTION CONTRIBUTIONS

	FY 2016 Actual	Approved Budget FY 2017	Preliminary Budget FY 2018	FY 2018-2017 Budget Increase (Decrease)
Alexandria	\$ 37,145	\$ 37,846	\$ 38,378	\$ 532
Arlington	55,567	57,038	55,451	(1,587)
City of Fairfax	4,692	4,855	4,841	(14)
Fairfax County	168,142	170,160	173,721	3,561
Falls Church	2,436	2,336	2,270	(66)
Loudoun	16,265	12,012	9,586	(2,426)
	<u>\$ 284,247</u>	<u>\$ 284,247</u>	<u>\$ 284,247</u>	<u>\$ -</u>

B. Authorize the Acting Executive Director to Enter into an Agreement with a Tenant Broker

The Commission is asked to authorize the Acting Executive Director to enter into an agreement with MGA, Inc., a tenant consulting and representation firm, to represent NVTC for a period of one year in matters related to office lease space. The agreement, which has been reviewed by NVTC legal counsel, further reads that MGA will not make any commitments or decisions on behalf of NVTC, and will not look to NVTC for any commission or compensation.

NVTC's current office situation is that when fully staffed, there is insufficient workspace for all employees without sharing offices that were designed for one individual. A neighboring tenant has inquired if NVTC may have an interest in some of their office space, as it is beyond their current needs. The tenant will be renegotiating their lease in the near future, and has entered into a representation agreement with MGA. While NVTC is not actively looking for additional office space, staff recognizes an opportunity exists at this time. Entering into an agreement with MGA will allow staff to explore the potential options for acquiring additional office space at the present location, and the related costs.

This agreement does not make any commitments on behalf of NVTC. Any actions resulting from this or other real estate negotiations would be brought to the Commission for approval.

TO: Chairman Fiset and NVTC Commissioners

FROM: Kate Mattice and Patricia Happ

DATE: October 6, 2016

SUBJECT: Transform66 Multimodal Project

A. ACTION ITEM: Authorize the Acting Executive Director to Execute the Standard Component Agreements for Transform66: Inside the Beltway Project

The Commission is asked to authorize NVTC's Acting Executive Director to execute component funding agreements with the awarded jurisdictions for the 10 components selected by NVTC and approved by the Commonwealth Transportation Board. These agreements will assure that the awarded recipient is in compliance with the terms of the Memorandum of Agreement Transform66: Inside the Beltway Project and the expectations of performance articulated in the Component Agreement and appendices.

The [Standard Component Agreement](#), including appendices, is attached for reference. Prior to execution, these documents will be populated with the specific information for each awarded component, resulting in separate Component Agreements for each award.

Background: Earlier this year, NVTC and the Commonwealth Transportation Board approved the funding of 10 multimodal components, totaling \$9.8 million, to support the Transform66 Inside the Beltway Multimodal project. These components will provide transportation options to users of I-66 inside the Beltway when tolling starts.

Approved Initial Transform66 Multimodal Components	Funding Request
Fairfax Connector Express Service from Government Center to Foggy Bottom	\$3,336,836
Loudoun County Stone Ridge Enhanced Transit	\$1,940,939
PRTC Gainesville to Pentagon Commuter Service	\$887,900
Peak Period Service Expansion to Metrobus Route 2A, Washington Blvd - Dunn Loring	\$1,000,000
Peak Period Service Expansion to ART Bus Route 55	\$450,000
Bus Stop Consolidation and Accessibility Improvements	\$462,000
Expanded Transit Access, Bike Share	\$500,000
Multimodal Real-Time Transportation Information Screens	\$250,000
Loudoun County Transportation Demand Management	\$623,000
Expanded TDM Outreach to the I-66 Corridor	\$350,000
Total	\$9,800,675

For each component awarded jurisdictions will enter into a Component Agreement with NVTC to assure that the funds reimbursed for the component are in compliance with the Transform66 Inside the Beltway Memorandum of Agreement. In addition, each agreement will include component-specific performance measures that ensure that the funds are being spent appropriately and that the components are performing as they were planned. Components will be evaluated on performance measures such as transit ridership, utilization, and evaluation of change in travel behavior.

B. ACTION ITEM: Approve Resolution #2319: Authorize the Acting Executive Director to Execute the Amended Memorandum of Agreement Transform66: Inside the Beltway Project

The Commission is asked to authorize NVTC's Acting Executive Director to sign the amended Memorandum of Agreement (MOA) between NVTC and the Commonwealth for the Transform66 Multimodal Project. (The original MOA for the Transform66 Multimodal Project can be found on [NVTC's website](#).) NVTC and the Commonwealth propose to amend the MOA in the following four ways:

1. Remove references to the use of tolls for widening the facility;
2. Modify language to enhance the credit-worthiness of the toll revenues;
3. Clarify the use of funds for transit operations; and
4. Address technical corrections identified by the Commonwealth, NVTC staff and NVTC jurisdictions.

The Commonwealth Transportation Board will also be required to approve the amended MOA at their October or December meeting.

Background: In January 2016, NVTC and the Commonwealth of Virginia entered into an agreement allowing NVTC to administer toll revenues from I-66 inside the Beltway to fund multimodal components that support the toll payers of this facility. NVTC has since launched the Initial Multimodal Program. Since then, language in four areas in the MOA were identified as needing updating to correct and optimize the use of these toll revenues for this project as follows:

1. Remove References to the Use of Tolls for Widening the Facility

In February 2016, the Commonwealth reached agreement to support widening of I-66 inside the Beltway eastbound from Exit 71 to 67 using other sources of funds. As such, it is proposed that the references to the use of toll revenues for widening I-66 inside the Beltway be struck from the agreement.

2. Modify Language to Enhance the Credit-Worthiness of the Toll Revenues

The current MOA includes references that permit NVTC to issue bonds or other financing to support eligible projects under the Transform66 Multimodal Project. However, upon review by NVTC's financial advisors and bond counsel, it was deemed that the current language omitted some conditions that would be required by financial institutions to permit credit-worthy lending. As such, NVTC's bond counsel and financial advisors worked with the Commonwealth to identify opportunities within the agreement to strengthen the credit worthiness of the revenues in the event the Commission seeks to pursue financing options in the future.

3. Clarify the Use of Funds for Transit Operations

The current MOA permits the use of toll revenues to fund the operations of transit services that benefit the toll payers, but limits the amount available to transit operating to no more than 20 percent of funds available each year. As transit operations along I-66 can provide the most beneficial option for moving more people through the corridor, NVTC and the Commonwealth seek to increase the percent of funding available for transit operations and include a sunset provision for the funding of transit operations for individual components.

4. Address Technical Corrections Identified by the Commonwealth, NVTC staff and NVTC Jurisdictions

NVTC staff, NVTC jurisdictions and the Commonwealth identified and implemented technical corrections to the MOA.

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**Standard Component Agreement for Transform 66: Inside the Beltway Project,
Toll Revenue Funding of Components and Administration**

Between the Northern Virginia Transportation Commission and

(Recipient Entity)

NVTC Component Number: _____

This Standard Component Agreement for Transform 66: Inside the Beltway Project, Toll Revenue Funding of Components and Administration ("this Agreement") is made and executed in duplicate on this _____ day of _____, 20____, by and between the Northern Virginia Transportation Commission ("NVTC") and _____ ("Recipient Entity").

WITNESSETH

WHEREAS, NVTC is a political subdivision of the Commonwealth of Virginia created by the General Assembly in accordance with the Transportation District Act of 1964, §§ 33.2-1900 et seq. of the Code of Virginia, 1950, as amended, and is authorized to enter into this Agreement by the provisions of § 33.2-1915 of the Code of Virginia, 1950, as amended;

WHEREAS, NVTC entered into a Memorandum of Agreement Transform 66: Inside the Beltway Project ("MOA"), on January 5, 2016, with the Commonwealth Transportation Board ("CTB"), and the Virginia Department of Transportation ("VDOT"), as such may be amended from time to time, which MOA delegated to NVTC the authority to select and administer the implementation of multimodal transportation improvements to the roadways and associated transportation and transit facilities ("Components") in the vicinity of the portion of I-66 beginning at the intersection of I-66 and I-495 (the "Beltway") and ending at U.S. Route 29 in the Rosslyn area of Arlington County, Virginia (said portion of I-66 being referred to as the "Facility") which Components are designed to attain the Improvement Goals defined in the MOA, specifically, to (1) move more people; (2) enhance transportation connectivity; (3) improve transit service; (4) reduce roadway congestion; and (5) increase travel options all of which are reasonably expected to benefit the toll paying users of the Facility;

WHEREAS, the MOA provides for the transfer to and use by NVTC of a portion of the funds collected from the CTB's tolling of the Facility ("Toll Revenue") for the implementation of Components selected by NVTC and approved by the CTB, as well as

operating costs related to Components, and NVTC financing and debt service payments and any allowable costs related thereto;

WHEREAS, based on information provided by Recipient Entity in response to NVTC's call for Components, NVTC has determined the Component set forth and described on Appendix A to this Agreement satisfies the requirements of Section II.B.1 of the MOA, and the provisions of § 33.2-309 of the Code of Virginia, 1950, as amended, and the CTB has approved use of Toll Revenue to fund such Component;

WHEREAS, the Toll Revenue to be provided by NVTC described in Appendix B have been duly authorized and directed by Recipient Entity to finance the Component, and the Recipient Entity is authorized to enter into this Agreement and has authorized execution of it on its behalf;

WHEREAS, NVTC agrees that Recipient Entity will, itself or through its contractors or agents, design, construct, acquire and/or operate the Component or perform such other specific work for the Component and Recipient Entity agrees that it will perform or have performed, such work on the terms and conditions set forth in this Agreement and the Appendices appended thereto;

WHEREAS, both parties have concurred in the Recipient Entity's administration, performance, and completion of the Component on the terms and conditions set forth in this Agreement and its Appendices and in accordance with all applicable federal, state, and local laws and regulations; and

WHEREAS, NVTC's governing body and Recipient Entity's governing body have each authorized that their respective designee(s) execute this Agreement on their respective behalf(s) as evinced by copies of each such entity's resolution or clerk's minutes which are appended hereto as Appendix E;

NOW THEREFORE, in consideration of the promises made mutual covenants, and agreements contained herein, the parties hereto agree as follows:

A. Recipient Entity's Obligations

Recipient Entity shall:

- I. Complete or perform all said work as described in Appendix A, advancing such work diligently and ensuring that all work is completed in accordance with all applicable federal, state, and local laws and regulations, and all terms and conditions of this Agreement. Recipient Entity expressly agrees that, for non-debt financed Components, Recipient Entity must obligate the Toll

Revenue to the cost of the Component within two (2) fiscal years and to expend the Toll Revenue within five (5) fiscal years of the fiscal year in which the funds for the Component were allocated by the CTB unless an extension has been approved by NVTC and the CTB.

2. Ensure that all work performed or to be performed under this Agreement is in accordance with the Component Description Sheets attached to Appendix A.
3. Perform or have performed, and remit all payment requisitions and other requests for funding for design and engineering, including all environmental work, right-of-way acquisition, construction, contract administration, testing services, inspection services, capital asset acquisitions, or operations, and all allowable expenses for the Component, as is required by this Agreement and that may be necessary for completion of the Component.
4. Not use the NVTC Toll Revenues specified on Appendix B to pay any Component cost if the MOA or any applicable provision of law does not permit such Component cost to be paid with NVTC Toll Revenue.
5. Recognize that, if the Component, as approved, contains “multiple phases” (as such “multiple phases” are defined for the Component on Appendix A), for which NVTC will provide funding for such multiple phases (as set forth on Appendix B), NVTC may not provide Toll Revenue funding to Recipient Entity to advance the Component to the next phase until the current phase is completed. In any circumstance where Recipient Entity seeks to advance a Component to the next phase using NVTC Toll Revenue, Recipient Entity shall submit a written request to NVTC’s Executive Director explaining the need for NVTC’s funding of an advanced phase. NVTC’s Executive Director will thereafter review the circumstances underlying the request in conjunction with Appendix B and NVTC’s current and projected cash flow position and make a recommendation to NVTC whether to authorize the requested advance phase funding. Nothing herein, however, shall prohibit Recipient Entity from providing its own funds to advance a future phase of the Component and from requesting reimbursement from NVTC for having advance funded a future phase of the Component.

However, Recipient Entity further recognizes that NVTC's reimbursement to Recipient Entity for having advance funded a Component phase will be dependent upon NVTC's cash flow position at the time such a request for reimbursement is submitted and to the extent that any such advanced funding is consistent with Appendix B.

6. Acknowledge that NVTC's Executive Director will periodically update NVTC's cash flow estimates with the objective toward keeping those estimates accurate throughout the life of the Component. Recipient Entity shall provide all information required by NVTC so as to ensure and facilitate accurate cash flow estimates and accurate updates to those cash flow estimates throughout the life of the Component as described in Appendix B.
7. Provide to NVTC requests for payment consistent with Appendix B and the most recently approved NVTC cash flow estimates that include NVTC's standard payment requisition(s), containing detailed summaries of actual Component costs incurred with supporting documentation as determined by NVTC and that certify all such costs were incurred in the performance of work for the Component as authorized by this Agreement. Each payment requisition shall be in substantially the same form as set forth in Appendix C of this Agreement. If approved by NVTC, Recipient Entity can expect to receive payment within twenty (20) days upon receipt by NVTC. Approved payments may be made by means of electronic transfer of funds from NVTC to or for the account of Recipient Entity.
8. Promptly notify NVTC's Executive Director of any additional Component costs resulting from unanticipated circumstances which costs exceed the amount allocated by the CTB for the Component, and provide to NVTC detailed estimates of additional costs associated with those circumstances. Recipient Entity understands that it will be within NVTC's sole discretion, subject to CTB approval, whether to seek and to provide any additional funding to the Component in such circumstances and that NVTC will do so only in accordance with NVTC's approved Component selection process and upon formal action and approval by NVTC. Recipient Entity shall timely provide to NVTC a complete and accurate update to Appendix B if NVTC and the CTB approve funding of any

additional Component costs for the Component under this Paragraph.

9. Release or return any unexpended funds to NVTC no later than 90 days after final payment has been made to the contractors.
10. Should Recipient Entity be required to provide matching funds in order to proceed or complete the funding necessary for the Component, Recipient Entity shall certify to NVTC that all such matching funds have been either authorized and/or appropriated by Recipient Entity's governing body or have been obtained through another, independent funding source;
11. Maintain complete and accurate financial records relative to the Component for all time periods as may be required by the Virginia Public Records Act and by all other applicable state or federal records retention laws or regulations, unless superseded by the laws that govern Recipient Entity and provide copies of any such financial records to NVTC, free of charge, upon request.
12. Maintain all original conceptual drawings and renderings, architectural and engineering plans, site plans, inspection records, testing records, and as built drawings for the Component for the time periods required by the Virginia Public Records Act and any other applicable records retention laws or regulations, unless superseded by the laws that govern Recipient Entity; and provide to NVTC copies of all such drawings and plans free of charge, upon request.
13. Reimburse NVTC for all NVTC Toll Revenue (with interest earned at the rate earned by NVTC) that Recipient Entity misapplied or used in contravention of the MOA or any term or condition of this Agreement.
14. Name NVTC and its Bond Trustee, the Commonwealth of Virginia, the CTB, VDOT, DRPT and their officers, employees and agents, or require that all Recipient Entity's contractors name NVTC and its Bond Trustee, the Commonwealth of Virginia, the CTB, VDOT, DRPT and their officers, employees and agents as additional insureds on any insurance policy issued for the work to be performed by or on behalf of Recipient Entity for the Component, and present NVTC with satisfactory evidence thereof before any

work on the Component commences or continues, so that they are protected from and against any losses actually suffered or incurred, except for losses to the extent caused by the negligence or willful misconduct of such entity or person, from third party claims that are directly related to or arise out of: (a) any failure by Recipient Entity to comply with, to observe or to perform in any material respect any of the covenants, obligations, agreements, terms or conditions in this Agreement, or any breach by Recipient Entity of its representations or warranties in this Agreement; (b) any actual or willful misconduct or negligence of Recipient Entity, its employees or agents in direct connection with the Components; (c) any actual or alleged patent or copyright infringement or other actual or alleged improper appropriation or use of trade secrets, patents proprietary information, know-how, trademarked or service-marked materials, equipment devices or processes, copyright rights or inventions by Recipient Entity in direct connection with the Component; (d) inverse condemnation, trespass, nuisance or similar taking of or harm to real property committed or caused by Recipient Entity, its employees or agents in direct connection with the Component; or (e) any assumed liabilities. Recipient Entity will contractually require its contractors, subcontractors, vendors and other third parties working or performing services related to any Component funded by NVTC Toll Revenue to indemnify NVTC and its Bond Trustee, the Commonwealth of Virginia, the CTB, VDOT, DRPT, and their officers, employees and agents from the same losses.

15. Recipient Entity covenants and agrees it will comply with all applicable requirements of state and federal laws relating to anti-discrimination, including but not limited to Titles VI and VII of the Civil Rights Act of 1964, as amended, and the Americans with Disabilities Act, and shall contractually require the same of all contractors, subcontractors, vendors, and recipients of any funding. Recipient Entity recognizes the importance of the participation of minority, women-owned and small businesses through the federal and local Disadvantaged Business Enterprise programs and will abide by such programs in implementing the Component. Recipient Entity shall comply with all applicable federal requirements, including those applicable to highways that are part of the National Highway System.

16. Give notice to NVTC that Recipient Entity may use NVTC Toll Revenue to pay outside legal counsel services (as opposed to utilizing the services of its own in-house counsel or NVTC's in-house legal counsel) in connection with the work performed under this Agreement so as to ensure that no conflict of interest may arise from any such representation.
17. Provide certification to NVTC, that upon final payment to all contractors for the Component, Recipient Entity will use the Component for its intended purposes for the duration of the Component's useful life. Under no circumstances will NVTC be considered responsible or obligated to operate and/or maintain the Component after its completion.
18. Comply with all requirements of the Virginia Public Procurement Act and other applicable Virginia Code provisions, or local ordinances which govern the letting of public contracts, unless superseded by the laws that govern Recipient Entity.
19. Acknowledge that if the Component is being funded in whole or in part by NVTC Bond Proceeds, comply with the applicable tax covenants as may be attached as Appendix D.
20. Acknowledge that if Recipient Entity expects and/or intends that the Component is to be submitted for acceptance by the Commonwealth into its system that Recipient Entity agrees to comply with VDOT's "Standards, Requirements and Guidance" applicable to the Component.
21. Recognize that Recipient Entity is solely responsible for obtaining all permits, permissions and regulatory approval necessary to develop, construct, operate and/or maintain the Component, including but not limited to, obtaining all required VDOT and local land use permits, applications for zoning approvals, and regulatory approvals.
22. Recognize that if Recipient Entity is funding the Component, in whole or in part, with federal and/or state funds, in addition to NVTC Toll Revenue and/or NVTC Bond Proceeds, that Recipient Entity will need to comply with all federal and Commonwealth funding requirements, including but not limited to, the completion and execution of VDOT's Standard Project Administration

Agreement and acknowledge that NVTC will not be a party or signatory to that agreement; nor will NVTC have any obligation to comply with the requirements of that agreement.

23. Provide a certification to NVTC no later than 90 days after final payment to the contractors that Recipient Entity adhered to all applicable laws and regulations and all requirements of this Agreement.
24. Assist NVTC in the preparation of the annual report to the CTB required by the MOA, by providing data, or other project information as requested by NVTC, including data to measure the degree to which the expected benefits were realized, or are being realized, as well as other reporting as required by the NVTC reporting guidance.

B. NVTC's Obligations

NVTC shall:

- I. Provide to Recipient Entity the funding authorized by NVTC for design work, engineering, including all environmental work, all right-of-way acquisition, inspection services, testing services, construction, and/or capital asset acquisition(s), and operations, and all allowable expenses on a reimbursement basis as set forth in this Agreement and as specified in the Component Budget and Cash Flow contained in Appendix B to this Agreement or the most updated amendment thereto, as approved by NVTC.
2. Assign a Program Coordinator for the Component. NVTC's Program Coordinator will be responsible for monitoring the Component on behalf of NVTC so as to ensure compliance with this Agreement and the MOA, and all NVTC's requirements and for overseeing, managing, reviewing, and processing, in consultation with NVTC's Executive Director and its Director of Finance and Administration (DFA), all payment requisitions submitted by Recipient Entity for the Component. NVTC's Program Coordinator will have no independent authority to direct changes or make additions, modifications, or revisions to the Component Scope of Work as set forth on Appendix A or to the Component Budget and Cash Flow as set forth on Appendix B.

3. Route to NVTC's assigned Program Coordinator all Recipient Entity's payment requisitions, containing detailed summaries of actual Component costs incurred which are in substantially the same form as shown on Appendix C submitted to NVTC for the Component. After submission to NVTC, NVTC's Program Coordinator will conduct an initial review of all payment requisitions and supporting documentation for the Component in order to determine the submission's legal and documentary sufficiency. NVTC's Program Coordinator will then make a recommendation to the NVTC's DFA and Executive Director whether to authorize payment, refuse payment, or seek additional information from Recipient Entity. If the payment requisition is sufficient as submitted, payment will be made within twenty (20) days from receipt. If the payment requisition is deemed insufficient, within twenty (20) days from receipt, NVTC's Program Coordinator will notify Recipient Entity in writing and set forth the reasons why the payment requisition was declined or why and what specific additional information is needed for processing the payment request. Payment will be withheld until all deficiencies identified by NVTC have been corrected. Under no circumstances will NVTC authorize payment for any work performed by or on behalf of Recipient Entity that is not in conformity with the requirements of this Agreement or the MOA.
4. Route all Recipient Entity's supplemental requests for funding from NVTC under Paragraphs A.5 and A.8 of this Agreement to NVTC's Executive Director. NVTC's Executive Director will initially review those requests and all supporting documentation with NVTC's DFA. After such initial review, NVTC's Executive Director will make a recommendation to NVTC's Executive Committee for its independent consideration and review of whether CTB approval of, and an allocation for, supplemental funding should be sought. NVTC's Executive Committee will thereafter make a recommendation on any such request to NVTC for final determination by NVTC, and approval by the CTB.
5. Conduct periodic compliance reviews scheduled in advance for the Component so as to determine whether the work being performed remains within the scope of this Agreement, the MOA, and other applicable law. Such compliance reviews may entail review of

Recipient Entity's financial records for the Component and on -site inspections.

6. Acknowledge that if, as a result of NVTC's review of any payment requisition or of any NVTC compliance review, NVTC staff determines that Recipient Entity has misused or misapplied any NVTC Toll Revenue in derogation of this Agreement or in contravention of the MOA or applicable law, NVTC staff will promptly advise NVTC's Executive Director and will advise Recipient Entity's designated representative in writing. Recipient Entity will thereafter have thirty (30) days to respond in writing to NVTC's initial findings. NVTC's staff will review Recipient Entity's response and make a recommendation to the NVTC Executive Committee which will, in turn, make a recommendation to NVTC for a final determination. Pending final resolution of the matter, NVTC will withhold further funding of the Component. If NVTC makes a final determination that Recipient Entity has misused or misapplied funds in contravention of this Agreement, the MOA, or other applicable law, NVTC will cease further funding for the Component and will seek reimbursement from Recipient Entity of all funds previously remitted by NVTC (with interest earned at the rate earned by NVTC) which were misapplied or misused by Recipient Entity. Nothing herein shall, however, be construed as denying, restricting or limiting the pursuit of either party's legal rights or available legal remedies.
7. Make guidelines available to Recipient Entity to assist the parties in carrying out the terms of this Agreement in accordance with applicable law.
8. Upon recipient's final payment to all contractors, retain copies of all contracts, financial records, design, construction, and as-built project drawings and plans for the Component for the time periods required by the Virginia Public Records Act and as may be required by other applicable records retention laws and regulations.

C. Term

1. This Agreement shall be effective upon adoption and execution by both parties and, unless terminated in accordance with the express provisions hereof, shall continue until completion of the Component and

final payment of Toll Revenue hereunder, with the exception of those provisions which, by their express terms, survive termination.

2. Recipient Entity may terminate this Agreement, for cause, in the event of a material breach by NVTC of this Agreement. If so terminated, NVTC shall pay for all Component costs incurred through the date of termination and all reasonable costs incurred by Recipient Entity to terminate all Component related contracts. The Virginia General Assembly's failure to appropriate funds, or CTB's failure to allocate, or VDOT's failure to distribute to NVTC as described in paragraph F of this Agreement or shall not be considered material breaches of this Agreement by NVTC. Before initiating any proceedings to terminate under this Paragraph, Recipient Entity shall give NVTC sixty (60) days written notice of any claimed material breach of this Agreement; thereby allowing NVTC an opportunity to investigate and cure any such alleged breach.

3. NVTC may terminate this Agreement, for cause, resulting from Recipient Entity's material breach of this Agreement. If so terminated, Recipient Entity shall refund to NVTC all funds NVTC provided to Recipient Entity for the Component (including interest earned at the rate earned by NVTC). NVTC will provide Recipient Entity with sixty (60) days written notice that NVTC is exercising its rights to terminate this Agreement and the reasons for termination. Prior to termination, Recipient Entity may request that NVTC excuse Recipient Entity from refunding all funds NVTC provided to Recipient Entity for the Component based upon Recipient Entity's substantial completion of the Component or severable portions thereof; and NVTC may, in its sole discretion, excuse Recipient Entity from refunding all or a portion of the funds NVTC provided to Recipient Entity for the Component. No such request to be excused from refunding will be allowed where Recipient Entity has either misused or misapplied NVTC funds in contravention of applicable law.

4. Upon termination and payment of all eligible expenses as set forth in Paragraph C.3 above, Recipient Entity will release or return to NVTC all unexpended NVTC Toll Revenue with interest earned at the rate earned by NVTC no later than sixty (60) days after the date of termination.

D. Dispute

In the event of a dispute under this Agreement, the parties agree to meet and confer in order to ascertain if the dispute can be resolved informally without the need of a third party or judicial intervention. NVTC's Executive Director and Recipient Entity's Chief Executive Officer or Chief Administrative Officer shall be authorized to conduct negotiations on behalf of their respective entities. If a resolution of the dispute is reached via a meet and confer dispute resolution method, it shall be presented to NVTC and to Recipient Entity's governing body for formal confirmation and approval. If no satisfactory resolution can be reached via the meet and confer method, either party is free to pursue whatever remedies it may have at law, including all judicial remedies.

E. NVTC's Entitlement to Refund of Value of Component Assets

Recipient Entity agrees to use the real property and appurtenances and fixtures thereto, capital assets, equipment and all other transportation facilities that are part of the Component and funded by NVTC Toll Revenues under this Agreement ("Component Assets") for the designated transportation purposes of the Component under this Agreement and in accordance with applicable law throughout the useful life of each Component Asset. In the event that Recipient Entity fails to use any of the Component Assets funded under this Agreement for the transportation purposes as authorized by this Agreement or applicable law throughout its respective useful life, Recipient Entity shall refund to NVTC, with interest at the rate earned by NVTC, the amount of the value of each of the Component Assets, whether any such Component Asset may have depreciated or appreciated throughout its respective useful life, proportionate to the amount of the cost of the Component Asset funded by NVTC under this Agreement. If Recipient Entity refuses or fails to refund said monies to NVTC, NVTC may recover the proportionate value from Recipient Entity by pursuit of any remedies available to NVTC, including but not limited to NVTC's withholding of commensurate amounts from future distributions of NVTC Toll Revenue to Recipient Entity. In no event shall the Recipient Entity be obligated to refund the aforesaid value to both NVTC and the Commonwealth.

F. Appropriations Requirements

1. Nothing herein shall require or obligate any party to commit or obligate funds to the Component beyond those funds that have been duly authorized and appropriated by their respective governing bodies.

2. The parties acknowledge that all Toll Revenues provided by NVTC pursuant to the MOA are subject to appropriation by the Virginia General Assembly, allocation by the CTB and distribution by VDOT. The parties further acknowledge that NVTC's obligations under this Agreement are subject to such funds being appropriated by the General Assembly, allocated by the CTB and distributed by VDOT to NVTC.

G. Notices

All notices under this Agreement to either party shall be in writing and forwarded to the other party by U.S. mail, care of the following authorized representatives:

1) to: NVTC, to the attention of its Executive Director;
2300 Wilson Blvd., Suite 620
Arlington, VA 22201

2) to: _____,
to the attention of _____

_____ (address)

H. Assignment

This Agreement shall not be assigned by either party unless express written consent is given by the other party.

I. Modification or Amendment

This Agreement may be modified, in writing, upon mutual agreement of both parties.

J. No Personal Liability or Creation of Third Party Rights

This Agreement shall not be construed as creating any personal liability on the part of any officer, employee, or agent of the parties; nor shall it be construed as giving any rights or benefits to anyone other than the parties hereto.

K. No Agency

Recipient Entity represents that it is not acting as a partner or agent of NVTC; and nothing in this Agreement shall be construed as making any party a partner or agent with any other party.

L. Sovereign Immunity

The provisions of this Agreement shall not be construed as a waiver of either party's sovereign immunity rights.

M. Incorporation of Recitals

The recitals to this Agreement are hereby incorporated into this Agreement and are expressly made a part hereof. The parties to this Agreement acknowledge and agree that such recitals are true and correct.

N. Mutual Preparation and Fair Meaning

The parties acknowledge that this Agreement has been prepared on behalf of all parties thereto and shall be construed in accordance with its fair meaning and not strictly construed for or against either party.

O. Governing Law

This Agreement is governed by the laws of the Commonwealth of Virginia.

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed as of the day, month, and year first herein written by their duly authorized representatives.

Northern Virginia Transportation Commission

By: _____

Date: _____

_____ (Name of Recipient Entity)

By: _____

Date: _____

APPENDIX B - COMPONENT BUDGET & CASH FLOW

Component Title:		Component Number:	XXX-XXXX-XX
Recipient Entity:		Revision Number:	
Recipient Contact:		Revision Date:	
Name			
Email			
Phone			

TABLE B-1 COMPONENT BUDGET

Component Type	Total Component Budget	Funding Sources		Source of Other Funds
		Approved NVTC Toll Revenue Funds	Other Funds (if applicable)	
Capital	\$ -	\$ -	\$ -	
Operating	-	-	-	
TDM	-	-	-	
Other	-	-	-	
	-	-	-	
	-	-	-	
	-	-	-	
Total	\$ -	\$ -	\$ -	

TABLE B-2 NVTC COMPONENT FUNDS PROGRAMMED

Component Type	FY2017	FY2018	FY2019
Capital	\$ -	\$ -	\$ -
Operating	-	-	-
TDM	-	-	-
Other	-	-	-
	-	-	-
	-	-	-
	-	-	-
Total	\$ -	\$ -	\$ -

TABLE B-3 QUARTERLY COMPONENT CASH FLOW FOR NVTC TOLL REVENUE FUNDS ONLY

Quarter	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
1st, September 30th	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2nd, December 31st	-	-	-	-	-	-
3rd, March 31st	-	-	-	-	-	-
4th, June 30th	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

This attachment is certified and made an official attachment to the Standard Component Agreement document by the parties of this agreement.

Recipient Entity	Northern Virginia Transportation Commission	
Signature	Signature	Signature
	NVTC Executive Director	NVTC Director of Finance and Administration
Title	Title	Title
Date	Date	Date
Print name of person signing		

APPENDIX C

REIMBURSEMENT REQUEST

NVTC Component Number: _____

NVTC Component Title: _____

Draw Request Number: _____

Date: _____, 20____

Northern Virginia Transportation Commission
2300 Wilson Blvd., Suite 620
Arlington, Virginia 22201

This requisition is submitted in connection with the Standard Component Agreement for Funding and Administration dated _____, 20____ (the "Agreement") between the Northern Virginia Transportation Commission ("NVTC") and _____ (the "Recipient Entity"). The Recipient Entity hereby requests \$_____ of NVTC Toll Revenue, to pay the costs of the Component set forth in the attached detailed Reimbursement Request form and in accordance with the Agreement.

The undersigned certifies (i) the amounts included within this requisition will be applied solely and exclusively for the payment or the reimbursement of the Recipient Entity's approved costs of the Component, (ii) the Recipient Entity is responsible for payment to vendors/contractors, (iii) the Recipient Entity is not in default with respect to any of its obligations under the Agreement, including without limitation (but only if applicable) the tax covenants set forth in Appendix D to the agreement, (iv) the representations and warranties made by the Recipient Entity in the Agreement are true and correct as of the date of this Requisition and (v) to the knowledge of the Recipient Entity, no condition exists under the Agreement that would allow NVTC to withhold the requested advance.

RECIPIENT ENTITY

By: _____

Name: _____

Title: _____

APPENDIX C - REIMBURSEMENT REQUEST

Component Number: _____ Request Number _____
Component Title: _____ Request Date _____
Recipient Entity: _____ Request Amount _____

Table C-1, SUMMARY

Component Type	Total NVTC Toll Revenue Funds	Previous Amount Requested to Date*	Amount of This Request	Total Requested to Date	Balance NVTC Toll Revenue Funds
Capital	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	-	-	-	-
TDM	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
TOTALS	\$ -	\$ -	\$ -	\$ -	\$ -

* Enter amounts from "Total Requested to Date" column from the previous reimbursement request.

Table C-2, LISTING OF ATTACHED INVOICES AND PROOF OF PAYMENT

Vendor/Contractor	Invoice Number	Item Number	Component Type	Invoice Total	NVTC Funding Request
				\$ -	\$ -
				-	-
				-	-
				-	-
				-	-
				-	-
				-	-
				-	-
				-	-
				-	-
				-	-
Total				\$ -	\$ -

Version 9-12-16

9-12-16

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APPENDIX D – Reserved for TAX COVENANTS (for components funded with bond proceeds, assuming NVTC issues bonds).

APPENDIX E –Authorization of designee(s)

If applicable, replace this page with recipient governing body's authorization for their respective designee(s) to execute this agreement on their behalf(s) as evinced by entity's resolution or clerk's minutes.



RESOLUTION #2319

SUBJECT: Authorize the Executive Director to Execute the Amended Memorandum of Agreement Transform66: Inside the Beltway Project

WHEREAS: The *Transform66: Inside the Beltway Project* consists of dynamic tolling, conversion from HOV-2 to HOV-3, transit service, technology upgrades and infrastructure improvements to increase the number of people traveling in the corridor; and an evaluation of project effectiveness on I-66 and its related arterials;

WHEREAS: Secretary of Transportation Aubrey Layne designated NVTC as the regional authority to identify and facilitate the delivery of the multimodal components of this project to maximize the transportation benefits of this project, as measured by the number of persons that are able to travel through the corridor;

WHEREAS: In January 2016, NVTC and the Commonwealth of Virginia entered into a Memorandum of Agreement (MOA) allowing NVTC to administer toll revenues from I-66 inside the Beltway to fund multimodal components that support the toll payers of this facility;

WHEREAS: In February 2016, the Commonwealth reached agreement to support widening of I-66 inside the Beltway eastbound from Exit 71 to 67 using other sources of funds;

WHEREAS: NVTC and the Commonwealth seek favorable credit conditions in the instance that NVTC seeks financing using revenues from the Multimodal Project;

WHEREAS: NVTC and the Commonwealth recognize that transit operations along I-66 can provide the most beneficial option for moving more people through the corridor;

WHEREAS: NVTC and the Commonwealth identified the need for several technical and conforming corrections to the MOA; and

WHEREAS: NVTC and the Commonwealth propose to amend the MOA in the following four ways:

1. Remove references to the use of tolls for widening the facility;
2. Modify language to enhance the credit-worthiness of the toll revenues;
3. Clarify the use of funds for transit operations; and
4. Address technical corrections identified by the Commonwealth, NVTC staff and NVTC jurisdictions.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission authorize the Acting Executive Director to execute the attached amended Memorandum of Agreement Transform66: Inside the Beltway Project.

Approved this 6th day of October 2016.

Jay Fisette
Chairman

Paul C. Smedberg
Secretary-Treasurer

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MEMORANDUM OF AGREEMENT
TRANSFORM66: INSIDE THE BELTWAY PROJECT

This Amended and Restated Memorandum of Agreement (“MOA”) is entered into on _____, ~~2015~~2016, between the Commonwealth Transportation Board (“CTB”), and the Virginia Department of Transportation (“VDOT”), both acting by and through the Commissioner of Highways, and the Northern Virginia Transportation Commission (“NVTC”) (collectively, the “Parties”).

RECITALS

WHEREAS, the CTB, VDOT, and the Virginia Department of Rail and Public Transportation (“DRPT”) have embarked upon a multimodal transportation program, Transform66, which seeks to fund and implement solutions to move more people in the Interstate 66 (“I-66”) corridor between Haymarket, Virginia and Route 29 in the Rosslyn area of Arlington County, Virginia; and

WHEREAS, the Transform66 program is composed of two distinct projects: (1) the Transform66: Inside the Beltway Project, which involves multimodal transportation improvements in the I-66 corridor beginning at the intersection of I-66 and I-495 (the “Beltway”) and ending at U.S. Route 29 in the Rosslyn area of Arlington County, Virginia (the “Transform66: Inside the Beltway Project” or the “Project”), and (2) the Transform66: Outside the Beltway Project, which involves multimodal transportation improvements in the I-66 corridor beginning at Haymarket, Virginia, and ending at the Beltway; and

WHEREAS, the goals of the Transform66: Inside the Beltway Project are ~~to~~ (1) move more people; (2) enhance transportation connectivity; (3) improve transit service; (4) reduce roadway congestion; and (5) increase travel options (collectively, the “Improvement Goals”), all of ~~all~~ which ~~are reasonably expected to~~ will benefit the users of the portion of I-66 beginning at the Beltway and ending at U.S. Route 29 in the Rosslyn area of Arlington County, Virginia (the “Facility”); and

WHEREAS, the Project will facilitate implementation of recommendations from VDOT's June 2012 Final Report of the I-66 Multimodal Study Inside the Beltway, and the further refinements found in the August 2013 Supplemental Report, as well as recommendations from DRPT's 2009 Transportation Demand Management/Transit Report, and projects in the region's constrained long range plan, as such plan may be updated from time to time, including but not limited to multimodal transportation improvements to the roadways and associated transportation and transit facilities in the vicinity of the Facility ("Components") as described in the aforesaid VDOT and DRPT reports and depicted in the diagram attached hereto and incorporated herein as Exhibit 1 (such area together with the Facility, the "Corridor"); and

WHEREAS, the Transform66: Inside the Beltway Project is intended to achieve the Improvement Goals by (1) converting the existing Facility to a tolled facility with dynamic tolling during the peak periods; (2) allowing mass transit and commuter buses to ride free at all times; (3) permitting HOV-2 vehicles to ride free at all times until the later of 2020 or until any increase to HOV-3 occupancy requirements for HOV lanes of I-66 outside the Beltway; (4) thereafter permitting HOV-3 vehicles to ride free at all times; (5) improving transit services; and (6) improving the Facility, including widening of I-66 eastbound from two lanes to three lanes between Exit 67 at the Dulles Connector Road ("Exit 67") and Exit 71, the Fairfax Drive/Glebe Road exit ("Exit 71"), all subject to the conditions provided herein; and

WHEREAS, the multimodal transportation Components in the Transform66: Inside the Beltway Project must meet the criteria enunciated in this MOA; and

WHEREAS, VDOT, on behalf of the CTB, will control and manage tolling on the Facility, with the toll revenues being utilized and distributed according to this MOA, to support the tolling operations and tolling maintenance of the Facility, and to fund Components selected by NVTC and approved by the CTB for the Project, designed specifically to attain the Improvement Goals; and

WHEREAS, ~~subject to the conditions contained in this MOA,~~ the CTB intends to finance the widening of the Facility eastbound between Exits 67 and 71 from funds of the Commonwealth ~~toll revenues of the Facility other than toll revenues of the Facility~~; and

WHEREAS, the CTB desires to delegate to NVTC the authority to select and administer the implementation of Components designed specifically to attain the Improvement Goals to be

61 financed in whole or in part from the portion of the toll revenues of the Facility transferred to
62 NVTC as provided in this MOA;

63 WHEREAS, such delegation to NVTC shall not constitute approval by NVTC of the
64 Commonwealth's actions to impose tolling along the Facility; and,

65 WHEREAS, the Parties ~~wish to initially~~ memorialized their agreement regarding the
66 allocation and expenditure of certain toll revenue arising from travel on the Facility, the criteria
67 for use of toll revenue to implement Components and the relationship between the Parties in a
68 Memorandum of Agreement dated January 5, 2016, and now wish to amend and restate that
69 agreement to reflect the time frame in which the eastbound widening of the Facility will occur and
70 the funding to be used therefor, as well as other amendments related to use of toll revenue, duration
71 of tolling and debt financing by NVTC to fund Components.

72 NOW THEREFORE, in consideration of the foregoing recitals, the mutual covenants and
73 agreements contained herein, and the mutual benefit to the Parties of attaining the Improvement
74 Goals, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

75 I. Nature of the Parties' Interest under This MOA

76 This MOA provides for the transfer to and use by NVTC of specified funds collected from
77 the CTB's tolling of the Facility, as allowed by law and according to the terms of this MOA, for
78 the selection and administration of Components to attain the Improvement Goals. This MOA is
79 specifically subject to, and is governed by applicable state and federal laws concerning the
80 allowable use of tolls, including but not limited to § 33.2-309 of the *Code of Virginia* (1950), as
81 amended ("Virginia Code"), 23 U.S.C. §§ 129 and 166 and the terms of any agreement by and
82 between the Federal Highway Administration ("FHWA") and VDOT that may be required in order
83 to toll the Facility.

84 This MOA does not grant NVTC any authority over I-66, the tolling of I-66, or any other
85 roadways in the I-66 corridor. It also does not address toll revenues that may be derived from the
86 tolling of I-66 outside the Beltway. It also does not obligate VDOT or the CTB to provide any
87 specified amount of revenues beyond ~~those the~~ toll revenues generated from the Facility, ~~which~~
88 ~~have been appropriated by the General Assembly, and~~ allocated by the CTB in compliance with
89 Virginia Code § 33.2-309 as provided in this MOA, ~~and determined according to the terms of this~~
90 MOA all subject to appropriation by the General Assembly.

91 II. Basic Agreement; Roles and Responsibilities

A. VDOT and the CTB shall have the following roles and responsibilities:

1. **Design and Construction of Dynamic Tolling Operation on I-66 Inside the Beltway.** VDOT shall be responsible for the design and construction of all improvements and facilities to convert the existing Facility to a tolled Facility. Funding to accomplish this conversion will be advanced from the Toll Facilities Revolving Account pursuant to Virginia Code § 33.2-1529 and repaid out of toll revenues collected from ~~this~~ the Facility.

2. **Toll Collection and Establishment.** Subject to the necessary approvals of the CTB and FHWA, and in accordance with law, VDOT and the CTB, as applicable, shall establish, charge, modify and collect tolls throughout the term of this MOA for vehicles using the Facility during peak hours in the peak direction, which shall include dynamic pricing ~~consistent with FHWA Value Pricing Pilot Program to ensure travel speeds of 45 miles per hour in accordance with 23 U.S.C. § 166.~~ The CTB reserves the right to make any changes to the tolling of the Facility that increase the hours or directions of tolling and any toll revenue generated from any change shall be governed by this MOA.

3. **HOV Requirements.** In accordance with the long range plan adopted by the National Capital Region Transportation Planning Board, VDOT and the CTB shall take the required actions necessary to change the Project HOV-2 designation to HOV-3 ~~the by the~~ later of January 2, 2020, or upon any increase to HOV-3 occupancy requirements for HOV lanes of I-66 outside the Beltway

4. **Use of Toll Revenues.** VDOT shall include in the annual budget presented to the CTB for approval in June of each year, an estimate of the toll revenues anticipated to be collected in the upcoming year and the proposed allocation of all such toll revenues, including any NVTC debt service and financing payments to be made in the upcoming year. Allocation of these toll revenues shall be provided as follows with the intent that after the allocations provided for in (a), (b), ~~and~~ (c), ~~and (e) and (d),~~ all remaining toll revenues shall be made available for Components selected by NVTC in accordance with ~~(de)~~:

(a) reasonable costs and expenses of tolling operation and tolling maintenance, including reasonable reserves for major maintenance of tolling operations of the Facility;

(b) repayments to the Toll Facilities Revolving Account for any allocations advanced from the Toll Facilities Revolving Account ~~to for the~~ design and ~~construct construction of~~ the dynamic tolling operation of the Facility and the initial allocation of \$~~5-10~~ million for the Project under the terms of the CTB resolution providing said allocations, ~~which resolution shall provide for with~~ a repayment schedule ~~not less than of not less than~~ 25 years ~~from the date of disbursement and at a 0% interest rate~~, and that annually commits not more than ~~four six~~ percent of anticipated toll revenues to such repayment; ~~provided, however, if toll revenues remaining after the allocation described above in subparagraph II.4(a) is below {2.0} times the amount budgeted for allocation described below in subparagraph II.A.4(c), then the repayment to the Toll Facilities Revolving Account shall not exceed an amount that would result in the toll revenues remaining after the allocations described in subparagraphs II.A.4(a) and II.A.4(b) of less than {1.50} times the amount budgeted for allocation in subparagraph II.A.4(c);~~

(c) NVTC financing payments and any cost of financing for Components selected by NVTC and approved by the CTB under the terms of this MOA: provided that annual financing payments, to include debt service reserves, and debt service does not exceed ~~40-60~~ percent of toll revenues remaining after the allocations described above in ~~subparagraphs II.A.4(a) and (b);~~ ~~provided further that toll revenues remaining after the allocation described above in II.A.4(a) in the year, prior to the year any NVTC debt is issued for a Component, -the project must be at least {2.0} times the maximum annual financing payments in the current and/or any future years before any the NVTC debt can be incurred;~~

(d) repayment to the Toll Facilities Revolving Account not paid in any prior
 and current year in accordance with ~~subparagraph II.A.4(b)~~ as a result of
 not meeting coverage requirements specified in ~~subparagraph II.A.4(b)~~;
~~(de)~~ for Components selected by NVTC and approved by the CTB under
 the terms of this MOA, and any implementation costs related to
 Components as well as operating costs related to Components, provided that
in any fiscal year not more than ~~20-50~~ percent of the average amount of toll
 revenues remaining after the allocation described above in ~~subparagraphs~~
~~II.A.4(a), and (b) and, (c) and (d)~~ over the preceding five (5) fiscal year
period may be used for ~~completed~~ Component operating costs, however:
i., and further provided that NVTC may provide ~~o~~ Operating costs
may not be provided for any completed Component for not more
than eight (8) years subject to the following maximum amounts: (1i)
up to 100% for the first five (5) years; (2ii) up to 75% for year six
(6); (3iii) up to 50% for year seven (7); and (4iv) up to 25% for year
eight (8).;
~~(e) costs and expenses incurred by VDOT for financing the widening from~~
~~two to three lanes and related improvements to the eastbound lanes of the~~
~~Facility between Exit 67 and Exit 71, if the conditions set forth in paragraph~~
~~D are met; the term of such financing, subject to approval by the Treasury~~
~~Board, is expected not to be less than 25 years; and such financing may~~
~~encumber annually an amount not to exceed 40 percent of toll revenues~~
~~remaining, after the allocations described above in subparagraphs II.A.4(a)~~
~~and (b). Such allocations shall begin upon a determination that the criteria~~
~~which establishes the need for the widening, pursuant to the evaluation in~~
~~paragraph D, has been met; however, an initial evaluation shall only be~~
~~made at the later date of either (i) five years from the date of commencement~~
~~of tolling of the Facility, or (ii) two years after any increase in occupancy~~
~~requirements for high-occupancy vehicles from two people to three people~~
~~(which shall occur the later of 2020 or upon any increase to HOV-3~~
~~requirements for HOV lanes of I-66 outside the Beltway).~~

182 5. **Approval of Components of the Project.** Provided NVTC complies with the
183 criteria established herein for selection of Components, and subject to ~~paragraph~~
184 II.A.4. above, the CTB shall consider, approve, and allocate toll revenue funding
185 for such Components.

186 6. **Suspension of Tolling.** VDOT shall, in its sole discretion, and in accordance
187 with Virginia Code § 33.2-613(B) as amended, have the right to order immediate
188 suspension of Facility tolling in the event I-66 is required for use as an emergency
189 mass evacuation route. VDOT shall lift any such emergency toll suspension as
190 soon as the need for emergency mass evacuation ceases. Neither the
191 Commonwealth of Virginia, the CTB, nor VDOT shall have any liability to NVTC
192 for any loss of toll revenues or any increase in costs and expenses attributable to
193 any such toll suspension to facilitate emergency mass evacuation.

194 If I-66 is designated for immediate use as any alternate route for diversion of traffic
195 from another highway or is temporarily closed to all lanes in one or both directions
196 due to a significant incident or emergency, VDOT shall have the right to order the
197 immediate suspension of tolling in the direction(s) of any diversion. Neither the
198 Commonwealth of Virginia, the CTB, nor VDOT shall have any liability to NVTC
199 for the loss of any toll revenues or any increase in costs and expenses attributable
200 to the hours the toll suspension is in effect.

201 7. **Duration of Tolling:** Nothing in this MOA shall obligate or be construed as
202 obligating VDOT to continue or cease tolls after the end of this MOA's term except
203 as provided in III. If the Agreement is terminated under Section VII of this
204 Agreement, subject to the CTB's approval, the CTB will continue to collect
205 and distribute toll revenues as enumerated in II.A.4(a) and (b) and (d) and limiting
206 II.A.4(ed) and (de) to the amounts needed to provide for the related NVTC debt
207 service and financing payments for debt previously issued and/or incurred to
208 complete underway pay-go Components within two (2) fiscal years from the
209 termination of the MOA.

210 8. **Financial Agreements.** To the extent permitted by this MOA and subject to the
211 limits on use of toll revenue in II.A.4, VDOT and the CTB retain all rights to enter

into any financial agreements encumbering toll revenues derived from the Facility for the purposes specified in this MOA.

9. Operation and Maintenance of I-66. Except as set forth in II.A.4(a), VDOT shall throughout the term of this MOA, maintain and operate, or cause others to maintain and operate the Facility from Highway Maintenance and Operating Fund revenues.

10. Annual Budget Process. In preparation for the CTB's annual budget process, VDOT shall estimate toll revenues and anticipated allocation of the estimated toll revenues for the upcoming six-year period presented in the Six Year Financial Plan and Six Year Improvement Program and provide said estimates to NVTC not later than January 30th of each year.

The CTB agrees to do the following:

(a) Each year and in accordance with the schedule of the Department of Planning and Budget of the Commonwealth, the CTB or the CTB's designee shall request that the Governor include in the budget to be delivered to the General Assembly during their next session a provision that there be appropriated from the revenues expected from the Facility amounts sufficient to pay the budgeted amount of funds expected to be provided to NVTC during the next succeeding fiscal year or biennial period, as applicable.

(b) The CTB shall use its best efforts to have (i) the Governor include, in each biennial or any supplemental budget that is presented to the General Assembly, the amounts described in (a) above and (ii) the General Assembly deposit, appropriate and reappropriate, as applicable, such amounts.

(c) The CTB shall take all actions necessary to have payments which are made pursuant to (b) above charged against the proper appropriation made by the General Assembly.

(d) The CTB shall notify the NVTC promptly upon becoming aware of any failure by the General Assembly to appropriate for the next succeeding fiscal year or biennial period, as applicable, amounts sufficient to pay the budgeted amounts due NVTC.

11. **Quarterly Payments.** VDOT shall provide quarterly payments, but not more frequently than monthly at the request of NVTC, of actual toll revenues to NVTC of those toll revenues allocated pursuant to ~~subparagraphs~~ II.A.4(c) and (~~de~~) of this MOA by the 15th day ~~after the end~~ of each quarter. The quarterly payment shall be equal to the lesser of 25 percent of the amount appropriated and allocated under II.A.4(c) and (~~de~~), or the toll revenues available to make such payment. To the extent VDOT is unable in any quarter to provide the full 25 percent of the amount appropriated and allocated, the VDOT shall make up the deficiency in subsequent quarters to the extent toll revenues are available to do so after the allocations are made pursuant to II.A.4(a), (b) and (d). Neither VDOT nor DRPT shall deduct from such quarterly payments any administrative fee or other charges.

12. **Reports.** VDOT shall provide quarterly reports documenting the actual revenues and distributions of said toll revenues to NVTC.

B. NVTC shall have the following roles and responsibilities:

1. **Coordination and Development of Transportation Plan; Use of Toll Revenues; Compliance with Laws Limiting Use.** As part of the Six Year Improvement Program presented to the CTB for approval in June of each year, NVTC shall submit to the CTB, a list of Components proposed to be funded in whole or in part with ~~tToll tRevenues from the Facility,~~ to be paid to NVTC as provided herein. Such Components shall be selected by NVTC in accordance with a process established by NVTC pursuant to this MOA. Such Components shall be separately identified with supporting documentation as set forth in Exhibit 2. The CTB shall consider and approve the Components selected by NVTC, and allocate toll revenues for them, pursuant to ~~paragraph~~ II.A.4, provided the Components meet the criteria below and are selected in accordance with NVTC's selection process described in II.B.2. Each proposed Component must meet each of the following five criteria:

- (a) Must benefit the toll-paying users of the Facility;
- (b) Must have the capacity to attain one or more of the Improvement Goals;
- (c) Must be one of the following multimodal transportation improvements serving the Corridor:

(i.) New or enhanced local and commuter bus service, including capital and operating expenses (e.g., fuel, tires, maintenance, labor and insurance), subject to the limitations in ~~paragraph II(A.)(4.)~~, and transit priority improvements;

(ii.) Vanpool, and formal and informal carpooling programs and assistance;

(iii.) Capital improvements for Washington Metropolitan Area Transit Authority rail and bus service, including capital and operating expenses, subject to the limitations in ~~paragraph II.A.4.~~, and improved access to Metrorail stations and Metrobus stops;

(iv) Park and ride lot(s) and access or improved access thereto;

(v) Roadway improvements to address impacts from the dynamic tolling of the Facility on roadways in the Corridor (including but not limited to Routes 7, 29, 50, and 309, and Washington Boulevard, Wilson Boulevard, and Westmoreland Street);

(vii) Roadway operational improvements in the Corridor;

(viii) Transportation Systems Management and Operations as defined in 23 U.S.C. § 101(a)(30) on December 1, 2015;

(ix) Projects identified in VDOT's June 2012 *Final Report of the I-66 Multimodal Study Inside the Beltway* and the *August 2013 Supplemental Report*, as well as recommendations from DRPT's 2009 Transportation Demand Management/Transit Report, and projects in the region's constrained long range plan, as such plan may be updated from time to time, ~~and payments to a debt service reserve related to financing of such projects;~~
and

(d) For non-debt financed Components, must demonstrate the ability to obligate the toll revenues to the cost of the Component within two fiscal years and to expend the toll revenues within five fiscal years of the fiscal year in which the funds are allocated by the CTB except to the extent to which the CTB approves an extension of such timeframes upon the request of NVTC; and

(e) Must demonstrate that the Components will be in compliance with all applicable laws, rules and regulations and have received or will receive all required regulatory approvals.

Under no circumstances shall the aforesaid criteria be modified except by written amendment to this MOA agreed to in writing by the Parties.

NVTC shall have no right to use the ~~t~~Toll ~~r~~Revenues to pay any debt, obligation or liability unrelated to the Project, or for any purposes other than those specified in this MOA.

NVTC understands and agrees that in the selection and implementation of Components using the toll revenues, it is bound by the provisions of Virginia Code § 33.2-309 as well as all other state and federal laws and regulations that limit the use of toll revenues, and toll revenues from interstate highways specifically. Accordingly, NVTC agrees to provide VDOT access to all records relating to Components and the use of the toll revenues. Further, NVTC will provide all such records for inspection and audit by VDOT, DRPT, and federal agencies, including but not limited to the United States Department of Transportation, the Federal Highway Administration, and the Federal Transit Administration, or their designees, upon reasonable notice at all times during the term of this MOA.

NVTC agrees to promptly furnish to VDOT and DRPT copies of all reports and notices it delivers to bondholders or any trustee relating to the use of the toll revenues.

2. Project Component Selection Process: Any ~~such~~ Component to be proposed for CTB approval shall be selected by NVTC ~~in accordance through~~ a process established by NVTC. Such process shall include the following three elements:

(a) a request to submit proposed Components issued by NVTC to all jurisdictions and other public transportation providers in Planning District 8;

(b) the evaluation, prioritization, and selection of proposed Components by NVTC, and the submission of selected Components by NVTC to the CTB; and

(c) a public hearing held by NVTC prior to NVTC's selection of Components for submission to the CTB.

The CTB shall consider and approve the Components selected by NVTC and, subject to appropriation by the General Assembly, shall allocate toll revenues for ~~them~~such Components, pursuant to ~~paragraph~~ II.A.4, provided the Components meet the criteria in ~~paragraph~~ II.B.1. As part of the list of Components submitted to the CTB for consideration and approval and allocation of toll revenues, NVTC may submit for CTB consideration and approval additional Components that exceed the annual estimated toll revenues for that year. Provided those Components meet the criteria in ~~paragraph~~ II.B.1, the CTB shall consider and approve such additional Components and, pursuant to ~~paragraph~~ II.A.4 and subject to any other approvals that may be necessary, approve the allocation of toll revenues for such Components up to the amount of actual toll revenues for that year that are sufficient to fund one or more of those additional Components.

3. Financing of Components of the Project. NVTC may use toll revenues appropriated by the General Assembly and allocated by the CTB to NVTC to support the financing of approved Components, however, the amount of annual debt service and other financing payments using toll revenues shall be limited as set forth in ~~paragraph~~ II.A.4(c).

NVTC is solely responsible for obtaining and repaying all debt and financing, at its own cost and risk, and without recourse to the Commonwealth of Virginia, the CTB, VDOT, and/or DRPT, for any Component for which toll revenues have been provided to NVTC under this MOA.

The Commonwealth of Virginia, the CTB, VDOT, and DRPT have no liability whatsoever for payment of the principal of or interest on any bonds or any other obligations issued or incurred by NVTC in connection with this MOA, or any interest accrued or any other sum secured by or accruing under any financing document entered into by NVTC as a result of this MOA. No financing document for the NVTC financing of any Component shall contain any provisions whereby a trustee would be entitled to seek any damages or other amounts from the Commonwealth of Virginia, CTB, or VDOT due to any breach of this MOA.

Each bond or promissory note evidencing Revenue bonds must include a conspicuous recital on its face stating: (a) payment of the principal and interest does

not constitute a claim against VDOT's interest in I-66 or any part thereof; (b) payment is not an obligation of the Commonwealth of Virginia, VDOT, DRPT, the CTB, or any other agency, instrumentality or political subdivision of the Commonwealth of Virginia moral or otherwise; and (c) neither the full faith and credit nor the taxing power of the Commonwealth of Virginia, VDOT, DRPT, the CTB, or any other agency, instrumentality, or political subdivision of the Commonwealth of Virginia and/or its member jurisdictions, is pledged to the payment of the principal and interest.

NVTC shall not enter into agreements with holders of any debt incurred by NVTC or its member jurisdictions that contain a pledge or claim on the toll revenues or NVTC's interest in the toll revenue under this MOA except such debt issued for ~~the Project~~Components. If, despite such efforts, toll revenues are applied to satisfy any debt of NVTC that is not properly payable out of toll revenues in accordance with this MOA and state and federal law, NVTC shall reimburse in full any such toll revenues or accounts from any other available revenues other than the toll revenues.

4. Monitoring: NVTC shall provide an annual report to the CTB within 120 days of the end of NVTC's fiscal year. The report shall contain at a minimum the following three items:

- (a) A description of the Components selected for funding in the past fiscal year and the benefits that were the basis for evaluation and selection of each such Component;
- (b) Starting five years after the effective date of this MOA, a review of the Components funded in past fiscal years describing the degree to which the expected benefits were realized or are being realized; and,
- (c) In the event that a funded Component is not providing substantially similar benefits to those that were the basis for evaluation and selection of the Component, the report shall evaluate the viability of a plan to either (i) modify such Component or (ii) redeploy assets in such Component to other eligible Components that are expected to provide greater benefits.

393 **5. Accounting.** NVTC shall receive and manage, as a fiduciary, the toll revenue
394 appropriated by the General Assembly, allocated by the CTB, and distributed to it
395 by VDOT. NVTC shall maintain all funds and accounts containing said toll
396 revenues from this MOA separate and apart from all other funds and accounts of
397 NVTC. The revenues and expenses relating to the use of the toll revenues, and the
398 Components undertaken with the toll revenues from this MOA, shall not be
399 commingled with any other funds, accounts, venues, or expenses of NVTC. NVTC
400 shall create and maintain for the term of this MOA segregated accounting and
401 financial reporting for the Components financed by toll revenues provided by this
402 MOA and reported as a separate fund in NVTC's financial statements, and such
403 accounting shall constitute a proprietary "special revenue fund" as defined by the
404 Governmental Accounting Standards Board. Expenditures will be recorded and
405 reported for each Component.

406 All toll revenues provided to NVTC pursuant to the terms of this MOA
407 shall be held by NVTC in accounts with a financial institution under an arrangement
408 that, to the extent reasonably practicable, preclude such funds from being an asset
409 subject to the claims of creditors of NVTC, other than a holder of bonds, or other
410 claims related to the Components undertaken in accordance with this MOA.

411 **6. Quality Management.** NVTC shall be responsible for all quality assurance and
412 quality control activities necessary to properly manage the funding of the
413 development, design, construction, purchases, acquisition, operation and
414 maintenance of any Component it has undertaken pursuant to this MOA, and will
415 develop and provide to VDOT and DRPT for information purposes its manuals,
416 policies, and procedures to accomplish the same.

417 **7. Public Information.** During the term of this MOA, NVTC shall provide
418 information to the public concerning the Components it has undertaken, including
419 any public meetings and public hearing that may be required by law or regulation.

420 **8. Regulatory Approvals.** NVTC shall obtain, keep in effect, maintain, and
421 comply with all regulatory approvals necessary for funding the development,
422 operation, and maintenance of any Components funded under this MOA.

9. **Contracting Practices.** During the term of this MOA, NVTC covenants and agrees, that with respect to the Components it has undertaken, it will comply with all requirements of state and federal laws relating to anti-discrimination, including but not limited to Titles VI and VII of the Civil Rights Act of 1964, as amended, and the Americans with Disabilities Act, and shall contractually require the same of all contractors, subcontractors, vendors, and recipients of any funding. NVTC recognizes the importance of the participation of minority, women-owned and small businesses through the federal and local Disadvantaged Business Enterprise programs and will abide by such programs in implementing Components.

NVTC shall comply with all applicable federal requirements, including those applicable to highways that are part of the National Highway System.

10. **Insurance and Indemnity by Contractors.** NVTC shall include the Commonwealth of Virginia, the CTB, VDOT, DRPT, and their officers, employees and agents, as additional insureds on NVTC's insurance policies so that they are protected from and against any losses actually suffered or incurred, except for losses to the extent caused by the negligence or willful misconduct of such entity or person, from third party claims that are directly related to or arise out of: (a) any failure by NVTC to comply with, to observe or to perform in any material respect any of the covenants, obligations, agreements, terms or conditions in this MOA, or any breach by NVTC of its representations or warranties in this MOA; (b) any actual or willful misconduct or negligence of NVTC, its employees or agents in direct connection with the Project or any related Components; (c) any actual or alleged patent or copyright infringement or other actual or alleged improper appropriation or use of trade secrets, patents, proprietary information, know-how, trademarked or service-marked materials, equipment devices or processes, copyright rights or inventions by NVTC in direct connection with the Project or; (d) inverse condemnation, trespass, nuisance or similar taking of or harm to real property committed or caused by NVTC, its employees or agents in direct connection with the Project; or (e) any assumed liabilities. NVTC shall contractually require its contractors, subcontractors, vendors, and others working or performing services related to any Component it has funded to indemnify the

Commonwealth of Virginia, the CTB, VDOT, DRPT, and their officers, employees and agents from the same losses.

All insurance purchased by NVTC or its contractors pursuant to this section shall name the Commonwealth of Virginia, the CTB, VDOT, DRPT, and their officers, employees and agents as additional insureds.

This provision shall survive the expiration or earlier termination of this MOA.

In the event any third-party claim to which this section applies is asserted in writing against the Commonwealth, the CTB, VDOT, DRPT, or their officers, employees, and agents, VDOT will as promptly as practicable notify NVTC in writing of such claim, which shall include a copy and any related correspondence or documentation from the third party asserting the claim. However, any failure to give such prompt notice shall not constitute a waiver of any rights of VDOT unless such failure limits or precludes the availability of those rights.

C. Initial Multimodal Transportation Improvements. NVTC shall undertake a ~~project~~Component selection process upon execution of this MOA, and submit to the CTB a list of Components for an advanced allocation of funding in the amount of ~~\$5-10~~ million (which shall be provided upon commencement of construction of the dynamic tolling of the Facility as provided in ~~paragraph II.A.1~~, and shall be repaid as specified in ~~paragraph II.A.4~~). Components shall be multimodal transportation improvements that meet the criteria set forth in ~~paragraph II.B.1~~ and are capable of being obligated not later than at the time tolling begins on the Facility. In the event litigation is filed challenging the implementation of the Project, or a Component of the Project, prior to the initiation of tolling, or in the event any other action prohibits or restricts the ability to toll the Facility, then the CTB may withhold this funding until such time that the litigation or other event or action is resolved in a manner that allows the Project to be implemented. NVTC may choose to expend other funds after the execution of this MOA for Components identified through the selection process described in this MOA prior to the commencement of construction. Any such expenditures are at NVTC's risk but shall be reimbursable from the advanced allocation identified in this paragraph provided the expenditures otherwise comply with the provisions of the MOA. ~~NVTC may choose to expend up to an additional \$5 million for additional Components consistent~~

~~with this subsection. Any such expenditures are at NVTC's risk but shall be reimbursable from toll revenues.~~

D. Widening and Related Improvements to I-66. ~~At the later date of either (i) five years from the date of commencement of tolling of the Facility, or (ii) two years after the date of increase in occupancy requirements for high occupancy vehicles from two people to three people (which increase shall occur the later of 2020 or the increase of occupancy requirements of HOV lanes of I-66 outside the Beltway), an evaluation of the need to~~Upon execution of this MOA, VDOT will proceed with plans to widen the eastbound lanes of the Facility from two lanes to three lanes between the Dulles Connector Road and Exit 71~~, will be undertaken.~~

~~1. If the evaluation conducted by VDOT, in consultation with NVTC, of the effectiveness of the tolling and the multimodal improvements on the performance of the Facility and of traffic operations on roadways in the Corridor demonstrates one of the following has occurred, or is occurring, then those funds as set forth in paragraph II.A.4(e) shall be allocated by the CTB for such Facility widening and VDOT shall then begin the process to widen the Facility:~~

~~(a) The eastbound lanes of the Facility between the Dulles Connector Road and Exit 71 are operating at an average speed of less than 50 miles per hour for more than 10 percent of the time between the hours of 5:00am and 10:00am on weekdays over a 180-day period as determined using commonly accepted engineering practices and performance monitoring. Starting with the commencement of tolling on the Facility, the average operating speed of I-66 will be reported every 180 days (bi-annually) to NVTC.~~

~~(b) The average travel times on the roadways listed below experience an average 10 percent increase on the eastbound lanes compared to the baseline performance of the following facilities:~~

- ~~• Route 50 from I-495 to Route 120 (Glebe Road);~~
- ~~• Route 29 from I-495 to Route 120 (Glebe Road);~~
- ~~• Route 237 (Washington Boulevard) from Route 29 to Route 120 (Glebe Road); and~~
- ~~• Route 7 from I-66 to Route 50.~~

~~———— A baseline performance of the Facility and the above roadways will be established for weekdays in a 180-day period following the commencement of tolling of the Facility using commonly accepted engineering practices and performance monitoring. Data will be collected daily and reported quarterly starting with the commencement of tolling on the Facility. ———~~

~~2. If the evaluation provided for in H.D.1 demonstrates the need for widening, t~~

The design for the widening shall be limited to increasing the number of eastbound lanes of the Facility from two lanes to three lanes consistent with an approved environmental document assessment conducted pursuant to~~subject to~~ the National Environmental Policy Act, and other laws and regulations applicable to the widening, and shall apply the principals of Context Sensitive Solutions as described in FHWA’s Publication FHWA-HEP-07-014 as follows:

- Avoid, minimize or eliminate~~mitigate~~ impacts to the parks, stream corridors, and vegetation along the corridor and within the right-of-way;
- Avoid, minimize or mitigate~~Minimize or eliminate~~ impacts to the W&OD Trail and the Custis Trail;
- Reduce the cost of this component of the Project; and
- Avoid, minimize or mitigate~~Minimize or eliminate~~ the need for acquisition of additional right-of-way.

~~If during the initial evaluation the conditions referenced in subparagraphs D.1 through D.2 do not exist, then VDOT shall every two years until the earlier of (i) the end of the term of the MOA conduct a further evaluation, or (ii) such time that one of the conditions referenced in such subparagraphs is found to exist, at which time the allocation of toll revenues pursuant to paragraph H.A.4(e) shall be made and the widening of the Facility will be undertaken by VDOT.~~

III. ~~Term.~~ Unless this MOA is otherwise terminated in accordance with ~~Section VII~~, the term of this MOA shall commence on the date last signed by the Parties (“the Effective Date”) and shall expire on the 40th anniversary of the Effective Date subject to the provisions of IV.

IV. Debt Financing: NVTC shall not enter into financing agreements or other debt or financial obligations for approved Components that are dependent on toll revenue from the Project and which extend beyond the 40th anniversary of the Effective Date. In event that this MOA is terminated in accordance with ~~Section VII~~ prior to the 40th Anniversary of the ~~e~~Effective Date,

and there are outstanding NVTC debt or financing agreements for which toll revenues have been pledged for debt service or financing payments or there are pay-go Components which are yet to be completed, and further provided the use of toll revenues for the debt or financing agreement or pay-go Component is not a misuse of toll revenues under this MOA and the cause or basis of the termination, then, subject to CTB approval, tolls shall continue to be imposed on the Facility and toll revenues shall continue to be allocated in accordance with ~~paragraph~~ II.A.4(c) to pay debt service and financing payments or to complete the Component. The CTB will not approve funding for pay-go Components for more than two fiscal years past the termination of the MOA in accordance with ~~Section VII~~ prior to the 40th Anniversary of the effective Date.

IV. Entire Agreement. This MOA constitutes the entire and exclusive agreement between the Parties relating to the specific matters covered. All prior written, and prior or contemporaneous verbal agreements, understandings, and representations are superseded, revoked, and rendered ineffective for any purpose.

VI. -Amendment. This MOA may be altered, amended or revoked only by an instrument in writing signed by all Parties or their permitted successor(s) or assignee(s).

VII. Termination. This MOA may be terminated (a) by a Party for material non-compliance with this MOA which has not either been remedied, or a remedy commenced and diligently pursued thereafter, within 120 days after written notice from the other Party, and (b) by written agreement of the Parties. However, prior to any termination, the Parties shall meet and confer to make a good faith attempt to resolve any non-compliance issues as follows. Within 30 days of the notice, the Commissioner of Highways and the NVTC Executive Director shall meet to discuss resolution of the non-compliance issues. If a resolution cannot be reached within 30 days, the Secretary of Transportation and the Chairman of NVTC shall meet within 30 days to discuss resolution of the non-compliance issues. If a resolution cannot be agreed upon within 30 days, the termination shall be effective as set forth in the written notice and in accordance with this MOA.

VIII. Notices. Notices shall be made in writing and shall not be effective for any purpose unless and until actually received by the addressee or unless served personally, by independent reputable overnight commercial courier, by facsimile transmission followed by a timely service of the original, or by deposit in the United States mail, postage and fees fully prepaid, registered or certified mail, with return receipt requested, addressed as follows:

If to NVTC:

Executive Director
Northern Virginia Transportation Commission
2300 Wilson Boulevard, Suite 620
Arlington, VA 22201
Fax:
If to VDOT:
Virginia Department of Transportation
1401 East Broad Street
Richmond, Virginia 23219
Attn: Commissioner of Highways
Fax: (804) 786-2940
With a copy to:
Office of the Attorney General
Chief, Transportation Section
~~900 East Main Street~~202 North Ninth Street
Richmond, Virginia 23219
Fax: (804) 692-1647

Any Party may, by notice as specified above, in writing designate an additional or a different entity or mailing address to which all such notices should be sent.

VIII. Relationship of the Parties. The relationship of NVTC to VDOT shall be one of an independent contractor, not an agent, partner, lessee, joint venture, or employee.

IX. No Third Party Beneficiaries. Nothing contained in this MOA is intended or shall be construed as creating or conferring any rights benefits or remedies upon or creating any obligations of the Parties toward any person or entity not a party to this MOA ~~(except rights contained herein expressly for the benefit of bondholders and/or trustees).~~

X. Governing Law and Venue. This MOA shall be governed and construed in accordance with the laws of the Commonwealth of Virginia.

XI. Assignment. This MOA may be assigned only with the written approval of the other Party. In the event of an agreed assignment, there will be an amendment to this MOA to reflect the change in Parties.

XII. **Survival.** If any provisions in this MOA are rendered obsolete or ineffective, the Parties agree to negotiate in good faith appropriate amendments to, or replacement of such provisions, in order to restore and carry out the original purposes to the extent practicable. If any provision is rendered void or invalid, all remaining provisions shall survive.

XII. **Notice of Legal Proceedings.** The Parties agree to promptly notify each other if they become aware of any claim or legal proceeding that could impact the program, projects, and activities undertaken pursuant to this MOA.

XIII. **-Construction of Agreement.** This MOA is intended by the Parties to be construed as a whole, and indivisible, and its meaning is to be ascertained from the entire instrument. All parts of the MOA are to be given effect with equal dignity, including but not limited to the recitals at the beginning of this MOA, and all such parts, including the recitals, are to be given full force and effect in construing this MOA. No provision of any recital shall be construed as being controlled by, or having less force and effect, than any other part of this MOA because the provision is set forth in a recital.

XIV. **No Personal Liability.** This Agreement shall not be construed as creating any personal liability on the part of any officer, employee, or agent of the Parties; nor shall it be construed as giving any rights or benefits to anyone other than the Parties.

XV. **No Waiver of Sovereign Immunity.** Nothing in this MOA shall be deemed a waiver of sovereign immunity.

XVI. **Appropriations.** All obligations of the CTB to allocate toll revenues are subject to appropriations by the Virginia General Assembly.

This space intentionally left blank

In witness whereof, the Parties hereby cause this MOA to be executed, each by its duly authorized officers, as of the date below.

COMMONWEALTH TRANSPORTATION BOARD

The Honorable Aubrey L. Layne, Jr
Secretary of Transportation

Date: _____

VIRGINIA DEPARTMENT OF TRANSPORTATION

Charles A. Kilpatrick, P.E.
Commissioner of Highways

Date: _____

NORTHERN VIRGINIA TRANSPORTATION COMMISSION

~~Kelley Coyner~~ Katherine A.e Mattice
Acting Executive Director

Date: _____

TO: Chairman Fisette and NVTC Commissioners

FROM: Kate Mattice, Laurel Hammig, and Jen Deci

DATE: September 29, 2016

SUBJECT: Washington Metropolitan Area Transit Authority (WMATA)

The WMATA Board members will provide highlights of recent WMATA-related activities:

- ✓ **Proposed Changes to Metrorail Service Hours:** On September 22nd, the Board approved the public hearing on [proposals to change the current Metrorail span of service](#) and potential changes to Metrobus late night service. A letter has been prepared for Commission discussion and approval that would provide comment on the proposed changes.
- ✓ **SafeTrack:** On September 14th, [WMATA announced the SafeTrack surge dates](#) for the remainder of 2016.
- ✓ **Budget and Financial News:** On September 8th, WMATA staff reported that the [FY2016 operating budget ended with a positive net position](#). WMATA also spent 85 percent of the total annual CIP budget, a significant improvement from the 65 percent spent in FY2015.
- ✓ **Safety and Security:** [WMATA submitted Corrective Action Plans](#) to address FTA Safety Directive #16-3 and 24 NTSB findings from the L'Enfant Plaza incident and initial responses to Safety Directives #16-4, #16-5, #16-6.

On September 22nd, [members of the APTA peer review team](#) briefed the Board on the peer review of third rail power and infrastructure conducted in July 2016.

- ✓ **Vital Signs:** WMATA released its [2nd Quarter 2016 Vital Signs Report](#).
- ✓ **Virginia Ridership and Parking Facility Utilization:** The attached report includes the [WMATA Virginia Ridership and Parking Utilization data](#) for August 2016 which shows Metrorail ridership is down 8.5 percent and Metrobus ridership is down 1.9 percent compared to FY2015.
- ✓ **Schedule of Upcoming Board Decisions:** A schedule of [upcoming Board actions](#) is included in the attached report.

A. Proposed Changes to Metrorail Service Hours

ACTION ITEM: Authorization for NVTC Chairman to Send a [Letter to WMATA Regarding the Proposed Changes to Service Hours](#)

The Commission is asked to authorize NVTC's Chairman to send a letter to WMATA recognizing the need to effectively maintain the system but requesting that WMATA consider the ridership impact of its decisions, examine the effectiveness and cost of bus alternatives, and explore opportunities to limit closures to parts of the system.

Background: In order to address Federal Transit Administration (FTA) recommendations and continue progress of SafeTrack, [WMATA proposed four Metrorail span of service scenarios](#) that would provide eight hours of additional track maintenance time each week (a 20 percent increase). This would allow for extended work periods needed to maintain tracks, signals and life-safety systems, test and inspect and conduct training. The proposals look to minimize the number of riders impacted and will provide late-night Metrobus service to supplement the lack of rail service in certain high-ridership corridors.

	Scenario A	Scenario B	Scenario C	Scenario D
Monday-Thursday	5am-midnight	5am-11:30pm	5am-11:30pm	5am-midnight
Friday	5am-midnight	5am-midnight	5am-1am	5am-3am
Saturday	7am-midnight	7am-midnight	7am-1am	9am-3am
Sunday	7am-10pm	7am-11:30pm	8am-11pm	Noon-11pm

WMATA will conduct public outreach October 1 to the week of October 24. During this time, there will be multiple opportunities for public comment. The WMATA Compact public hearing will be the week of October 17. Additionally, WMATA will conduct a service equity analysis, as required by FTA. The Customer Service Committee will discuss the proposal on December 1st and the full Board will consider approving the final recommendation on December 15th.

Ridership Trends

[WMATA's PlanItMetro blog](#) notes historical information on Metrorail ridership by time of day. NVTC's analysis of this data (Figure 1) notes the following system wide ridership changes due to hours of operations:

- The difference in impact on ridership across the first three proposed scenarios is very small. For Scenarios "A" and "C" it is less than one percent.
- Scenario "C" results in the lowest impacts and balances the weekday changes with late night service needs.
- Scenario "D" has the greatest impact on ridership, dropping it by two percent. Scenario "D" drops six hours from Sunday service resulting almost a third of the ridership being impacted.
- Scenario "A" has the lowest hour reductions as compared to the current weekly hours of service, but does not have the lowest drop in ridership. This might indicate the ability to further evaluate the ridership and optimize the service changes.

Figure 1. NVTC Analysis of WMATA Metrorail Entries by Half-Hour by Day Type

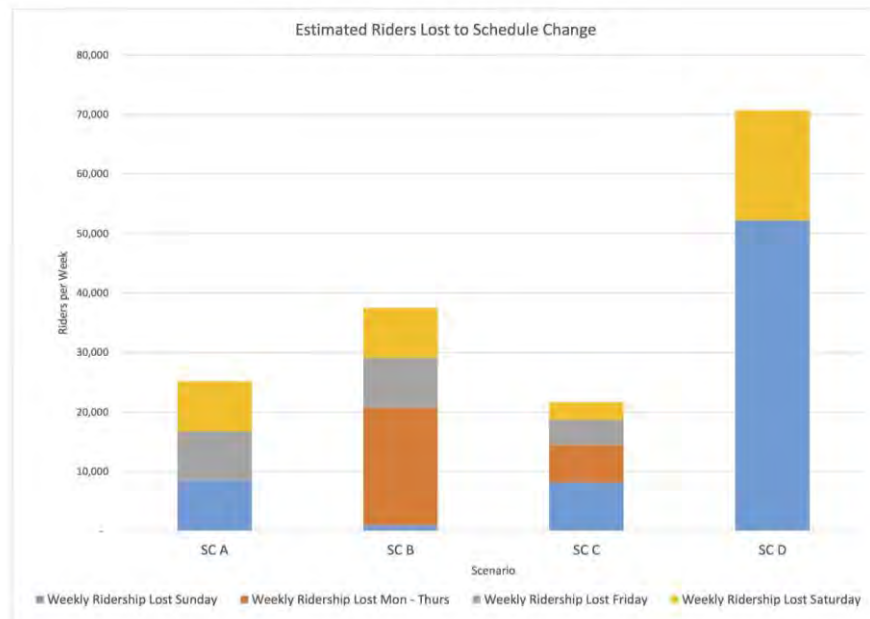


Figure 2. Metrorail Entries By Half Hour By Day Type

	Sunday	Mon-Thurs	Friday	Saturday
5:00 AM to 5:30 AM		5,215	4,640	
5:30 AM to 6:00 AM		7,613	6,685	
6:00 AM to 6:30 AM		13,826	11,977	
6:30 AM to 7:00 AM		19,947	17,065	
7:00 AM to 7:30 AM	2,613	29,982	25,711	4,165
7:30 AM to 8:00 AM	2,507	38,087	32,465	3,990
8:00 AM to 8:30 AM	3,099	44,580	38,604	4,951
8:30 AM to 9:00 AM	3,476	38,523	34,020	5,404
9 AM to 9 PM
9:00 PM to 9:30 PM	3,383	7,539	7,954	5,730
9:30 PM to 10:00 PM	3,256	6,852	8,211	5,920
10:00 PM to 10:30 PM	3,054	5,981	7,602	5,751
10:30 PM to 11:00 PM	2,339	4,271	5,894	4,443
11:00 PM to 11:30 PM	2,058	3,355	4,924	4,066
11:30 PM to 12:00 AM	950	1,588	3,506	2,924
12:00 AM to 12:30 AM			2,407	2,314
12:30 AM to 1:00 AM			1,728	1,742
1:00 AM to 1:30 AM			1,353	1,414
1:30 AM to 2:00 AM			1,195	1,270
2:00 AM to 2:30 AM			995	1,008
2:30 AM to 3:00 AM			653	669

Source: WMATA PlanItMetro blog.

Note: The data currently provided by WMATA (Figure 2) is for system-wide ridership during these hours. NVTC is in the process of examining the specific impact on Virginia ridership and will have these details presented at the Commission meeting.

Late Night Bus Alternatives

WMATA is in the process of developing options for late night bus service for each of the proposed options. Details on the planned routes and cost estimates will be shared with the Commission at the meeting.

Additional Information for the Public Docket

At this time of this publication, WMATA had not yet released its full analysis for the public comment period. By October 1st, [WMATA will have additional information on its public docket website](#).

B. SafeTrack

On September 11th, WMATA completed eight safety surges under the SafeTrack plan. Surge #9, 42 days of single-tracking between Vienna and West Falls Church, began on September 9th and will conclude on October 26th. Two subsequent surges are scheduled to occur in 2016.

[Four surges are scheduled in 2017](#) and three of the four will occur on the Blue or Yellow lines in Virginia. The exact dates for those surges will be announced in December.

Northern Virginia stakeholders continue to participate in weekly SafeTrack coordination calls hosted by NVTC. Link here to the [Full Safety Plan](#).

C. Budget and Financial News

On September 8th, [WMATA staff reported that the FY2016 operating budget ended with a positive net position](#). WMATA also spent 85 percent of the total annual CIP budget, a significant improvement of the 65 percent spent in FY2015. Total revenue (fare and non-fare) was below budget 10 out of the 12 months in FY2016. Actual operating expenses were less than budgeted due to savings in service contracts, lower fuel costs, and reduced propulsion usage.

Major drivers in the capital budget were railcar investments, track and structures rehabilitation, bus and paratransit vehicle acquisition and business support investments. These four areas saw 85 percent or greater spend.

Financial Dashboard: The following financial reports for FY2016 are now available.

- [Quarter 1 FY2016](#)
- [Quarter 2 FY2016](#)
- [Quarter 3 FY2016](#)
- [Quarter 4 FY2016](#)

D. Safety and Security

[WMATA submitted initial responses to FTA Safety Directives #16-4, #16-5 and #16-6](#). WMATA also submitted detailed corrective action plans (CAPs) for the 24 Safety Recommendations issued by the NTSB on May 23rd. There are 1,063 total actionable items requiring WMATA take corrective action. Sixty-two percent (655) have been submitted to the FTA or NTSB for approval and 259 have been closed.



*from September 22nd Board presentation

Metro updates the [Safety Actions webpage](#) with on status information of corrective actions.

In July, a team of [subject matter experts from transit agencies in Philadelphia \(SEPTA\), New York City \(MTA\), Boston \(MBTA\) and Chicago \(CTA\) conducted a peer review](#) of the third rail power and infrastructure. This effort was done in coordination with the American Public Transportation Association (APTA) to assist WMATA in addressing ongoing maintenance issues. On September 22nd, members of the team previewed the observations and recommendations were made in thirteen areas of the system. The official report is pending.

E. WMATA 2nd Quarter 2016 Vital Signs Report (April – June 2016 Scorecard)



F. Virginia Ridership and Parking Facility Utilization

WMATA Virginia Ridership July 2015 – 2016			
	July 2015	July 2016	Percent Change
Metrorail			
Total	9,172,818	7,483,646	-18.4%
Weekday Average	346,019	273,212	-21.0%
Metrobus			
Total	1,834,140	1,694,577	-7.6%
Weekday Average	71,610	70,694	-1.3%
MetroAccess			
Total	26,389	25,621	-2.9%

WMATA Virginia Ridership August 2015 – 2016			
	August 2015	August 2016	Percent Change
Metrorail			
Total	8,557,674	7,827,161	-8.5%
Weekday Average	314,925	275,603	-12.5%
Metrobus			
Total	1,795,894	1,761,644	-1.9%
Weekday Average	71,911	67,684	-5.9%
MetroAccess			
Total	26,155	29,295	12.0%

WMATA Virginia Parking Facility Usage July 2015 – 2016				
Station/Lot	July 2016	Y-T-D FY17	July 2015	Y-T-D FY16
Huntington	72%	72%	44%	44%
West Falls Church	59%	59%	40%	40%
Dunn Loring	81%	81%	64%	64%
Vienna	86%	86%	65%	65%
Franconia	73%	73%	41%	41%
Van Dorn	109%	109%	66%	66%
East Falls Church	127%	127%	106%	106%
Wiehle-Reston East	94%	94%	72%	72%
Northern Virginia Total	80%	80%	55%	55%

WMATA Virginia Parking Facility Usage August 2015 – 2016				
Station/Lot	August 2016	Y-T-D FY17	August 2015	Y-T-D FY16
Huntington	67%	55%	68%	70%
West Falls Church	42%	41%	53%	56%
Dunn Loring	65%	65%	72%	77%
Vienna	66%	65%	79%	82%
Franconia	53%	47%	68%	71%
Van Dorn	101%	83%	112%	110%
East Falls Church	112%	109%	122%	124%
Wiehle-Reston East	74%	73%	86%	90%
Northern Virginia Total	63%	59%	73%	76%

G. Schedule of Upcoming Board Decisions

Key Issues	Meeting	Date
Inauguration Preparations Hours of Service SafeTrack: Midway Progress Report Inauguration: Security Enhancements	Customer Service Committee	October 13
Capital Projects Status Update: Radio & Cellular Infrastructure Renewal Project	Capital Program Committee	October 13
FY2018 Budget Prep Session	Finance Committee	October 13
3 rd Quarter Safety Report	Safety Committee	October 27
WMATA Board of Directors Meeting		October 27

Anticipated Information (I) and Action (A) Items	WMATA Board Date Target
FY2018 Budget Prep (I)	October-November 2016
Approval of Public Hearing for Proposed Changes to Metrorail Hours of Service (A)	Fall 2016
Approval of Bus State of Good Operations Service Changes (A) FY2018 Operating Budget Presentation (I)	November 2016
FY2018 CIP Budget Presentation (I)	December 2016
Capital Needs Inventory (I)	December 2016-January 2017
Capital Funding Agreement (A)	March 2017
FY2018 Budget Approval (A)	April-May 2017



October 7, 2016

Chairman
Hon. Jay Fiset

Vice Chairman
Hon. Jeffrey C. McKay

Secretary/Treasurer
Hon. Paul C. Smedberg

City of Alexandria
Hon. Timothy B. Lovain
Hon. Paul C. Smedberg

Arlington County
Hon. Katie Cristol
Hon. Christian Dorsey
Hon. Jay Fiset

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

City of Fairfax
Hon. Jeffrey C. Greenfield

City of Falls Church
Hon. David F. Snyder

Loudoun County
Hon. Matthew F. Letourneau
Hon. Ron A. Meyer

Commonwealth of Virginia
Hon. Jim Corcoran

Virginia General Assembly
Sen. Adam Ebbin
Sen. Jennifer Wexton
Del. David Albo
Del. David LaRock
Del. James LeMunyon
Del. J. Randall Minchew

Acting Executive Director
Katherine A. Mattice

Paul Wiedefeld
General Manager and Chief Executive Officer
Washington Metropolitan Area Transit Authority (WMATA)
600 Fifth Street, NW
Washington, D.C. 20001

Re: Metrorail Hours of Service

Dear Mr. Wiedefeld:

WMATA's proposal to end late-night weekend service and curtail standard service on Sundays has raised concerns about the potential long-term consequences such changes would have on Northern Virginia's jurisdictions, residents and businesses. On behalf of the Northern Virginia Transportation Commission, I am requesting that WMATA consider these concerns as it seeks to establish permanent hours of operation following the completion of SafeTrack.

NVTC both recognizes the importance of and appreciates the intent behind your proposal to modify Metrorail's service hours. We agree that state of good repair should be a priority, as lapses jeopardize the safety of crew and passengers. It is our hope that WMATA will be able to strike a balance between the need for late-night weekend service and ongoing rail maintenance.

Metrorail is vital to Northern Virginia's economy. Roughly 80,000 jobs are within a quarter-mile of the 25 Metrorail stations west of the Potomac River. Many of these jobs are in the food-and-beverage, hospitality, and tourism industries, which would experience the greatest impact from curtailed service. It is no surprise, for example, that Arlington tops all counties in the Commonwealth in the amount of tax revenues generated from tourism. Visitors depend on the County's 11 Metrorail stations to provide easy access to other parts of the metropolitan region, as do many of the 26,000 individuals working in Arlington's tourism industry. In Alexandria, also home to a significant hospitality and tourism industry, access to Metro and other public transportation was cited by 46.4 percent of visitors as one of the attributes contributing to their decision to stay in the city, according to a recent survey.

Restaurants, bars and clubs in Northern Virginia attract customers from throughout the metropolitan region, many of whom travel by Metro. Conversely, residents of NVTC's jurisdictions frequent bars and clubs in the District of Columbia, where last call can be as late as 3:00 a.m. on weekends. Metrorail's late-night service allows revelers to travel home in a safe and responsible manner. Termination of such service could lead some to make less responsible travel choices.

WMATA's plan to provide Metrobus service in place of Metrorail may be an effective option, but it is difficult to determine without access to ridership numbers. It is incumbent upon WMATA to publicly share the rationale behind its recommendation to forgo late-night weekend bus service to certain Metrorail stations. Also, a true understanding of the cost implications of substituting bus for rail is necessary for NVTC and its jurisdictions, which subsidize Metrorail, to evaluate WMATA's proposal.

Having followed SafeTrack closely, NVTC has questions as to whether WMATA is making the most effective use of the time available for track repair and maintenance. We recognize that it takes time to set up and break down equipment and transport personnel but wonder if there may be more efficient ways to do so? NVTC also questions whether it is necessary to close the entire system early. Is it not possible to develop a revolving schedule of shutdowns so that some lines may remain operational?

There is little doubt that the success of Northern Virginia's economy is tied to the success of Metrorail. It is in the interest of both NVTC and WMATA to ensure that Metrorail is able to transport passengers safely and reliably. It also is in the interest of both agencies to ensure that Metrorail continues to provide service that allows our businesses to thrive, as the tax revenues they generate support our jurisdictions' Metrorail subsidies.

Sincerely,

Jay Fisette
Chairman

TO: Chairman Fiset and NVTC Commissioners

FROM: Kate Mattice

DATE: September 29, 2016

SUBJECT: Department of Rail and Public Transportation (DRPT)

A. DRPT Report

DRPT Director Jennifer Mitchell will provide an update on DRPT activities at the October meeting. The monthly [Department of Rail and Public Transportation \(DRPT\) Report](#) is attached.

B. Metro Safety Commission

DRPT Director Jennifer Mitchell will provide an update on DRPT's involvement in the establishment of the Metro Safety Commission (MSC).

MAP-21, the federal surface transportation legislation passed in 2012, outlined safety requirements for all transit systems in the United States. The law required, among other things, that the Federal Transit Administration (FTA) update the State Safety Oversight (SSO) program to ensure that rail transit systems are meeting stringent safety requirements. As a result of the updated requirements, the FTA determined Washington Metropolitan Area Transit Authority's (WMATA) Tri-State Oversight Commission (TOC) – the previous State Safety Oversight Agency managed by the Metropolitan Washington Council of Governments - was inadequate under the MAP-21 provisions.

On October 15, 2015, at the request of the U.S. Department of Transportation, FTA assumed the temporary role of safety oversight of WMATA until a certified SSO agency – the Metro Safety Commission (MSC) - is established and certified by the FTA.

To ensure the nature of the FTA's oversight responsibility is temporary, the U.S. Secretary of Transportation informed Maryland, Virginia and the District of Columbia that if the MSC is not certified as a SSO Agency by February 9, 2017, FTA is prepared to withhold federal transit funds under the Section 5307 Urbanized Area Grant Program. The potential withholding of Section 5307 funds would affect all urban transit agencies across the Commonwealth, not just in the District-Maryland-Virginia area.

In May 2016, the District of Columbia introduced a draft bill to establish the MSC. The legislation is expected to come before the Council of the District of Columbia in 2016 and

in the 2017 legislative sessions in Maryland and Virginia. As the Metrorail system operates in the District of Columbia, Maryland and Virginia, each jurisdiction has to pass identical legislation in order to establish the MSC.

Once identical MSC legislation is signed into law by all three jurisdictions, the FTA will use the SSO requirements outlined for all heavy rail systems in 49 USC 5329 to assess and certify the MSC. Upon certification, any funds withheld from the states would be released.

C. I-395 Transit/TDM Study Update

Todd Horsley of DRPT and Tom Harrington of Cambridge Systematics, Inc. will give an update on the status of the [I-95/I-395 Transit/TDM Study](#). The product of this study will be a master list of transit and TDM projects that would benefit travel in the I-395 corridor if implemented. The project list and the associated information on the benefits of each project will be used to inform future decisions on the use of the guaranteed annual transit investment from the toll revenues to be generated by the new I-395 HOT lanes. This purpose of this study is to develop the project list; it does not include the determination of the entity that will make funding decisions or the amount of the annual transit investment. The study is to be completed in December 2016.



COMMONWEALTH of VIRGINIA

Jennifer L. Mitchell
Director

Virginia Department of Rail and Public Transportation
600 E. Main Street, Suite 2102
Richmond, VA 23219

Ph: 804-786-4440
Fax: 804-225-3752
Virginia Relay Center
800-828-1120 (TDD)

TO: Chairman Fissette and NVTC Commissioners

FROM: Jennifer Mitchell, Director

DATE: September 27, 2016

SUBJECT: DRPT Update

General Update

The most recent DRPT Revenue Advisory Board meeting was held on September 19 in Richmond. Northern Virginia representatives in attendance were Commissioner Jeff McKay of Fairfax County and former Delegate Tom Rust. Staff from NVTC and Fairfax County attended the meeting.

The meeting materials (i.e. agenda, presentations, guiding principles, archived live stream, and Roadmap – Business Case for Transit Investment) are available on the DRPT web site at <http://www.drpt.virginia.gov/transit/major-transit-initiatives/transit-capital-project-revenue-advisory-board-hb-1359/meetings-and-agendas-2016/>.

I-66 Corridor Improvements

Procurement activities continue for the Transform 66: Outside the Beltway project. The final RFP was issued on July 29 to the two remaining pre-qualified concessionaire teams. Technical and financial proposals are due on October 4, with announcement of successful bidder anticipated by October 31. Commercial close is anticipated in December 2016 and financial close in July 2017.

A Transform 66: Outside the Beltway Transit/TDM Technical Working Group meeting was held on September 12 at the VDOT NOVA District Office in Fairfax. The meeting was attended by staff from Fairfax County, NVTC, PRTC, DRPT and VDOT. The approved Transportation Management Plan (TMP) was circulated at the meeting and the implementation timeline, required agreements, anticipated expenses and annual spending plan were discussed.

An agency coordination meeting for the Transform I-66: Inside the Beltway Eastbound Widening was held at the VDOT NOVA District Office in Fairfax on August 31. The meeting was attended by representatives from Arlington County, the Army Corps of Engineers, the City of Falls Church, Fairfax County, the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), Loudoun County, the Northern Virginia Transportation Authority (NVTA), the Washington Metropolitan

DRPT.Virginia.gov

Improving the mobility of people and goods while expanding transportation choices.

Area Transit Authority (WMATA), the Virginia Department of Environmental Quality (VDEQ), DRPT and VDOT. The Purpose and Need statement was distributed after the meeting. Comments are due by September 30, and the Environmental Assessment (EA) will be made available for comment later this year.

An Interagency Air Quality Consultation for the entire Transform I-66 project was conducted on September 8. Staff from the FHWA, the Metropolitan Washington Council of Government (MWCOG), VDEQ, VDOT and DRPT participated in the teleconference. The traffic modeling, transit service for outside the Beltway, and NVTC multimodal project components for inside the Beltway were discussed. It was determined that the project is not of air quality concern for PM 2.5 and the increase in truck and bus traffic was below the thresholds.

I-395 Express Lanes

VDOT held briefings with elected officials and neighborhood associations in Arlington and Alexandria in September. DRPT staff joined the briefings as requested.

DRPT continued public outreach activities on the I-95/395 Transit/TDM study by hosting public Open House events before the Alexandria Transportation Commission meeting on September 21 and before the Arlington Transportation Commission meeting on September 29. The Open House events are followed by presentations to the Transportation Commissions by VDOT and DRPT staff. DRPT will hold a third public Open House before the Potomac and Rappahannock Transportation Commission (PRTC) meeting on October 6. DRPT is also conducting a web travel survey for commuters in the I-95/I-395 corridor that will provide data for the study.

The seventh Key Stakeholder Group (KSG) meeting for the I-95/395 Transit/TDM study was held on September 7 at the Stafford County Government Center. The meeting was attended by staff from the City of Alexandria, the City of Fredericksburg, Stafford County, NVTC, and DRPT. Staff from Arlington County, Fairfax County, Fredericksburg Regional Transit (FRED), PRTC and WMATA participated by telephone. The purpose of the meeting was to discuss the initial modeling evaluation of the transit and TDM projects and upcoming public outreach activities. The next meeting of the KSG will be on October 5 in Fairfax County.

Smart Scale

The application period opened on August 1 and closes September 30. DRPT received requests to provide technical assistance on transit applications from the following Northern Virginia jurisdictions: City of Alexandria, Arlington County, Fairfax County and VRE. Resolutions of support will be required from the Northern Virginia Transportation Authority (NVTA) and the submitting jurisdictions at a later date; they were not required by September 30.

TO: Chairman Fiset and NVTC Commissioners

FROM: Kate Mattice and Rhonda Gilchrest

DATE: September 29, 2016

SUBJECT: Virginia Railway Express (VRE)

A. VRE CEO Report and Minutes

At the October meeting, Mr. Allen will update the Commission on VRE activities. The [Minutes of the September 16th Operations Board Meeting](#) and [VRE CEO September 2016 Report](#) are attached.

B. ACTION ITEM: Approve [Resolution #2320](#): Authorize the Referral of VRE's Preliminary FY2018 Operating and Capital Budgets to the Jurisdictions

The VRE Operations Board recommends that the Commission authorize the referral of the VRE FY2018 operating and capital budgets to the jurisdictions. VRE staff continue to meet with the CAO Taskforce to discuss jurisdictional budget issues and concerns and to review VRE budget projections. The preliminary budget was presented to the Operations Board at its September 16th meeting.

The FY2018 preliminary VRE budget totals \$137.2 million. It assumes a three percent fare increase with no propose subsidy increase. Currently, the preliminary budget shows a current net unfunded amount of \$4.39 million.

As in the past, VRE will submit a balanced budget to the jurisdictions in the beginning of December for evaluation prior to submission to the Operations Board later that month. The budget will then return to the Commissions for final approval.

The attached [budget presentation given to the Operations Board](#) has been updated to reflect Board Members' requests for additional information. Also attached is VRE's [memorandum providing more information about the preliminary budget](#), including budget assumptions, major changes between the FY 2018 preliminary budget compared to the adopted FY 2017 budget, and key issues.

C. VRE Customer Survey Results

VRE conducted its annual customer service survey on May 4, 2016. The survey was completed by 6,071 riders, which is approximately 63 percent of the riders that morning. VRE riders gave an overall satisfaction rating of 89 percent, which is an all-time high. The top three concerns expressed by riders continue to be on-time performance (OTP), cost, and frequency of service. [VRE's memorandum](#) and the [presentation prepared for the Operations Board meeting](#) include more information about the survey.

D. VRE Annual Master Agreement Survey

As required by the Master Agreement, VRE conducts an annual Master Agreement Survey every October. The survey results are used to determine the local share of VRE assistance required by each VRE jurisdiction for the next fiscal year. PRTC staff takes the lead in administering the survey aboard the trains, with assistance from VRE and NVTC staff. NVTC staff is responsible for address verification to confirm the localities in which VRE riders reside. Results from the survey are presented to the Operations Board at its December meeting.



**Virginia Railway
Express**

Gary Skinner
Chairman

Paul Smedberg
Vice-Chairman

Maureen Caddigan
Secretary

Sharon Bulova
Treasurer

John C. Cook
Katie Cristol
John Jenkins
Matt Kelly
Paul Milde
Jennifer Mitchell
Suhas Naddoni
Martin Nohe
Bob Thomas
Jonathan Way

Alternates

Marc Aveni
Pete Burrus
Jay Fisette
Todd Horsley
Frank Jones
Jeanine Lawson
Jeff McKay
Wendy Maurer
Paul Trampe
Billy Withers

Doug Allen
Chief Executive Officer

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

MINUTES

#7A

VRE Operations Board Meeting PRTC Headquarters – Prince William County, Virginia September 16, 2016

Members Present	Jurisdiction
Maureen Caddigan (PRTC)	Prince William County
John C. Cook (NVTC)	Fairfax County
Katie Cristol (NVTC)	Arlington County
Matt Kelly (PRTC)	City of Fredericksburg
John D. Jenkins (PRTC)	Prince William County
Martin Nohe (PRTC)*	Prince William County
Gary Skinner (PRTC)	Spotsylvania County
Paul Smedberg (NVTC)	City of Alexandria
Bob Thomas (PRTC)	Stafford County

Members Absent	Jurisdiction
Sharon Bulova (NVTC)	Fairfax County
Paul Milde (PRTC)	Stafford County
Jennifer Mitchell	DRPT
Suhas Naddoni (PRTC)	City of Manassas Park
Jonathan Way (PRTC)	City of Manassas

Alternates Present	Jurisdiction
Pete Burrus	DRPT

Alternates Absent	Jurisdiction
Marc Aveni (PRTC)	City of Manassas
Jay Fisette (NVTC)	Arlington County
Frank C. Jones (PRTC)	City of Manassas Park
Jeanine Lawson (PRTC)	Prince William County
Jeff McKay (NVTC)	Fairfax County
Wendy Maurer (PRTC)	Stafford County
Paul Trampe (PRTC)	Spotsylvania County
Billy Withers (PRTC)	City of Fredericksburg

Staff and General Public	
Khadra Abdulle – VRE	Christine Hoeffner – VRE
Doug Allen – VRE	Pierre Holloman – City of Alexandria
Tracy Baynard – McGuire Woods	Maggie Kasperski – VRE
Donna Boxer – VRE	John Kerins – Keolis
Alex Buchanan – VRE	Mike Lake – Fairfax County
Unwanna Dabney – Parsons Brinckerhoff	Lezlie Lamb – VRE
Rich Dalton – VRE	Bob Leibbrandt – Prince William County
Wynne Davis – Parsons Brinckerhoff	Alicia Lewis – VRE
Paul Dean – VRE	Steve MacIsaac – VRE legal counsel
John Duque – VRE	Eric Marx – PRTC Staff
Patrick Durany – Prince William County	Kate Mattice – NVTC Staff
Rhonda Gilchrest – NVTC Staff	Matthew McDermott – Amec Foster Wheeler
Oscar Gonzalez – VRE	Pat Pate – City of Manassas
Charlie Grymes – Prince William	Dallas Richards – VRE
Conservation Alliance	Lynn Rivers – Arlington County
Chris Henry – VRE	Theresa Stevenson – VRE
Kim Herman – Stafford County	Joe Swartz – VRE
Tom Hickey – VRE	

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

Chairman Skinner called the meeting to order at 9:11 A.M. Following the Pledge of Allegiance, Roll Call was taken.

Approval of the Agenda – 3

Chairman Skinner stated the Agenda has been amended to remove #8C “Authorization to Extend and Amend the Vendor Agreement for Sale of Fare Media with the Convention Store.”

Ms. Caddigan moved, with a second by Ms. Cristol, to approve the amended Agenda. The vote in favor was cast by Board Members Burrus, Caddigan, Cook, Cristol, Kelly, Jenkins, Skinner, Smedberg and Thomas.

Approval of the Minutes of the July 15, 2016 Operations Board Meeting – 4

Ms. Caddigan moved, with a second by Mr. Kelly, to approve the Minutes. The vote in favor was cast by Board Members Burrus, Caddigan, Cook, Cristol, Kelly, Skinner, Smedberg and Thomas. Mr. Jenkins abstained.

Chairman’s Comments – 5

Chairman Skinner stated since Mr. Way nor his alternate were able to attend this meeting, Mr. Pat Pate, Manassas City Manager, is attending as a non-voting participant.

Chairman Skinner announced Clifton Days is scheduled for October 11th. As in past years, VRE will run excursion trains for the event.

Chief Executive Officer’s Report –6

Mr. Allen reported on safety and security activities, including training for the Undercover Law Enforcement Program. VRE has over 100 law enforcement personnel who participate in this program.

Mr. Allen reported overall on-time performance (OTP) for the month of August was 88 percent (Fredericksburg line 79 percent and Manassas line 96 percent) and Average Daily Ridership was 18,500. In response to a question from Chairman Skinner, Mr. Henry noted there were heat restrictions on the Fredericksburg line almost every day during the summer. Track work and rail congestion also contributed to the delays.

Mr. Allen introduced three new employees, Paul Dean, Manager of Public Affairs and Government Relations; Dallas Richards, Manager of Project Implementation; and Alicia Lewis, Associate Accountant.

Mr. Allen reported he gave a presentation at the July 28th Commonwealth Transportation Board (CTB) meeting on VRE’s 2040 Plan and Financial Forecast. DRPT hired a consultant to review VRE’s plans and the consultant draft report will be presented to the CTB Rail Committee on September 20st.

Mr. Cook asked about potential liability with the Undercover Law Enforcement Program. Mr. MacIsaac agreed to look at the issue and report back to the Board. Mr. Dalton explained the training involves how to interact with crews and equipment familiarization. Chairman Skinner directed staff to wait to hold any more Undercover Lay Enforcement Program training sessions until the liability issue is resolved. There were no objections.

[Mr. Nohe arrived at 9:31 A.M.]

VRE Riders' and Public Comment – 7

Mr. Charlie Grymes, chair of the Prince William Conservation Alliance, encouraged the Operations Board to make wise decisions on the use of resources for the study of the Gainesville-Haymarket Extension. VRE should not be passive going into Phase II of the Gainesville-Haymarket Extension Study. He encouraged the Board to focus on the Godwin Road or Innovation as alternative end of the line stations. If VRE continues to study the Haymarket as an end of line station, VRE will be throwing good money away. VRE needs to look at how many riders will be attracted and at what cost.

Referral of Preliminary FY 2018 VRE Operating and Capital Budget to the Commissions – 8

Mr. Allen asked the Operations Board to authorize him to refer the Preliminary FY 2018 VRE Operating and Capital Budget to the Commissions for their consideration, so they in turn can refer these recommendations to the jurisdictions for their review and comment. Resolution #8A-09-2016 would accomplish this.

Ms. Boxer gave an overview of the budget process, key budget assumptions and highlights of the FY 2018 preliminary budget. The Operations Board will see the final balanced budget in December and at that time will be asked to adopt it and refer it to the Commissions for adoption. The FY 2018 preliminary budget totals \$137.2 million and includes a three percent fare increase, no proposed subsidy increase, and a current net unfunded amount of \$4.39 million.

Mr. Cook stated VRE's Financial Forecast shows the system will go out of business by 2032 if it doesn't receive additional dedicated state funding. DRPT has also predicted less and less state funding will be available. VRE needs to be more realistic and start putting together budgets based on a 15-year shutdown plan if there are no new funding sources. VRE needs to show this as a budget line that says "absent of change, this is what will happen."

Ms. Boxer stated the Commonwealth has been an excellent partner with VRE and gave examples of funding assistance for various projects. She agreed VRE needs to be realistic. This is why VRE developed its Financial Forecast and presented it to the Commonwealth Transportation Board. VRE is also looking for other sources of discretionary funding. She stated staff could include in the six-year plan examples of what would happen without additional funding, such as delays in replacing mid-day storage. VRE's Financial Forecast already lays out the financial implications of no additional funding.

Mr. Cook suggested adding slides to the budget presentation describing the measures that will have to be taken if VRE doesn't receive additional funding. Chairman Skinner suggested including tangible examples.

Ms. Boxer reminded the Board federal funds were used to purchase all of VRE's rolling stock. If federally funded assets are taken out of service permanently, VRE would owe the funds back to the federal government or need to transfer the federal interest to another transit agency. Chairman Skinner observed this type of information should be included in a separate section explaining what could happen without additional funding. Mr. Cook suggested including mid-day storage implications.

Mr. Kelly observed VRE may be able to continue to financially "muddle through" year to year, but that is not the way to run a railroad. Fundamentally, VRE needs to look at changing the dynamic, otherwise it will go out of business. VRE needs to take a close look at access agreements and railroad agreements.

Ms. Cristol stated the Board may want to revisit these budget issues in the context of the discussion of the Legislative Agenda. In response to a question from Ms. Cristol, Ms. Boxer explained the access agreements in the context of the budget.

Chairman Skinner stated Mr. Way provided by email several concerns and questions about the budget. First, the budget draws down capital/operating reserves by \$1 million and Mr. Way observed this is not a one-time problem so the use of the reserve is not appropriate without a clear, credible replenishment plan. Ms. Boxer stated she will talk directly with Mr. Way to clarify his concern and that the draw down was in fact part of the FY17 budget, not the FY18 Preliminary budget. In regards to Mr. Way's concern about the \$4.39 million budget gap, Ms. Boxer explained staff will present a balanced budget in December. Mr. Way also provided the comment VRE needs a budget alternate base which restricts VRE operations to reasonably projected revenues.

Mr. Buchanan gave an overview of where staff will look to close the budget gap, including looking closer at ridership projections and average fares; reviewing departmental budgets, defraying rising costs of the step-up ticket, and eliminating two dead head train trips when mid-day storage is completed at L'Enfant. In response to a question from Chairman Skinner, Ms. Hoeffner gave a detailed explanation how staff calculates the ridership projections, but it is not an exact science. Mr. Buchanan explained the final budget will show a farebox recovery ratio at least 50 percent. Currently, the preliminary budget is showing it at 49 percent. The Master Agreement requires a 50 percent ratio. Mr. Kelly requested staff to provide the rationale behind any changes in ridership projections.

Ms. Abdulle gave an overview of the capital program for FY 2018. The six-year Capital Improvement Program (CIP) will be presented in December. The total FY 2018 preliminary capital budget is \$49.1 million (\$35.5 federal formula; \$3 million capital reserve; and \$10.7 million CMAQ/REF). Currently there is \$13 million in unfunded projects. Mr. Nohe noted there is no reference to NVTa funding in the capital overview. Ms. Boxer explained the FY 2018 NVTa program has not been approved yet. Previous year funding from NVTa will be shown in the six-year CIP to be presented in December.

Mr. Jenkins moved, with a second by Ms. Cristol, to approve Resolution #8A-09-2016 to refer the budget to the Commissions. Mr. Cook asked for a friendly amendment to add information which was discussed, including adding an extra slide and a projection line that conveys that the budget is based on current state funding levels and not aspirational. Both Mr. Jenkins and Ms. Cristol agreed to amend the motion. The Board then voted and the motion passed. The vote in favor was cast by Board Members Burrus, Caddigan, Cook, Cristol, Kelly, Jenkins, Nohe, Skinner, Smedberg and Thomas.

Authorization to Execute a Contract for Delivery of Lubricating Oil for VRE Locomotives – 8B

Mr. Allen asked the Operations Board to authorize him to execute a contract with Quarles Petroleum, Inc. of Fredericksburg, Virginia for the delivery of lubricating oil for VRE locomotives in the amount of \$408,310 (approximately \$81,662 annually), plus a 10 percent contingency of \$40,841, for a total amount not to exceed \$449,141. This would cover a base year and four option years, with the CEO exercising the option years at his discretion. Resolution #8B-09-2016 would accomplish this.

Mr. Kelly moved, with a second by Mr. Thomas, to approve Resolution #9B-09-2016. The vote in favor was cast by Board Members Burrus, Caddigan, Cook, Cristol, Kelly, Jenkins, Nohe, Skinner, Smedberg and Thomas.

Recommend Approval of the 2016/17 Legislative Agenda – 8D

Mr. Allen asked the Operations Board to recommend the Commissions approve the 2016/17 Legislative Agenda and authorize him to actively pursue the elements set forth in the document. Resolution #8D-09-2016 would accomplish this.

Mr. Cook expressed his opinion that the Legislative Agenda does not convey the gravity of VRE's financial issues, as the Board discussed in the budget item. With respect to Issue #2, He suggested using the chart in Agenda #8A (pg. 2) and add the number of riders served by VRE. The Legislative Agenda should include the amount of funding VRE needs to continue and expand service though the System Plan 2040. Mr. Allen stated the annual amount needed is \$40-60 million in capital and operating needs. Mr. Cook suggested splitting these two amount out since they come from different sources. Ms. Cristol stated VRE needs to convey the urgency of passing gas tax floor legislation. Mr. Cook stated the Legislative Agenda should also include the argument why VRE's local subsidy can't just be increased to solve the funding issues and explain the impact to the smaller jurisdictions.

Mr. Burrus stated as part of DRPT's consultant study they looked at the implications to the Commonwealth if VRE goes away, including ridership impacts and costs. This report will go back to the General Assembly. Mr. Nohe stated VRE needs to be ready to respond regarding its operating needs. NVTa funding is available for capital needs but cannot be used for operating expenses. VRE needs to have answers ready to respond to legislators who are not familiar with Northern Virginia.

Chairman Skinner suggested deferring this action for a month to allow staff to incorporate these comments.

Mr. Nohe moved, with a second by Mr. Kelly, to defer action to the October meeting. The vote in favor was cast by Board Members Burrus, Caddigan, Cook, Cristol, Kelly, Jenkins, Nohe, Skinner, Smedberg and Thomas.

In response to an inquiry from Ms. Cristol, Mr. Burrus offered to have DRPT's consultant give their presentation at the next Operations Board meeting.

Spending Authority Report – 9A

Mr. Allen reported on the following expenditures described in the written report, including:

- Contract in the amount of \$83,612 to RPI Group, Inc. for a Risk and Security Assessment of VRE's Bandwidth and Network Infrastructure;
- Task Order to STV Inc. for \$53,870 to Create Technical Specification for PTC Back Office Services;
- Task Order to HDR for \$93,600 for Engineering and Design Services for L'Enfant South Storage Track Wayside Power; and
- Purchase Order for \$65,407 for the Purchase and Installation of a New Facility Access Control System.

2016 Customer Service Survey Results – 9B

Mr. Allen reported VRE conducted its annual customer service survey on May 4th. VRE riders gave an overall satisfaction rating of 89 percent, an all-time high. The top three concerns expressed by the riders continue to be on-time performance, cost, and frequency of service.

In response to a question from Mr. Smedberg, Mr. Henry explained "Usefulness of Rail Time" refers to VRE's interactive map showing real-time information on where the trains are on the system. VRE is working to upgrade the systems at all the stations for real time arrival information.

Chairman Skinner asked how VRE communicates with riders during delays. Mr. Henry explained the Communication Room communicates with crews if trains are delayed five minutes. After a 10-minute delay, a Train Talk notice will go out and crews will make an announcement on the train. They are then required to update passengers every 10 minutes.

Long Bridge Project Update – 9C

Mr. Gonzalez, Project Manager, gave a brief presentation updating the Board on the Long Bridge Project. VRE is collaborating with the District Department of Transportation (DDOT), Federal Railroad Administration (FRA), DRPT and CSXT to analyze potential railroad capacity solutions for the Long Bridge. As part of the project development process, an Environmental Impact Statement is being prepared in accordance with the National Environmental Policy Act Of 1969 (NEPA). A public scoping meeting is planned for September 14, 2016.

Sale of Legacy Cars to Chicago Metra – 9D

Mr. Allen reported in September the Commissions authorized the sale of seven VRE Legacy railcars to Chicago Metra. Because of timing over the August recess and after consultation with Chairman Skinner, the authorization was taken directly to the Commissions at their September meetings. By selling these railcars, VRE will forego future costs for storing and dismantling them.

Gainesville-Haymarket Extension Update – 9E

Mr. Allen stated staff plans to come back at the October meeting to brief the Board on the technical evaluation and staff recommendations for advancing the GHX study. Mr. Cook stated it is important to get feedback from Prince William County on their perspective of the extension, since they will bear the greatest financial burden. Ms. Caddigan stated the County Board is not united on this issue. Mr. Nohe stated it is difficult to imagine Prince William County identifying a source of funding for the \$9 million the county needs to fund operating this extension.

[Mr. Thomas left the meeting at 11:18 A.M. and did not return.]

Mr. Kelly noted at the last PRTC meeting, both Manassas Park and City of Manassas members had concerns about the alternative being proposed to eliminate service at the Broad Run Station. He stated VRE has reached the point where it needs to make a decision if this project moves forward.

Mr. Allen stated VRE appreciates NVTC funding to conduct this study, which will help the Operations Board to make an informed decision.

Operations Board Members Time – 11

There were no comments.

Adjournment

Mr. Smedberg moved, with a second by Mr. Kelly, to adjourn. Without objection, Chairman Skinner adjourned the meeting at 11:30 P.M.

Approved this 21st day of October 2016.

Gary F. Skinner
Chairman

Maureen Caddigan
Secretary

CERTIFICATION

This certification hereby acknowledges that the minutes for the September 16, 2016 Virginia Railway Express Operations Board Meeting have been recorded to the best of my ability.



Rhonda Gilchrest

DRAFT

Operations Board

Resolution 8A-09-2016

Referral of Preliminary FY 2018 VRE Operating and Capital Budget to the Commissions

WHEREAS, the VRE Master Agreement requires the VRE Operations Board submit to the Commissions a preliminary fiscal year budget by September 30 each year; and,

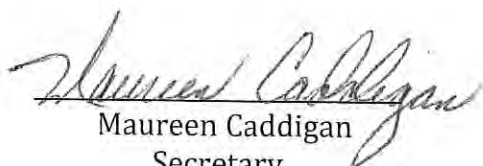
WHEREAS, the VRE Chief Executive Officer has provided the VRE Operations Board with the preliminary FY 2018 Operating and Capital Budget;

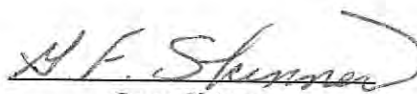
NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board refers the preliminary FY 2018 Operating and Capital Budget to the Commissions for their consideration; and,

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

BE IT FURTHER RESOLVED THAT, VRE staff is directed to consider and address comments by the jurisdictions and to forward a final recommended budget to the VRE Operations Board at the December 2016 meeting for consideration and referral to the Commissions for adoption in January 2017.

Approved this 16th day of September 2016.


Maureen Caddigan
Secretary


Gary Skinner
Chairman

**Virginia Railway Express
Operations Board**

**Resolution
8B-09-2016**

**Authorization to Execute a Contract for
Delivery of Lubricating Oil for VRE Locomotives**

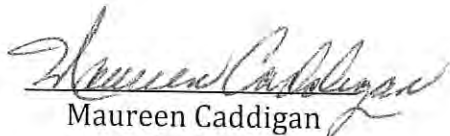
WHEREAS, VRE currently uses several types of lubricating oils for VRE locomotives; and,


WHEREAS, the current lubricating oil delivery services contract expires in October 2016; and,

WHEREAS, it was determined that **Quarles Petroleum, Inc.** was the lowest responsive-responsible bidder;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with Quarles Petroleum, Inc. of Fredericksburg, VA for the Delivery of Lubricating Oil for VRE Locomotives in the amount of \$408,310 (approximately \$81,662 annually), plus a 10% contingency of \$40,831, for a total amount not to exceed \$449,141. The contract will be for a base year and 4 option years, with the VRE CEO exercising the option years at his discretion.

Approved this 16th day of September 2016


Maureen Caddigan
Secretary


Gary Skinner
Chairman

CEO REPORT

SEPTEMBER 2016



OUR MISSION

The Virginia Railway Express, a joint project of the Northern Virginia Transportation Commission and the Potomac Rappahannock Transportation Commission, will provide safe, cost-effective, accessible, reliable, convenient, and customer responsive commuter-oriented rail passenger service. VRE contributes to the economic vitality of its member jurisdictions as an integral part of a balanced, intermodal regional transportation system.



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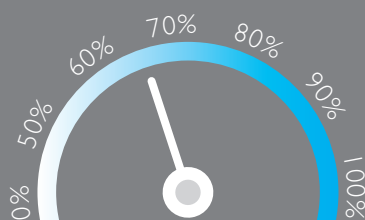
CEO REPORT | SEPTEMBER 2016

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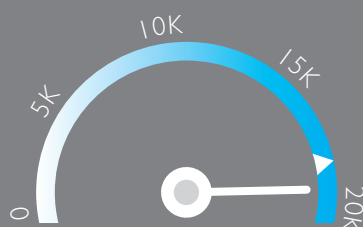


SUCCESS AT A GLANCE



PARKING UTILIZATION

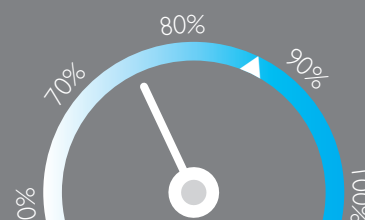
The total number of parking spaces used in the VRE system during the month, divided by the total number of parking spaces available.



AVERAGE DAILY RIDERSHIP

The average number of boardings each operating day inclusive of Amtrak Step-Up boardings but excluding "S" schedule operating days.

▲ Same month, previous year.



ON-TIME PERFORMANCE

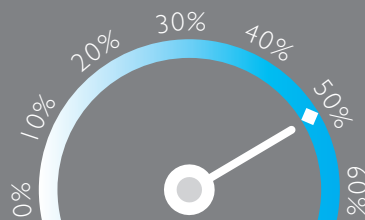
Percentage of trains that arrive at their destination within five minutes of the schedule.

▲ Same month, previous year.



SYSTEM CAPACITY

The percent of peak hour train seats occupied. The calculation excludes reverse flow and non-peak hour trains.



OPERATING RATIO

The monthly operating revenues divided by the monthly operating expenses, which depicts the percent of operating costs paid by riders.

◆ Board-established goal.

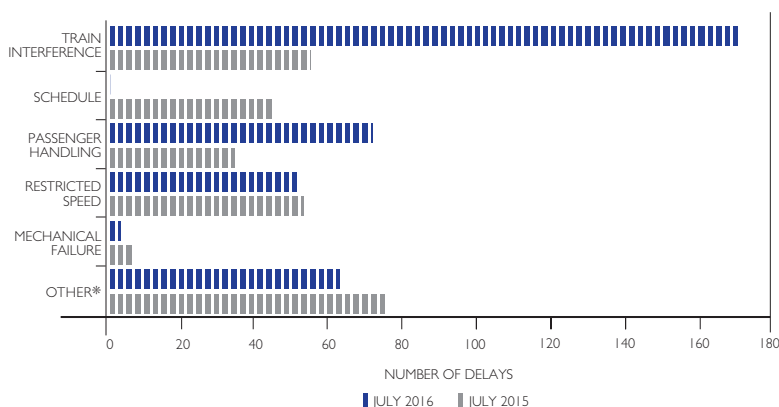
ON-TIME PERFORMANCE

OUR RECORD

	July 2016	June 2016	July 2015
Manassas Line	85%	88%	88%
Fredericksburg Line	65%	83%	84%
System Wide	75%	85%	86%

Train interference, passenger handling, maintenance of way and restricted speed orders were the principal causes of delays and reduced overall OTP.

REASONS FOR DELAYS



* Includes those trains that were delayed due to late turns, weather, signal/switch failures and maintenance of way.

In July, VRE operated 640 trains with 158 trains arriving over five minutes late to their final destinations. There were 47 late trains on the Manassas Line and 111 late trains on the Fredericksburg Line resulting in a 75 percent on-time rate for our trains in July.

Weather played a significant role in the substantial drop in on-time performance in July as heat orders were put into place 11 out of the 20 VRE service days. In addition, downed trees on the track during the beginning of the month held up a few of the trains. This, as well as the ongoing rail improvements, significantly increased train-following delays (or train interference delays) and congestion on a saturated system where any one delay can impact several trains behind it. While OTP continues to be an issue, the rail upgrades will eventually lead to improvements to performance and flexibility.

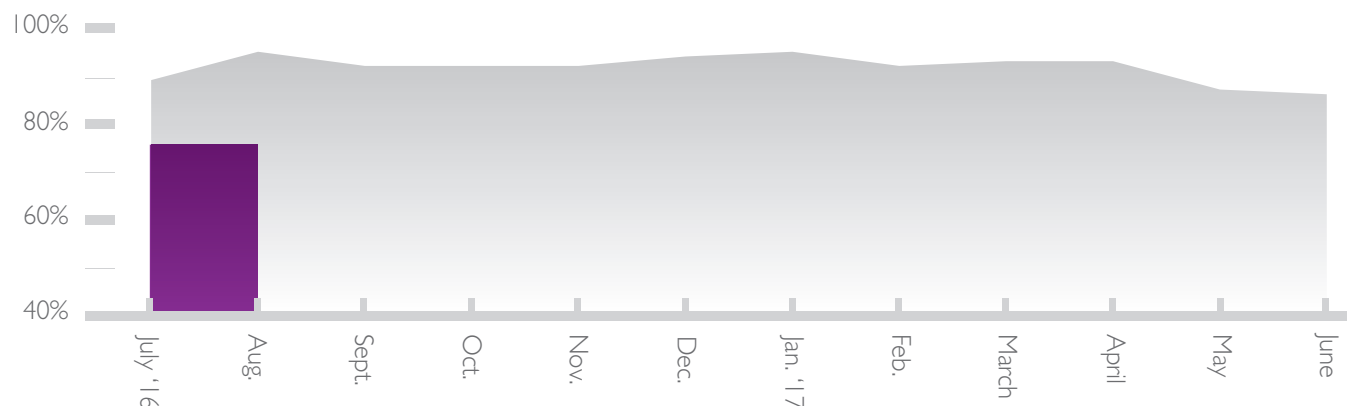
LATE TRAINS

	System Wide			Fredericksburg Line			Manassas Line		
	May	Jun.	Jul.	May	Jun.	Jul.	May	Jun.	Jul.
Total late trains	78	103	158	53	61	11	25	42	47
Average minutes late	30	15	16	32	15	17	27	14	14
Number over 30 minutes	13	6	18	8	2	4	5	4	14
Heat restriction days / total days	2/21	4/22	11/20	—	—	—	—	—	—

ON-TIME PERFORMANCE

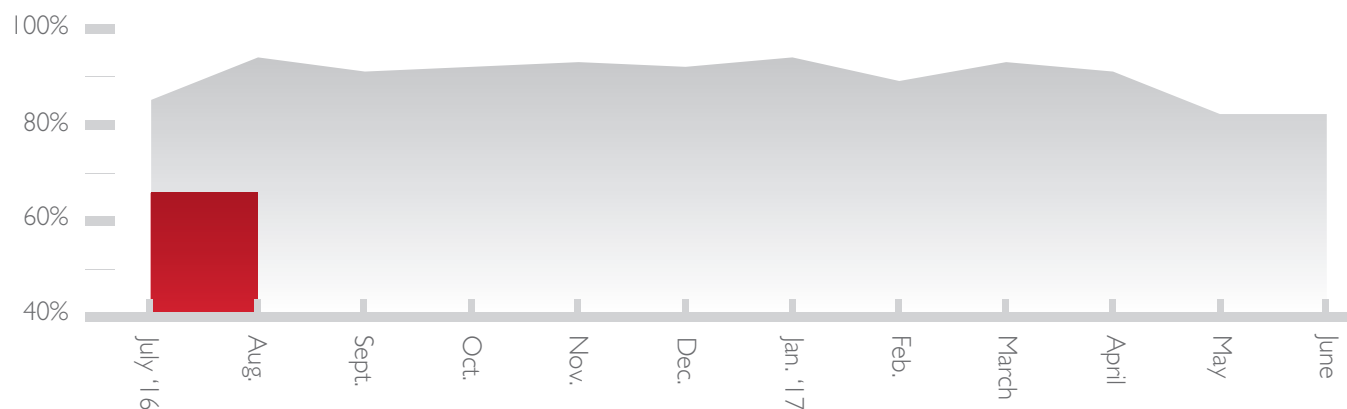
VRE SYSTEM

BOTH LINES ■ Current Stats ■ 3-Year Rolling Average

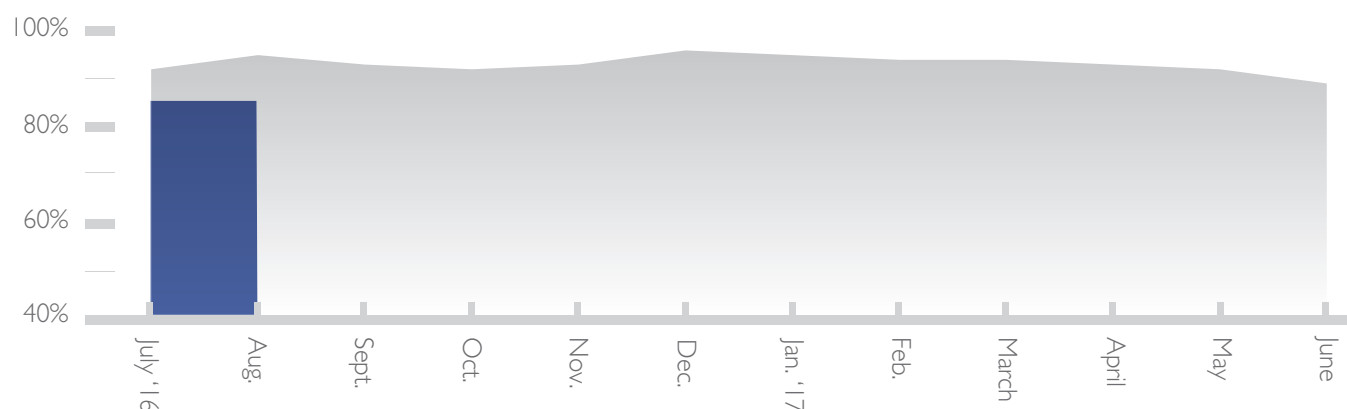


ON-TIME PERFORMANCE BY LINE

FREDERICKSBURG LINE ■ Current Stats ■ 3-Year Rolling Average



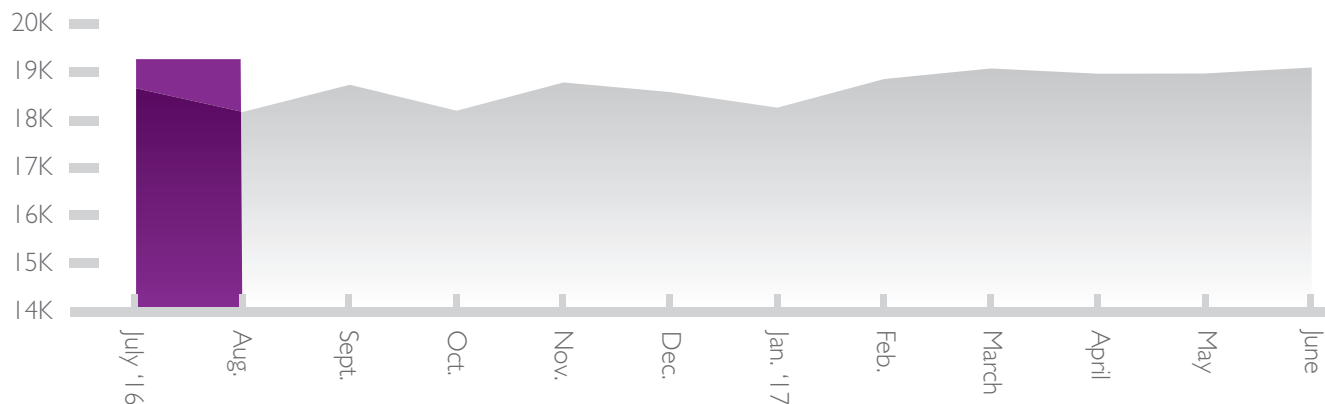
MANASSAS LINE ■ Current Stats ■ 3-Year Rolling Average



AVERAGE DAILY RIDERSHIP

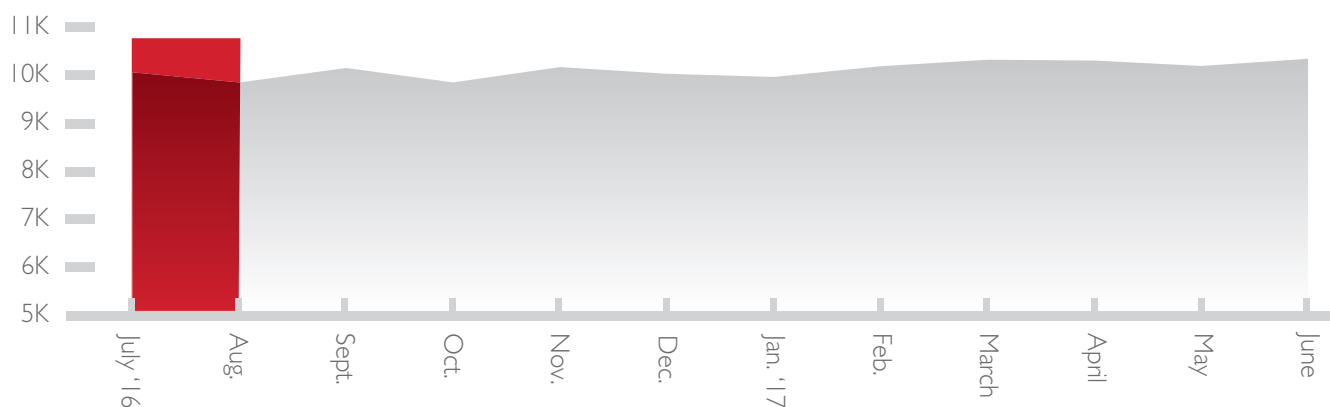
VRE SYSTEM

BOTH LINES ■ Current Stats ■ 3-Year Rolling Average

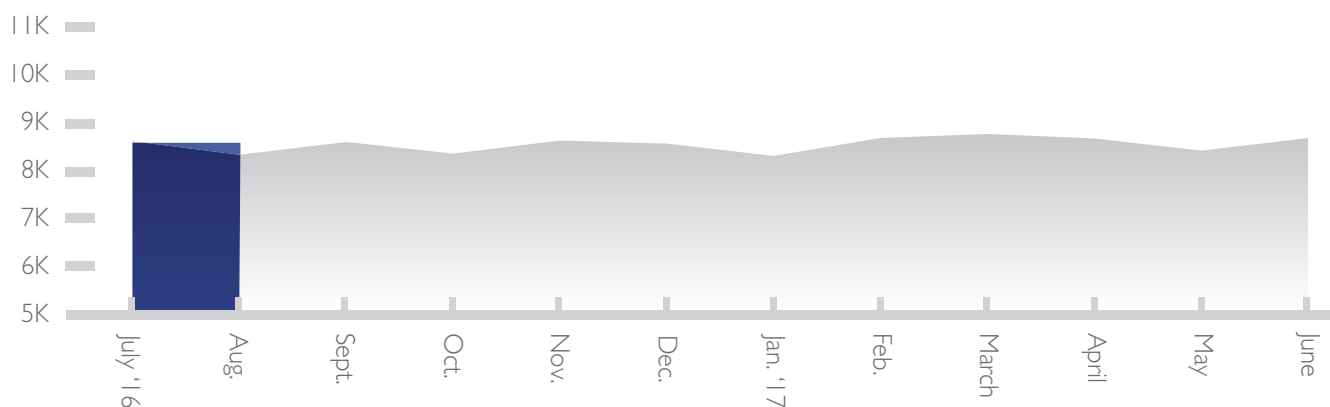


AVERAGE DAILY RIDERSHIP BY LINE

FREDERICKSBURG LINE ■ Current Stats ■ 3-Year Rolling Average



MANASSAS LINE ■ Current Stats ■ 3-Year Rolling Average



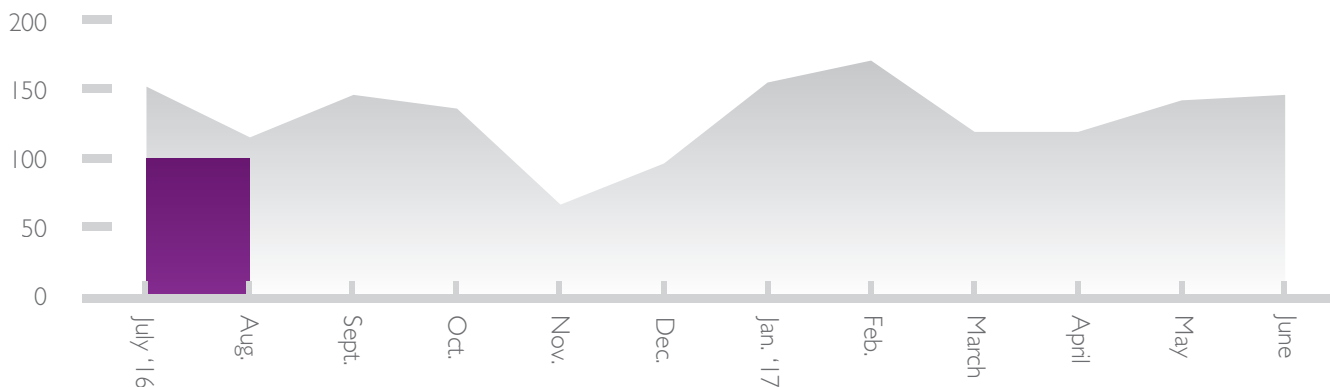
RIDERSHIP UPDATES

July average daily ridership was approximately 19.3k, a number similar to June's ridership and a significant bump over July 2015 (which was about 17.9k daily rides). WMATA's SafeTrack Program, specifically Surges #3 and #4 which shut down rail segments around Reagan National Airport, forced many Metro riders to rethink their regular commutes and try VRE. For the first time in the history of VRE service, we recorded more than 100k trips during the one-week period of 7/11 to 7/15. During that same timeframe, VRE also broke single-day ridership records, as more than 23,000 trips took place on Tuesday, July 12 (the most ever) and just under 22,000 rides the following day (second highest single day ridership). Preliminary data shows some riders have stayed with VRE as ridership dips in August but is more than August 2015. We hope to add the converted Metro riders to the regular ridership bump we see during September, a time when most vacations are over and more new riders try our system after relocating to the area.

	July 2016	July 2015
Monthly Ridership	386,527	394,265
Average Daily Ridership	19,326	17,921
Full Service Days	20	22
"S" Service Days	0	0

SUMMONSES ISSUED

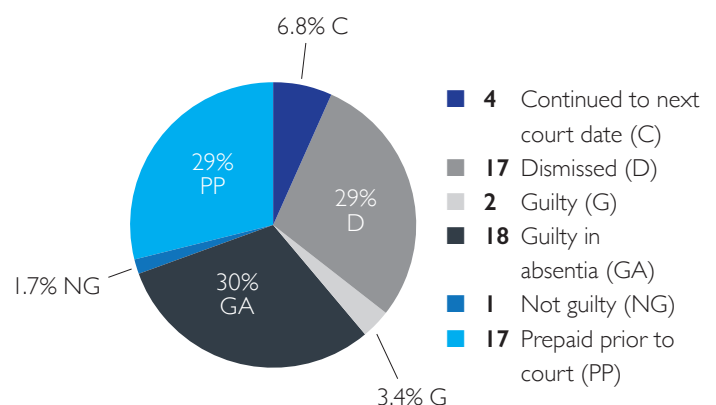
BOTH LINES ■ Current Stats ■ FY 2016



SUMMONSES WAIVED

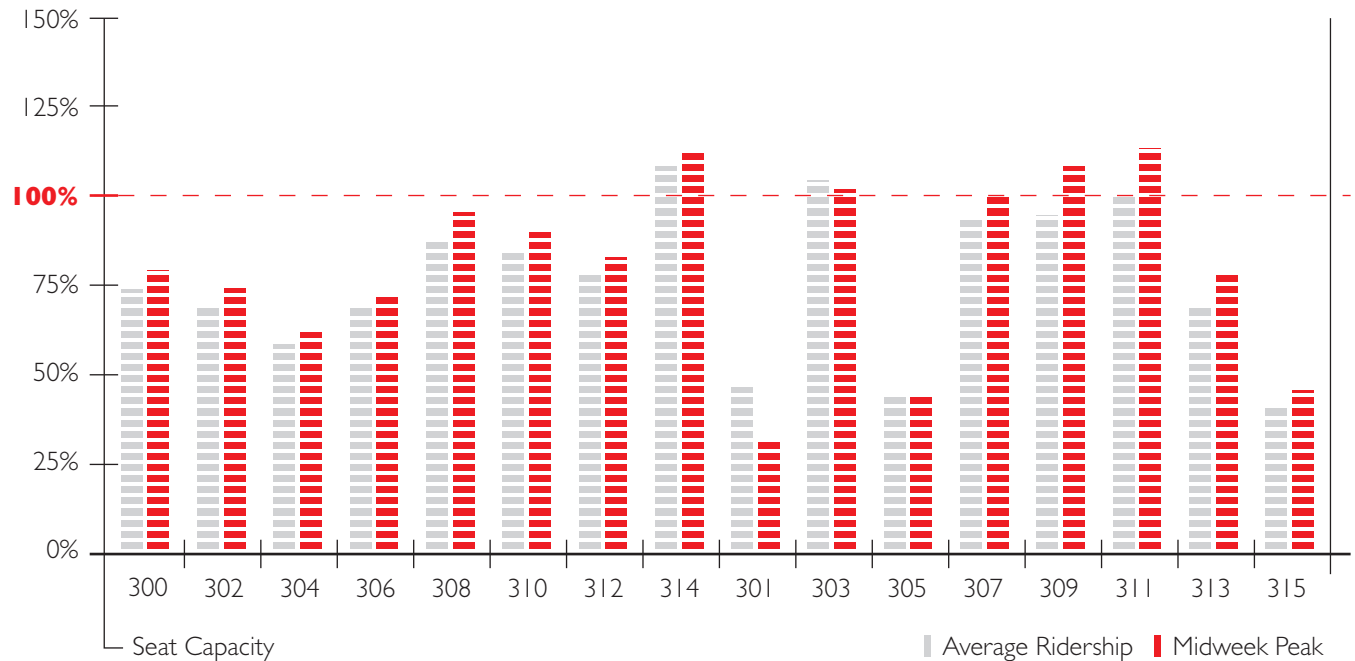
Reason for Dismissal	Occurrences
Passenger showed proof of a monthly ticket	39
One-time courtesy	16
Per the request of the conductor	8
TVM error	0
Defective ticket	0
Per Ops Manager	0
Unique circumstances	0
Insufficient processing time	0
Insufficient information	4
Lost and found ticket	0
Other	1
Total Waived	68

MONTHLY SUMMONSES COURT ACTION

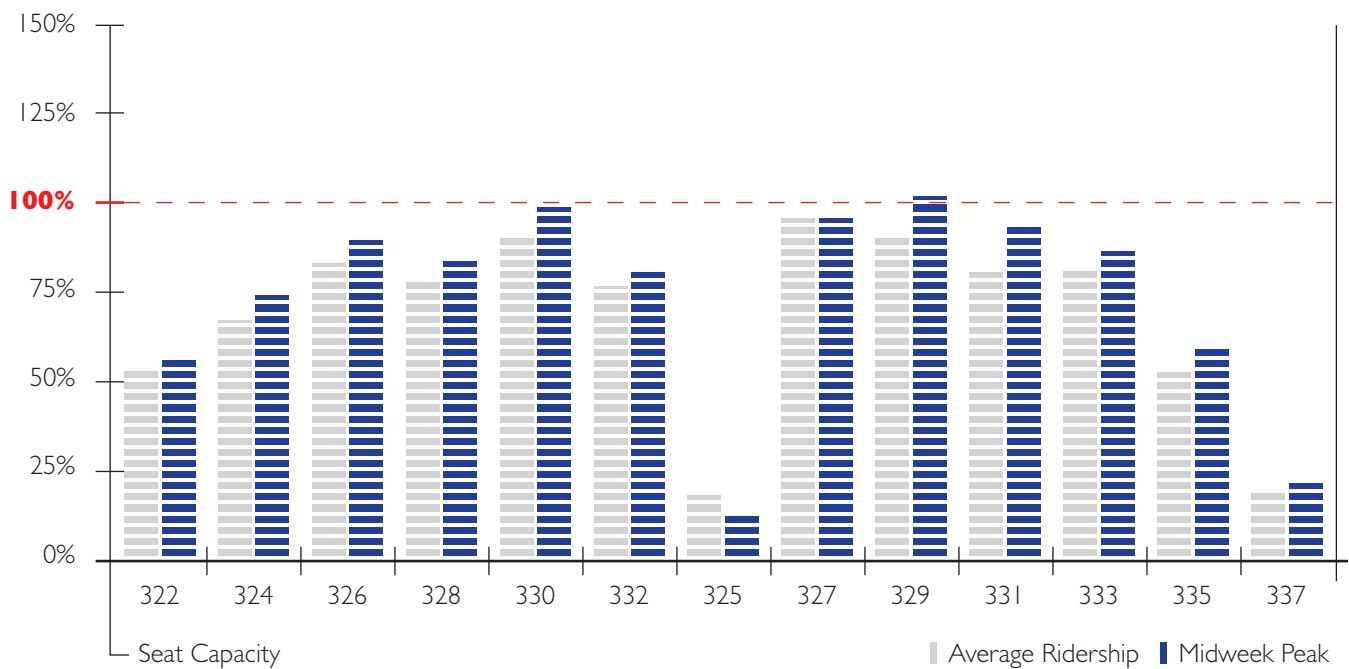


TRAIN UTILIZATION

FREDERICKSBURG LINE

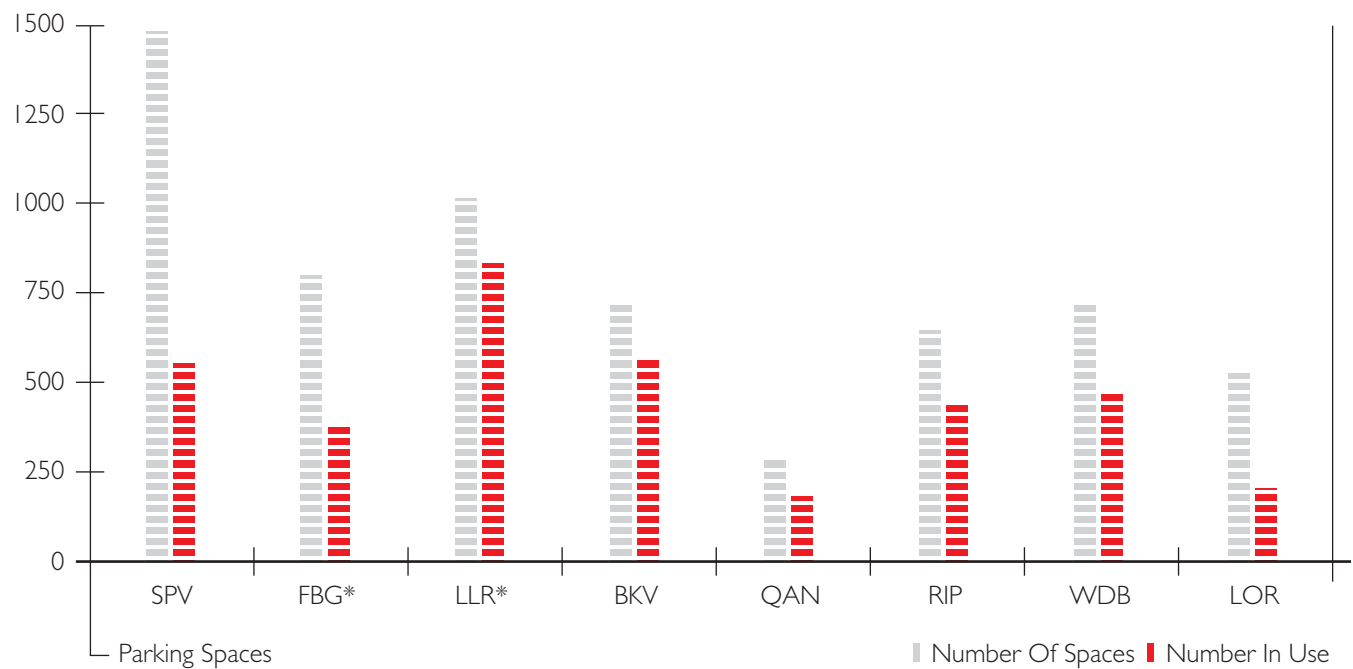


MANASSAS LINE



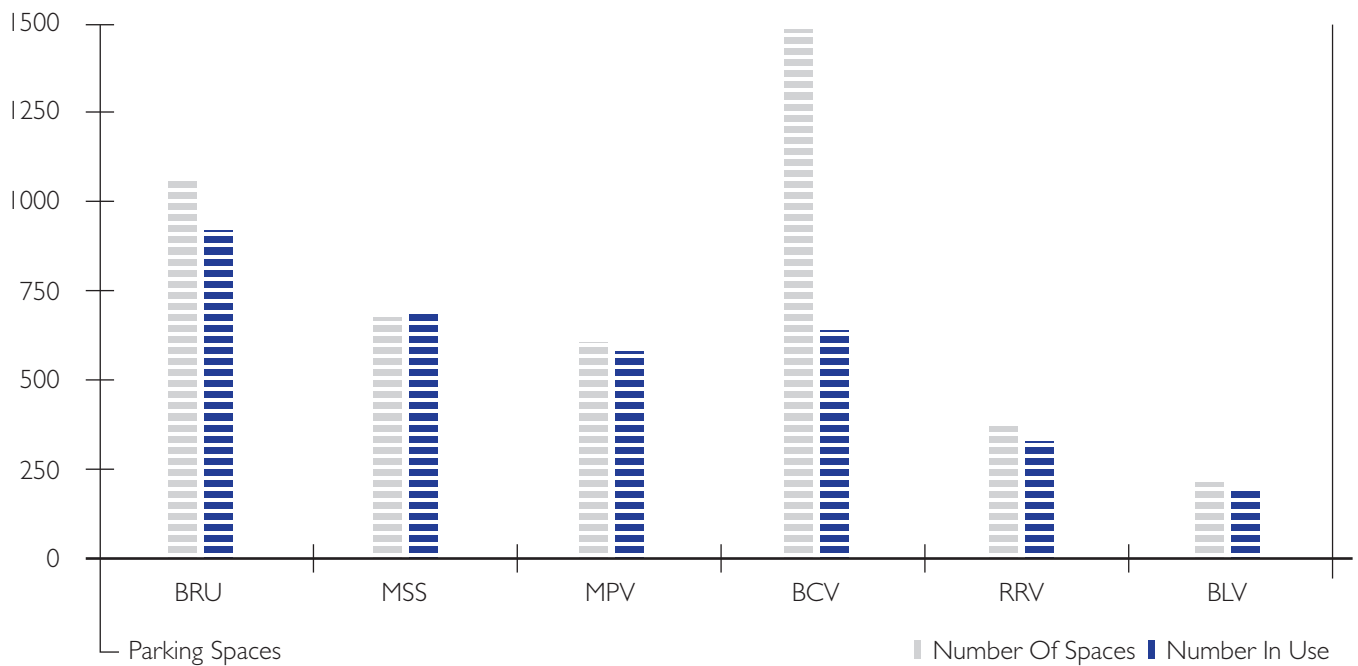
PARKING UTILIZATION

FREDERICKSBURG LINE



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

MANASSAS LINE



JULY 2016 FINANCIAL REPORT

A copy of the July 2016 Operating Budget Report is attached.

Fare income for the month was \$561,054 above the budget – a favorable variance of 18.08 percent. Revenue for the first month of FY 2017 is up 14.7 percent compared to the same period in FY 2016. Revenue for the period was affected by ridership related to WMATA Safe Track activities.

The liability insurance premium was paid in full in July, resulting in the low operating ratio of 38%. Absent this, the operating ratio would have been 65 percent.

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

FY 2017 OPERATING BUDGET REPORT MONTH ENDED JULY 31, 2016

	CURR. MO. ACTUAL	CURR. MO. BUDGET	YTD ACTUAL	YTD BUDGET	YTD \$ VARIANCE	YTD % VARIANCE	TOTAL FY16 BUDGET
OPERATING REVENUE (\$)							
Passenger Ticket Revenue	3,664,640	3,103,586	3,664,640	3,103,586	561,054	18.1%	38,950,000
Other Operating Revenue	3,210	15,936	3,210	15,936	(12,726)	-79.9%	200,000
Subtotal Operating Revenue	3,667,850	3,119,522	3,667,850	3,119,522	(137,943)	17.6%	39,150,000
Jurisdict. Subsidy (1)	8,798,262	8,798,262	8,798,262	8,798,262	-	0.0%	13,002,382
Federal/State/Other	2,006,181	1,945,883	2,006,181	1,945,883	60,297	3.1%	29,929,051
Jurisdict. Subsidy Appn. from Res.	-	-	-	-	-	0.0%	377,000
Interest Income	8,445	1,667	85,173	18,254	66,919	323.9%	25,000
Total Operating Revenue	14,480,738	13,865,659	14,480,738	13,865,659	615,078	4.4%	82,483,433
OPERATING EXPENSES (\$)							
Deptml. Operating Expenses	9,605,636	9,539,881	9,605,645	9,539,881	(65,764)	-0.7%	75,756,564
Debt Service	-	-	-	-	-	-	6,714,870
Other Non-Deptml. Expenses	-	-	-	-	-	-	12,000
Total Operating Expenses	9,605,636	9,539,881	9,605,645	9,539,881	(65,764)	-0.7%	82,483,433
NET INC. (LOSS) FROM OPS (\$)	4,875,101	4,325,778	4,875,092	4,325,778	549,314	-	-
CALCULATED OPERATING RATIO	-	-	38%	33%	-	Goal	50%

(1) Total jurisdictional subsidy is \$17,250,240. Portion shown is attributed to Operating Fund only.



CAPITAL PROJECTS UPDATES

**AS OF AUGUST 5, 2016*

VRE contractor laying part of the new third track north of US Route 17 in Spotsylvania County.

CRYSTAL CITY STATION IMPROVEMENTS

VRE is preparing to begin development studies to improve the Crystal City Station, our busiest destination station in Virginia. The two design priorities are to extend the existing 390-foot platform to 700 feet to accommodate the full length of an eight-car train and to relocate the platform between Tracks 2 and 3 so two trains can service Crystal City Station at the same time. Nearly two-thirds of Crystal City riders depart the station on foot, so enhancing pedestrian and bike access is vital. VRE also places a priority on enhancing regional connectivity throughout Northern Virginia via Metrorail or buses here.

On July 19, 2016, VRE and Arlington County staff met with the Crystal City Business Improvement District and Vornado Realty Trust to learn about changes anticipated at and around our station. VRE provided a briefing on the upcoming project to Arlington County Board Member Katie Cristol and Arlington County transportation and planning staff on August 4, 2016.



Representatives of Vornado Realty Trust in their Design Lab describe future development plans for Crystal City for VRE Chief Development Officer T. R. Hickey and Manager of Project Development Christine Hoeffner.

MIDDAY STORAGE FACILITY

Midday storage of VRE rolling stock in the District of Columbia is hard to come by. The purpose of this project is to acquire property, conduct the necessary environmental clearance activities and design and construct a permanent midday storage facility for VRE equipment. This will replace the current storage space leased from Amtrak at Ivy City Coach Yard.

Vanasse Hangen Brustlin, Inc. (VHB) is the contractor selected to provide environmental and design services for a new midday storage facility. Notice to Proceed (NTP) and project kick-off are expected in early August. Initial project start-up activities will include project management tasks, stakeholder engagement, and real estate acquisition strategies to support project development. Key stakeholders include Amtrak, Conrail and various D.C. offices.

On August 1, 2016, VRE staff provided a briefing about the Midday Storage Facility to Kenyan R. McDuffie, the D.C. Councilmember for Ward 5 (where the new storage facility would be located). That was followed with an invitation for VRE to address the transportation meeting of the task force of Ward 5 Advisory Neighborhood Commission leadership. VRE officials attended that meeting and addressed questions raised about the project.

MANASSAS PARK STATION PARKING EXPANSION

As the VRE Manassas Park station parking lot is typically full before the last train leaves the station in the morning, additional parking is necessary to meet the needs of riders. Because they often cannot find spots in the lot, VRE riders sometimes park on nearby streets or in a City-owned parking lot, and then walk (or run) over an at-grade crossing to access the station. The problem is projected to get worse, as ridership at this station is expected to grow with new development near the station and enhanced VRE service on the Manassas Line. The best solution, which VRE is currently working to identify, will solve the problem for both today and for future growth.

The Operations Board approved the award of Engineering and Environmental Services to Vanasse Hangen Brustlin, Inc. (VHB) in June 2016. On July 28, a project kick-off meeting was held with staff from the City of Manassas Park and VRE. A field survey was also conducted that morning to observe riders parking in the lot and the surrounding areas prior to boarding the last three morning trains. The project team continues to collect and analyze data to guide major decisions regarding the proposed parking facility, including the size and location, vehicular and pedestrian circulation of its users and the funding plan.



The Manassas Park Station Parking Expansion aims to improve parking options for VRE riders in an area of the City where development continues to expand.

ROLLING ROAD PLATFORM EXTENSION

This project focuses on extending the existing platform and associated canopy modifications at Rolling Road Station in Fairfax County to accommodate longer trains. Extending the platform will allow full-length trains to platform all their doors at Rolling Road, allowing passengers to board and exit the train at a much quicker pace. The proposed expansion project will occur entirely within the Norfolk Southern right-of-way, which cuts down on potential environmental and community impacts.

A site visit is planned for early August to allow VRE Information Technology, Safety and Security, and Facilities and Operations staff to provide on-site comments as well as identify possible issues and constraints associated with planning and design for the platform extension. VRE will also be coordinating with Fairfax County and their plans for potential access and parking improvements at Rolling Road.



The Rolling Road Platform Extension will accommodate longer trains and allow riders to board and detrain at a quicker pace.

LONG BRIDGE FEASIBILITY AND ENVIRONMENTAL STUDIES

The Long Bridge across the Potomac River continues to be a major railroad bottleneck for the Eastern Seaboard and the primary constraint limiting VRE's ability to operate more trains. This project will provide additional railroad capacity at Long Bridge.

VRE is currently collaborating with the District Department of Transportation, the Virginia Department of Rail and Public Transportation, the Federal Railroad Administration and CSX Transportation, the bridge owner, on development activities to expand the crossing, doubling the amount of tracks from two to four. The team is presently conducting engineering and environmental analyses under a U.S. Department of Transportation American Recovery and Reinvestment Act grant. The work will involve analyzing potential bridge replacement and expansion options aimed at improving capacity at the only railroad crossing of the Potomac River between D.C. and Virginia.

The Request for Proposals (RFP) for Phase III, which is for an Environmental Impact Statement (EIS) under the National Environmental Policy Act (NEPA), will document and disclose potential impacts and benefits of expanding and/or replacing Long Bridge, and was advertised on August 3, 2016. The NTP is expected in November 2016. VRE continues to support tasks related to environmental and engineering assessments along with service planning scenarios to create a strong foundation for the upcoming EIS effort.

SPOTSYLVANIA STATION

Spotsylvania Station opened on the Fredericksburg Line in November 2015. The punch list was completed in March of this year and VRE is continuing to process the remaining invoices. Final closeout is anticipated this summer.

FREDERICKSBURG TO CROSSROADS THIRD TRACK

The Fredericksburg to Crossroads Third Track project added approximately 2.5 miles of third track between Hamilton (near Fredericksburg) and Crossroads (in Spotsylvania County). The additional track provides more operational flexibility and increases capacity on a line used for both passenger and freight service.

VRE contractors completed their project work in April and CSXT followed this work by cutting in signals and placing the track into service on May 17, 2016. With the third track officially open for business, project closeout is near. CSXT continues to complete punch list items, the biggest of which is the final surfacing of the new mile of mainline. The remaining items are expected to be complete by the end of summer.



The newly constructed third track between Crossroads and Fredericksburg along Benchmark Road in Spotsylvania County is now in service, as is the new station and 1,500-space parking lot seen further in the distance.

QUANTICO STATION IMPROVEMENTS

VRE has identified several improvements needed at the Quantico Station, including the extension of the existing platform, the addition of an island platform a pedestrian bridge and bus facilities. The project is being developed in conjunction with the DRPT-CSXT Arkendale to Powell's Creek Third Track Project.

It is expected to take six months to construct retaining walls, track, and the platform. Another 12 to 18 months will be required to complete other aspects of the project, which include completing the west tower stairway, elevator, pedestrian overpass and the extension of the existing east platform. The projected in-service date for all of the improvements is mid-2018.

VRE, CSXT and the DRPT are meeting on a bi-weekly basis to encourage communication among the major stakeholders and adhere to scope, schedule and design consistency.

LORTON PLATFORM EXTENSION

The Lorton Platform Extension Project will lengthen the existing platform to accommodate eight-car trains.

The CSXT Construction Agreement (that includes the Right of Entry for the project) was executed at the end of May, allowing for CSXT Engineering Review and CSXT Flagging Support. As of August 5, VRE was coordinating flagging services with CSXT in order to provide a safe environment for tree clearing. The project is expected to resume mid- August with that tree clearing and fiber optic relocation. Once the fiber optic relocation is complete, VRE can give the contractor Notice to Proceed and the project will move forward (as permits are currently being coordinated with Fairfax County).

PENTA-PLATFORMS

The Penta-Platforms Project will enhance existing stations by extending platforms and/or adding second platforms at five Fredericksburg Line stations (Franconia-Springfield, Lorton, Rippon, Brooke and Leeland Road). A contract was awarded to STV in July and a scope and schedule meeting was held on August 2. NTP was issued August 4. VRE has been coordinating flagging availability with CSXT to support future field work, including surveying, geotechnical work, environmental analyses and tasks related to NEPA. After flagging services have been secured and field activities are scheduled, a comprehensive kick off including contractors and major stakeholders will occur.

ARKENDALE TO POWELL'S CREEK THIRD TRACK PROJECT

VRE and DRPT are collaborating on the installation of 11 miles of new third track between Arkendale and Powell's Creek on the CSX Transportation RF&P Secondary. The project is moving forward with earthwork, retaining wall work, new structures (as needed) and corresponding track and signal work after several years of design and project preparations.

Third track construction has continued with attention given to final Potomac Shores configuration, refined Quantico scope and the negotiation of contractual responsibilities among major stakeholders. Bi-monthly meetings continue as all parties work to further clarify their roles.

ALEXANDRIA PEDESTRIAN TUNNEL PROJECT



Passengers cross CSX Transportation's tracks at grade over a wooden walkway that will ultimately be eliminated by VRE's new tunnel.

Currently in the design phase is a pedestrian connection between the Alexandria Union Station and WMATA's King Street-Old Town Metrorail Station and bus transit center. The 60 percent design was submitted in May.

The new tunnel will provide ADA-compliant access between the east and west platforms at Union Station, as well as a connection to Metro, and remove the existing at-grade pedestrian crossing between the platforms at the Alexandria Union Station. In addition, the plan calls for a widening and extension of the existing east platform that will open passenger access to the easternmost track (Track 1 of 3), all to provide better and safer access to and from VRE trains.

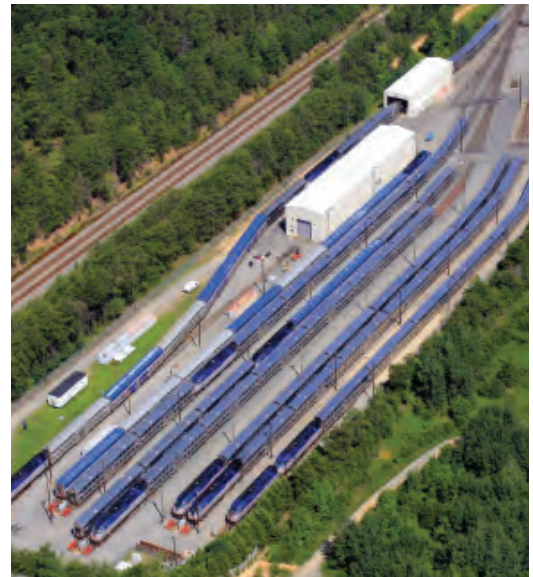
Coordination with Virginia Department of Historic Resources has resolved the east platform canopy issue and we will be going ahead with the design of an inverted canopy with a single support on the platform. This has been an outstanding item for some time and this development is a big one. Coordination with CSXT on the 60 percent plans has resolved issues to advance the design. The City of Alexandria Site permit process has been initiated and, with a nine-month window, will likely continue through the procurement phase of the project. Topic-specific studies will be initiated for construction access and a cost estimate review by third parties.

Overall project design completion is anticipated sometime next spring.

LIFECYCLE OVERHAUL AND UPGRADE FACILITY

Design work continues for a new heavy maintenance facility at the VRE Crossroads Yard in Spotsylvania County. The two indoor tracks will allow for maintenance under the locomotives and rail cars by using a drop table and a wheel truing machine. The new equipment will provide for upkeep and repairs on-site instead of sending vehicles out of the area, allowing for greater efficiency. Two replacement storage tracks will be built on adjacent property along with an upgraded access road to the south end of the property for construction and emergency. Construction is expected to begin in 2017.

Activities in July 2016 focused on property acquisition. Once property appraisals are approved by FTA and the Categorical Exclusion has been filed (with FTA), the Board will be approached for property acquisition. Once approved, awards for both the drop table and the wheel truing machine will be made and the procurement for the construction of the main building will begin.



The Lifecycle Overhaul and Upgrade Facility project will expand maintenance activities and relocate storage tracks at VRE's Crossroads Maintenance and Storage Facility at the end of the Fredericksburg Line in Spotsylvania County.

L'ENFANT (NORTH) STORAGE TRACK WAYSIDE POWER

A stub-end storage track just north of the VRE L'Enfant Station was added several years ago. The current project focuses on CSXT installing powered switches and signaling at both end of the track while VRE constructs the appliances needed to supply power to a VRE train laying over on the track during the midday.

A major milestone was met in June with the installation of the power pedestal for the wayside power appliances. In July, the electrical and construction contractor completed the majority of the installation work and Pepco began making the electrical connections needed to energize the track. It is expected that Pepco will have completed the electrical connections by the end of the summer.

After the testing and inspection of Pepco's work, CSXT will install signal and switch reconfigurations in October. The L'Enfant (North) Storage Track is expected to be available for service after the first of the new year.

L'ENFANT (SOUTH) STORAGE TRACK WAYSIDE POWER

CSXT is increasing the overhead clearance above its main line tracks under L'Enfant Plaza south of the VRE L'Enfant Station in order to operate taller "double-stack" freight trains. They installed a temporary "shoo-fly" track to provide an extra track for operations during construction. Now, with the project nearly complete, CSXT and VRE have agreed to leave the temporary track in place and convert it into 1,350 feet of addition midday storage for VRE trains or as a lay-off track for emergencies.

CSXT is presently improving drainage and the subgrade under the temporary track in order to adapt it to permanent use. On July 22, VRE staff met on-site with CSXT engineering and construction staff to observe progress and coordinate the associated wayside power project.

VRE has contracted with HDR for the design of wayside power appliances for up to two trains during layover. A kick-off meeting for the VRE wayside power project was held on July 12. Bi-weekly calls between VRE staff and CSXT are ongoing in an effort to coordinate technical reviews and refine project details. It is anticipated that CSXT will be able to turn over the track to VRE for use around October 1, 2016, and power will be provided after the first of the new year.



CSXT Project Manager Brandon Knapp leads a walk-through of the L'Enfant (South) Storage Track under L'Enfant Plaza with VRE Project Managers Norine Walker and Oscar Gonzalez.

FACILITIES UPDATE

The following is a status update of VRE facilities projects:

Completed projects:

1. Installation of erosion and sediment controls at Lorton Station to facilitate utility relocation for pending construction of platform extension project
2. Caulking of stairs at Rippon Station
3. Inspection of dry standpipe system at Manassas Station parking garage

Projects scheduled to be completed this quarter:

1. Reinstallation of inter-track fence at Franconia-Springfield station, contingent upon CSX flagman availability
2. Pavement repairs and restriping of several parking lots at Broad Run Station
3. Correction of canopy drainage problem at Crystal City Station
4. Replacement of broken glass panes at Woodbridge Station west elevator/stair tower; pending delivery of glass panels
5. Replacement of parking lot entrance signage at several Fredericksburg lots
6. Installation of monitoring wells on two outfall drainage pipes at Broad Run Yard to allow for accurate discharge sampling for VPDES General Permit compliance
7. Resealing of Spotsylvania Station waiting room floor
8. Repairs to stair railings at Rippon Station
9. Painting of stair railings at Rippon Station
10. Installation of pathfinder signs for Spotsylvania Station



Crossroads Warehouse Office Renovation

Projects scheduled to be initiated this quarter:

1. Canopy roof and gutter replacement at Leeland Road Station, contingent upon CSX flagman availability
2. Development of design of platform concrete rehabilitation at Fredericksburg Station
3. Replacement of platform lighting at L'Enfant Station
4. Painting of Alexandria Station east, Manassas Station, including garage stairwells and railings, and touch-up painting at Woodbridge Station
5. Repairs to damaged railings at Manassas Station parking garage
6. Restriping of Woodbridge Station parking garage
7. Replacement of name/address Braille signage at all stations
8. Installation of inter-track warning signs at various stations
9. Replacement of tactile warning strips at various stations
10. Repairs to fascia and soffit at Woodbridge Station east building
11. Cleaning of ductwork at Woodbridge Station vendor spaces, Quantico Station and VRE Fredericksburg office

Ongoing projects:

1. Elevator modernization project, underway at Franconia-Springfield Station and pending at Rippon Station.
2. Renovations of Alexandria Headquarters communications and server rooms
3. Renovations of Alexandria Headquarters building third floor leased space
4. Installation of utility power status remote monitoring at various stations
5. Design of emergency generator at Woodbridge Station west elevator/stair tower
6. Assist with coordination of Featherstone Wildlife Refuge access stair and ramp construction

UPCOMING PROCUREMENTS

- General Planning Consulting Services
- Graphic Design Services
- Crystal City Station Improvements
- Replacement of Tactile Warning Strips at Station Platforms
- Automatic Parking Counter System
- Automatic Passenger Counter System
- Purchase of Passenger Elevators
- Construction of the Lifecycle Overhaul and Upgrade Facility
- Construction Management Services for the Lifecycle Overhaul and Upgrade Facility
- Hosted Back Office Services for Positive Train Control
- Information Technology Services
- Program Management Services
- Repair and Overhaul of Air Brake Equipment
- Purchase of Replacement Railcar Batteries

NOTES

PROJECTS PROGRESS REPORT

AS OF AUGUST 5, 2016

PASSENGER FACILITIES

PROJECT	DESCRIPTION	PHASE					
		CD	PE	ES	RW	FD	CN
Union Station Improvements (Amtrak/VRE Joint Recapitalization Projects)	Station and coach yard improvements of mutual benefit to VRE and Amtrak.	◆	◆	◆	N/A	◆	●
Alexandria Station Improvements	Pedestrian tunnel to METRO and eliminate at-grade track crossing.	◆	◆	●	N/A	●	—
	Modify Slaters Lane Interlocking and East Platform for passenger trains on Track #1.	◆	●	—	N/A	—	—
	Extend East Platform and elevate West Platform.	◆	—	—	N/A	—	—
Franconia-Springfield Station Improvements	Extend both platforms and widen East Platform for future third track.	◆	—	—	N/A	—	—
Lorton Station Improvements	Extend existing platform.	◆	◆	◆	N/A	◆	●
	Construct new second platform with pedestrian overpass.	◆	—	—	N/A	—	—
Rippon Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass.	◆	—	—	N/A	—	—
Potomac Shores Station Improvements	New VRE station in Prince William County provided by private developer.	◆	◆	◆	N/A	●	—
Quantico Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass.	◆	◆	◆	N/A	●	—
Brooke Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass.	◆	—	—	N/A	—	—
Leeland Road Station Improvements	Extend existing platform, construct new second platform with pedestrian overpass.	◆	—	—	N/A	—	—
Spotsylvania Station Improvements	New VRE station in Spotsylvania County near the Crossroads MSF.	◆	◆	◆	N/A	◆	◆
Manassas Park Parking Expansion	Parking garage to increase parking capacity by 1,100 spaces.	◆			N/A		
Rolling Road Station Improvements	Extend existing platform.	◆	—	—	N/A	—	—
Broad Run Station Improvements	Parking garage to increase parking capacity by 900 spaces.	◆	◆	■	N/A	—	—

PHASE: CD – Conceptual Design PE – Preliminary Engineering ES – Environment Screening RW – Right of Way Acquisition

1 Total project cost estimate in adopted FY2017 CIP Budget

2 Does not include minor (< \$50,000) operating expenditures

ESTIMATED COSTS (\$)						COMPLETION		STATUS
Total	Funded	Unfunded	Authorized	Expended	Percent	Date		
3,201,176	3,201,176	–	1,451,176	574,706	75%	4th QTR 2016	●	Work resumed in April 2016.
10,021,865	10,021,865	–	2,200,824	1,502,663	51%	3rd QTR 2017	●	60% Comments under review.
7,000,000	7,000,000	–	467,500	–	5%	3rd QTR 2017	●	CSXT Force Account agreement signed; work anticipated to begin 3rd Quarter 2016.
2,400,000	400,000	2,000,000	–	–	5%	3rd QTR 2017	●	West Platform elevation funded.
13,000,000	13,000,000	–	–	–	5%	TBD	●	Part of Penta-Platform program. NTP issued August 4, 2016.
2,500,000	2,500,000	–	–	410,351	16%	3rd QTR 2018	●	Right of entry and flagging being coordinated with CSXT.
16,140,000	16,140,000	–	–	–	5%	3rd QTR 2017	●	Part of Penta-Platform program. NTP issued August 4, 2016.
16,633,535	16,633,535	–	–	–	5%	1st QTR 2020	●	Part of Penta-Platform program. NTP issued August 4, 2016.
No costs for VRE. Station being developed by private developer					25%	3rd QTR 2017	●	Being coordinated in conjunction with the DRPT/CSX Arkendale to Powell's Creek Third Track Project.
9,500,000	9,500,000	–	–	–	10%	4th QTR 2018	●	Being coordinated in conjunction with the DRPT/CSX Arkendale to Powell's Creek Third Track Project.
14,650,000	9,264,300	5,385,700	21,790	–	5%	3rd QTR 2021	●	Part of Penta-Platform program. NTP issued August 4, 2016.
14,000,000	9,264,300	4,735,700	–	–	5%	3rd QTR 2020	●	Part of Penta-Platform program. NTP issued August 4, 2016.
3,422,500	3,422,500	–	3,901,886	3,620,000	99%	3rd QTR 2016	●	Project complete. Proceeding with close-out.
500,000	–	–	500,000	–	5%	2nd QTR 2018	●	NTP issued in July, 2016. Kick off meeting on July 12; site visit on July 28, 2016.
2,000,000	2,000,000	–	–	–	5%	3rd QTR 2020	●	NTP issued to Dewberry; project kick-off held in May 2016; site visit anticipated in early August
24,420,000	12,998,282	11,421,718	2,031,263	393,120	30%	TBD	■	NEPA documents submitted to FTA for review.
FD – Final Design CN – Construction STATUS: ◆ Completed ● Underway ■ On Hold								

TRACK AND INFRASTRUCTURE

PROJECT	DESCRIPTION	PHASE					
		CD	PE	ES	RW	FD	CN
Hamilton-to-Crossroads Third Track	2¼ miles of new third track with CSXT design and construction of signal and track tie-ins.	◆	◆	◆	N/A	◆	◆

MAINTENANCE AND STORAGE FACILITIES

Broad Run Yard Train Wash	New train wash facility to be added to the Broad Run MSF.	◆	◆	◆	N/A	◆	■
L'Enfant North Storage Track Wayside Power	Conversion of existing siding into a midday train storage track.	◆	◆	◆	N/A	◆	●
Lifecycle Overhaul and Upgrade Facility	New LOU facility to be added to the Crossroads MSF.	◆	◆	◆	N/A	◆	●

ROLLING STOCK

Passenger Railcar Procurement	Acquisition of 29 new railcars (8 received • 12 being built • 9 pending).	◆	N/A	N/A	N/A	◆	●
Positive Train Control	Implement Positive Train Control for all VRE locomotives and control cars.	◆	N/A	N/A	N/A	◆	●

PLANNING, COMMUNICATIONS AND IT

Gainesville-Haymarket Extension	NEPA and PE for an 11-mile extension of VRE service over the NS B-Line to I-66 near Haymarket.	◆	●	●	—	—	—
Mobile Ticketing	Implementation of a new mobile ticketing system.	◆	N/A	N/A	N/A	◆	●

PHASE: CD – Conceptual Design PE – Preliminary Engineering ES – Environment Screening RW – Right of Way Acquisition

1 Total project cost estimate in adopted FY2017 CIP Budget

2 Does not include minor (< \$50,000) operating expenditures

ESTIMATED COSTS (\$)					COMPLETION		STATUS	
Total	Funded	Unfunded	Authorize	Expended	Percent	Date		
32,500,000	32,500,000	–	32,823,227	22,907,609	98%	3rd QTR 2016	●	Anticipated project closeout fourth quarter 2016.
2,494,711	307,513	2,187,198	307,513	174,875	55%	TBD	■	Design 90% complete; on hold.
4,283,618	4,283,618	–	4,207,057	1,243,079	30%	4th QTR 2016	●	Power construction 50% complete
35,100,000	22,500,000	0.00	3,146,403	2,201,768	60%	1st QTR 2018	●	Design 100% complete. Bids received for long-lead equipment.
75,264,693	75,264,693	–	72,296,772	36,956,114	49%	4th QTR 2018	●	Eight cars received in FY 2015, 7 cars have been received in FY 2016 and 5 cars scheduled to be received in FY 2017.
10,553,000	10,553,000	–	7,980,877	6,362,506	80%	4th QTR 2018	●	Onboard installations ongoing.
291,724,300	5,823,052	285,988,586	4,815,163	1,761,616	15%	3rd QTR 2022	●	Planning underway: travel demand analysis/ridership projection, alternatives analysis, public outreach and conceptual engineering.
3,510,307	3,510,307	–	3,510,627	1,415,307	50%	1st QTR 2017	●	Integration with S&B system complete. Mobile now accounts for about 12% of monthly revenue and more than 25% of all tickets sold.
FD – Final Design CN – Construction ◆ Completed ● Underway ■ On Hold								



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RESOLUTION #2320

SUBJECT: Referral of VRE's Preliminary FY2018 VRE Operating and Capital Budget to the Jurisdictions

WHEREAS: The VRE Master Agreement requires the VRE Operations Board submit to the Commissions a preliminary fiscal year budget by September 30th each year;

WHEREAS: The VRE Chief Executive Officer has provided the VRE Operations Board with the preliminary FY2018 Operating and Capital Budget;

WHEREAS: At its September 16, 2016 meeting, the VRE Operations Board took action to refer the preliminary FY2018 Operating and Capital Budget to the Commissions for their consideration; and

WHEREAS: The VRE Operations Board recommends the following action.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission hereby authorizes the preliminary FY2018 VRE Operating and Capital Budget be forwarded to the jurisdictions for their formal review and comment.

BE IT FURTHER RESOLVED that NVTC directs staff to consider and address comments by the jurisdictions and to forward a final recommended budget to the VRE Operations Board at the December 2016 meeting for consideration and referral to the Commissions for adoption in January 2017.

Approved this 6th day of October 2016.

Jay Fiset
Chairman

Paul C. Smedberg
Secretary-Treasurer

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FY 2018 PRELIMINARY BUDGET



September 16, 2016

Revised 9/27/16 for Commissions



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OVERVIEW

- Action requested: refer budget to Commissions and jurisdictions for review and comment.
- Purpose of presentation:
 - Highlight major assumptions and issues
 - Solicit Board comments and concerns



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BUDGET PROCESS

- “Key Issues” presented in July
- Preliminary budget required by Master Agreement – September
- Involvement by CAO Taskforce & Capital Committee
- Balanced budget presented at December Board meeting



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MAJOR ASSUMPTIONS

- 18,000 Average Daily Ridership
 - Reduction from 19,100 ADR in Approved FY2017 Budget
 - 17,767 ADR in FY2016 Ridership
- 3% fare increase
- No jurisdictional subsidy increase proposed
- Service level remains at 34 VRE trains



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MAJOR ISSUES

- Operating budget:
 - \$4.39M preliminary gap
 - Was \$2.8M gap in Sept. 2015
 - Financial Plan projections
 - Revised ridership projections
 - State funding for access fees



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MAJOR ISSUES

- Capital budget:
 - State capital funding – FY 2018 and future
- Lower state capital funding could delay completion of priority projects
 - Mid-day storage
 - WUT improvements
 - PTC follow-on costs



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STATE FUNDS: FY 2018

- Funding at FY 2017 level in FY 2018 Preliminary Budget
 - Allows VRE to maximize potential grant award

Percentages	Tier I	Tier II	Tier III
VRE	68%	34%	17%
State Est.	68%	30%	13%
Grant Variance			
Cap Projects	-	\$900K	\$350K
Access	-	\$290K	-

- Alternate funding
 - Capital Reserve for cap projects - \$1.25M (from bal. of \$24M at 6/30/16)
 - Operating contingency for access fees - \$290K



STATE FUNDS: FY 2019 – FY 2022

- State future estimates

Year	Tier I	Tier II	Tier III
FY 2019	68%	14%	0%
FY 2020	68%	10%	0%
FY 2021	68%	24%	7%
FY 2022	68%	31%	14%

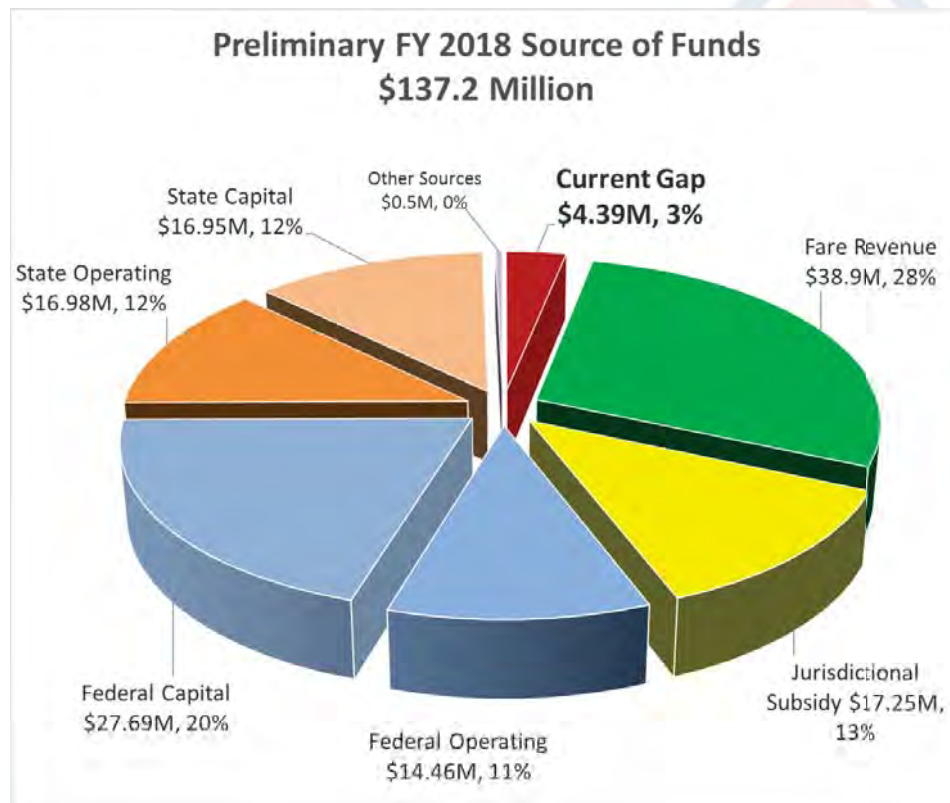
- Rev. Advisory Board reviewing alternatives/options
- **Potential** impact on VRE during four year period:
 - Reduce capital program by \$13.3M in FY19 and FY20
 - Higher local capital match of \$4.3M or \$1.1M/year
 - Higher local match for access of \$6.1M or \$1.5M/year

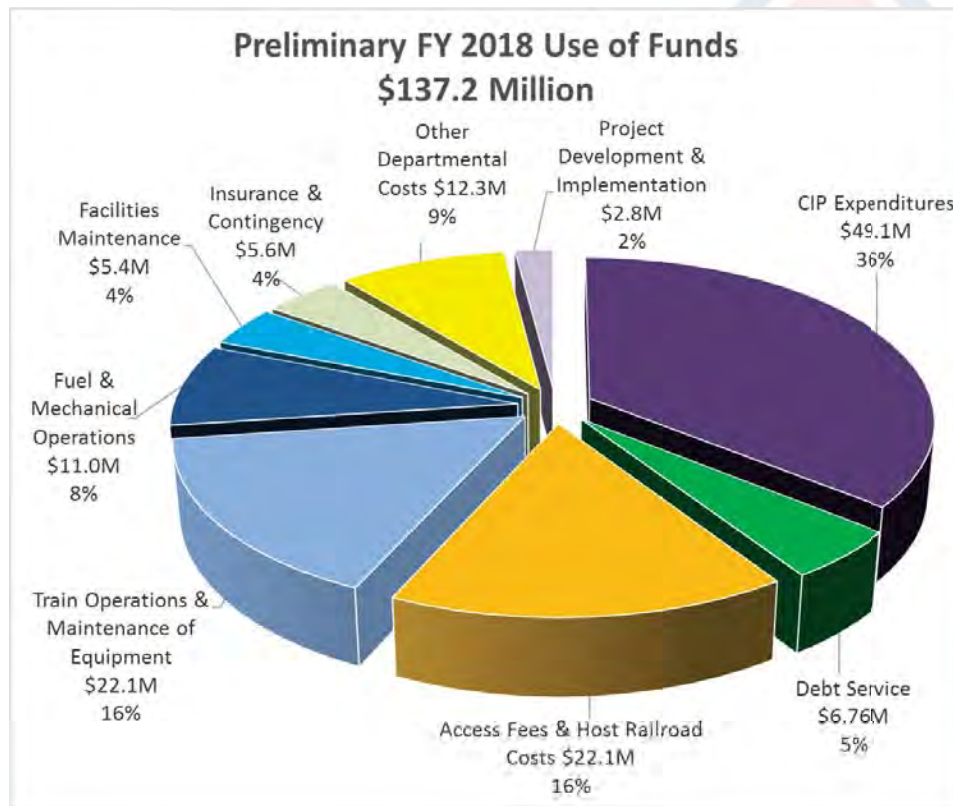


OPERATIONS

Operating Budget Changes, Why a gap?

- Revision of Ridership (\$2.3M)
 - 3% Fare Increase (+\$1.1M)
 - State Operating Funds (+\$1.0M)
 - 2% Contingency (\$798K)
 - Legal Expenses (\$200K)
 - Project Dev. & Imp. Consulting (\$1.09M)
 - Facilities Maint., Snow & Custodial (\$500K)
 - Contractual Costs, Keolis, Amtrak, NS, CSX (\$1.65M)
 - Increased Step-Up Costs (Amtrak, \$240K)
- 50% fare ratio required, preliminary budget is at 49%





OPERATIONS

Closing the Gap

- Evaluate projected ridership & revenue trending
 - Each +100 to ADR equals an additional \$213K in Revenue
 - Each +\$0.05 change in Average Fare equals an add. \$231K in Revenue
- Line-Item review of Departmental Budgets
- Qualifying one-time items, use of Prev. FY Surplus
- Options to defray the rising Step-Up Ticket costs
- Update contractual amounts as cost driver rates become known (CPI, ADR, etc.)
- Evaluate elimination of two deadhead trains
- Ensure we meet the 50% fare ratio required.



CAPITAL PROGRAM OVERVIEW

- Total capital budget FY18 of \$49.1M
 - Federal formula funded projects with state and local match \$35.5M
 - Capital Reserve Contribution: \$3.0M
 - CMAQ/REF projects
 - Broad Run Parking Imp. (CMAQ): \$5.3M
 - Brooke Platforms (REF): \$2.7M
 - Leeland Road Platforms (REF): \$2.7M



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CAPITAL PROGRAM CATEGORIES

- Asset Management (SGR)
- Passenger Station Facilities
- Rolling Stock
- Station Parking
- Track and Signal Infrastructure
- Train Maintenance and Storage Facilities (Yards)
- General (includes Capital Reserve)

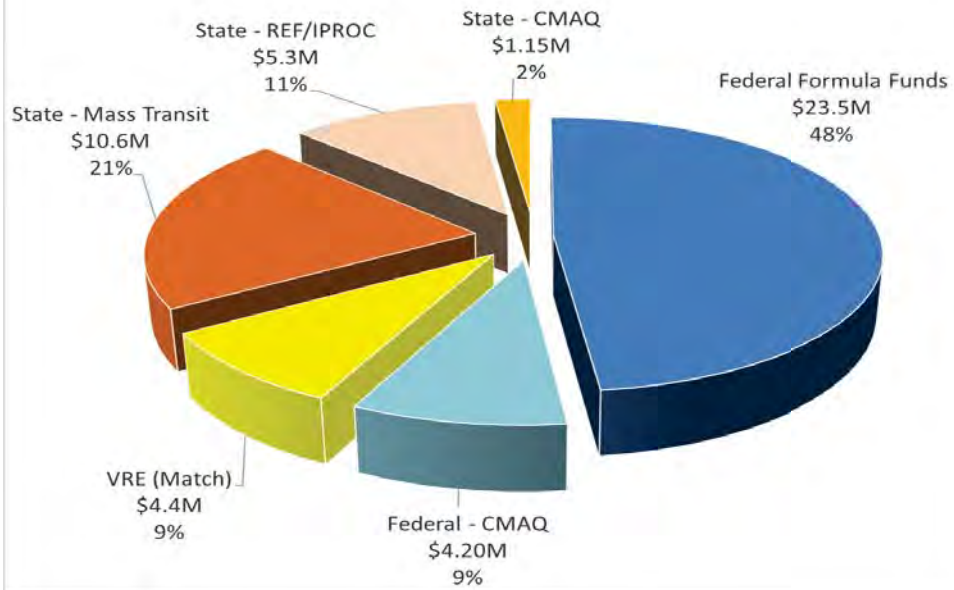


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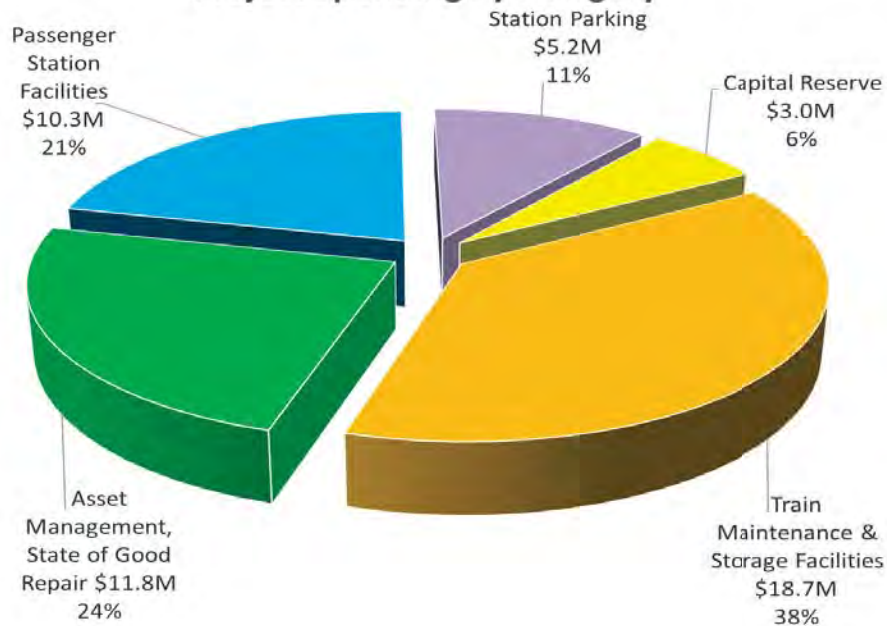
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Capital Program FY 2018 Source of Funds \$49.1M Total



Capital Program FY 2018 Project Spending by Category



CAPITAL - STATE FUNDS

- State capital funds
 - Assumes 16% except for mid-day train storage, Washington Union Station and Positive Train Control budgeted at 34%
 - No bond funds for State capital after FY 2019 - cause of % decrease
- Impact of change in state capital funding
 - FY 2018 \$1.25M increase to local match needed
 - Reduce available resources by \$13.3M in FY19 and FY20 and increase local match by approximately \$1.1M a year from FY19 through FY22
 - Could delay mid-day storage replacement



CAPITAL - FEDERAL FUNDS

- Current federal 5307/5337 estimate is \$29.2M
 - \$2.1 increase from FY 2017 budget, based on FY 2017 actual
- Mid-day storage, Washington Union Station improvements and Positive Train Control funded at 62% federal and 34% state.
- All other capital projects funded at 80% federal, 16% state and 4% local



PRIORITY PROJECTS – FY18 FEDERAL FORMULA FUNDS

Debt Service - \$6.6M

Asset Management/State of Good Repair)

- Equipment Asset Management Program \$4.9M
- Facilities Asset Management Program \$2.8M
- Positive Train Control \$3.6M
- Security \$490K

Train Maintenance and Storage Facilities

- Mid-day Train Storage \$18.7M

Passenger Station Facilities

- Washington Union Station Improvements \$5.0M



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FY18 CIP FISCAL CHALLENGES

- Priority projects requires juggling of all of available formula funding

Unfunded projects – FY18 : \$13.0M

- L'Enfant Station Improvements :\$4.03M
- Alexandria Station Improvements :\$1.2M
- Crystal City Station Improvements : \$6.69M
- Fourth Track Virginia Ave. to L'Enfant : \$1.1M



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NEXT STEPS

- Refer Preliminary FY 2018 budget to Commissions and jurisdictions
- Review revenue sources, expenditures and incorporate use of one-time funds
- Continue to work with the CAO Budget Task Force and the Capital Committee
- Refine current FY 2017 budget and make recommendations for any adjustments mid-year in December



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QUESTIONS?



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VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Action Item 8-A
Action Item

To: Chairman Skinner and the VRE Operations Board

From: Doug Allen

Date: September 16, 2016

Re: Referral of Preliminary FY 2018 VRE Operating and Capital Budget to the Commissions

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to refer the Preliminary FY 2018 VRE Operating and Capital Budget to the Commissions for their consideration, so the Commissions, in turn, can refer these recommendations to the jurisdictions for their review and comment.

Background:

In accordance with the VRE Master Agreement, which outlines the process for annual budget approval, the preliminary FY 2018 VRE Operating and Capital Budget is attached for review. The Budget Key Issues considered by the Operations Board in July are also provided as an attachment. Since July, VRE staff has met with the CAO Taskforce to discuss jurisdictional budget issues and concerns and to review current VRE budget projections.

During the last year, a Financial Plan was developed to forecast the cost of current operations and various growth scenarios through FY 2040, the period covered by the VRE System Plan. The Financial Plan established that even to maintain the current level of service, VRE requires substantial operating and capital funding that cannot be met with currently identified funding sources. The chart below shows the average annual need if



Northern Virginia
Transportation Commission
2300 Wilson Blvd, #620
Arlington, VA 22201
703.524.3322



Virginia Railway Express
1500 King Street, Suite 202
Alexandria, VA 22314
703.684.1001
VRE.org



Potomac and Rappahannock
Transportation Commission
14700 Potomac Mills Road
Woodbridge, VA 22192
703.580.6121

VRE were to maintain service, enhance the system capacity to meet the future growth in the region, or implement the full System Plan.

Results of Financial Plan Forecast – March 2016			
Scenario	Average Annual Operating Gap	Average Annual Capital Gap	Total Average Annual Gap
Steady State	21.2M	20.5M	41.7M
Natural Growth	9.7M	34.8M	44.5M
System Plan 2040	14.3M	52.1M	66.4M

These funding gaps over a long term horizon are also apparent in the preliminary FY 2018 operating and capital budgets and the FY 2018 – FY 2023 six-year forecast and CIP.

The Financial Plan forecast is being used to inform efforts to develop new sources of operating and capital funding. During FY 2017, the Commonwealth Transportation Board will review the forecast and report back to the General Assembly.

VRE's *Financial and Debt Principles* addresses the prioritization of projects within the Capital Improvement Program and states:

Projects included in VRE's Capital Improvement Program will be prioritized with emphasis on regulatory requirements, the maintenance of equipment and facilities to support current service levels, and provisions for passenger safety.

In addition to these first level priorities, the CIP decision-making emphasizes the commitment to ensure the development of the railroad infrastructure in the CSXT territory; project readiness; funding availability; and the identification of funding to complete projects with some but not total funding.

During the FY 2018 budget year, VRE will operate 34 daily trains and continue our safety and customer service outreach programs. Five expansion railcars will be in service at the beginning of the fiscal year and some or all of an additional nine rail cars will be received during the year.

The major budget issues for FY 2018 are adequate and timely funding of the replacement facility for mid-day storage of rolling stock equipment, while also advancing other crucial projects, and meeting required and necessary increases to operating expenses.

Discussion:

The FY 2018 preliminary budget totals \$137.2 million. The budget includes a 3% fare increase with no subsidy increase and has a current net unfunded amount of \$4.39M. As in the past, VRE will submit a balanced budget to the jurisdictions in the beginning of December for evaluation prior to submission to the Operations Board later that month.

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

1. **Fare revenue:** Fare revenue is budgeted at \$38.9 million with a 3% fare increase. The last fare increase of 4% occurred at the beginning of FY 2016. Ridership is estimated at 18,000 Average Daily Riders (ADR) with service at the current budgeted level of 34 daily trains (32 revenue trains). ADR in FY 2016 was 17,767. Current and projected ridership trends, combined with operating cost increases, raise concerns about attaining the required 50% fare ratio. We will continue to review and monitor as we proceed through the budget process.
2. **Jurisdictional subsidy:** The subsidy is currently budgeted at \$17.25 million, with no increase from FY 2017. The last subsidy increase was 5% in FY 2017.
3. **Federal funds:** The FY 2018 preliminary budget is based on the most recent funding level of \$29M, an increase from the FY 2016 budgeted amount of \$27M.
4. **State operating funds:** Commonwealth operating assistance of \$10.5 million was received in FY 2017. The FY 2018 preliminary budget is based on \$10.0 million.
5. **State capital funds:** For the last several years, Commonwealth capital funding has been projected at either: a) 16% of the total project cost, when used as match to 80% federal funding; or b) one of the three funding tiers of 68%, 34% or 17% of gross project costs, regardless of the amounts of federal funding assigned to the project. However, in their most recent Six-Year Plan the State projected a decrease to these percentages beginning in FY 2018 and decreasing even more substantially in FY 2019 and FY 2020. The preliminary budget for FY 2017 is based on current levels, although this will be further evaluated during the course of the budget cycle. The most significant impacts of a decrease would be: delays in funding the midday storage project, which is currently relying on 34% State funds; and considerable decreases in the amount of funding for access fees and match funds for the equipment asset management program.
6. **Access fee funding:** Since FY 2015, DRPT has allowed VRE to apply for multiyear agreements for track access fee reimbursement. For FY 2018, reimbursements are currently being estimated at a level similar to FY 2017, with an 84% combined rate for both federal STP funds allocated through the state and a state capital match. Both Norfolk Southern and Amtrak access costs remain under existing multi-year agreements. CSX access fees will be paid under a new five year agreement beginning in FY 2018; VRE will request that the State continue to fund CSX access at the 84% rate, despite a possible decrease to the funding tiers as described above.
7. **Capital program:** Capital needs have been identified and prioritized and funding sources have been considered within the available federal formula funds and existing

allocations through CMAQ, NVTa regional funds or other sources. The multi-year CIP will also include needed projects for which funding has not yet been identified. The largest capital expense is \$18.7M for the equipment storage project. An annual capital reserve contribution of \$3 million is also included.

8. **Contractual increases:** The CSX access fees currently have an annual contractual increase of 4%. VRE is negotiating a new five year agreement to begin in FY 2018. Access fees paid to Norfolk Southern are based on changes to the AAR, a nationally published index of railroad costs, and increases to Amtrak access fees for FY 2018 will be based on a three year average of their annual costs, inflated to the budget year, and apportioned to all users of Washington Union Terminal. Norfolk Southern and Amtrak increases are budgeted at 4% in the preliminary budget. The bulk of the Keolis contract costs increase by the annual change to the CPI, currently budgeted at 3%. The actual AAR and CPI rates will be available prior to budget adoption.
9. **Fuel costs:** Fuel expenses of \$4.9 million are budgeted based on a per gallon cost of \$2.95.
10. **Legal costs:** Budgeted amounts for legal costs have been increased to reflect the actual costs in recent years due to procurement activities and other activities related to an active capital construction program.
11. **Staff changes:** The preliminary budget includes no additional staff for FY 2018. We will continue to review resource needs as we proceed through the budget process.

The major significant changes in the FY 2018 proposed budget compared to the adopted FY 2017 budget are as follows, including those issues discussed in more detail above:

Revenue:

- No increase in *Jurisdictional Subsidy*.
- \$30K decrease in *Fare Revenue* due to the revised projected level of ridership and the budgeted 3% fare increase, as described above.
- \$1.07M decrease in *Other Sources*, primarily capital reserve funded capital projects and one-time expenditures. Additional one-time funds will be included in future drafts of the FY 2018 budget, as appropriate.
- \$2.3M decrease in grant funds for CMAQ and REF projects; these decreases are offset by a decrease in project costs.
- Increase of \$2M to the budget for federal formula funds, as noted above.
- Increase of \$1M to the \$9M budgeted in FY 2017 for state operating assistance. (Actual amount received in FY 2017, as noted above, was \$10.5M.)

Operating and capital expenses:

- \$1.2M increase related to expected planning, development and project implementation needs.
- \$200K increase for projected legal costs as noted earlier in this memorandum.
- \$1.66M for contractual increases for train operations and maintenance, mid-day services and access fees.
- \$854K increase in Facilities Maintenance, primarily for projected contractual custodial and snow removal cost increase.
- Increases of \$194K in IT primarily for software maintenance and communication costs; and \$168K primarily for increased ticket sales costs/commissions and credit card processing related to fare media purchases.
- Restoration of a 2% operating contingency, an increase from FY 2017 of \$798K.
- The total capital budget is projected at \$49.1 million.
- Projects funded with federal formula funds include:
 - \$2.76M for facilities asset management
 - \$4.9M for equipment asset management
 - \$386.4K for replacement and addition of security cameras
 - \$18.7M for mid-day equipment storage
 - \$3.6M for additional Positive Train Control funding
 - \$5M for improvements at Washington Union Terminal
 - \$105K for security enhancements (a 5307 grant requirement) to be used for LED lighting improvements
 - \$3.0M annual contribution to the capital reserve
- Projects funded primarily with other sources include:
 - Broad Run parking improvements – CMAQ - \$5.25M
 - Brooke and Leeland second platforms – REF - \$5.3M
 - Rippon platform improvements – CMAQ - \$0.8K

Fiscal Impact – FY 2018 Budget:

Additional draft budgets will be formulated during the fall and reviewed with the CAO Budget Task Force resulting in a balanced budget by December 2017.

Attached are the following:

- FY 2018 Key Budget Issues
- FY 2018 Sources and Use
- FY 2018 Summary Budget

**Virginia Railway Express
Operations Board**

**Resolution
8A-09-2016**

**Referral of Preliminary FY 2018 VRE Operating and
Capital Budget to the Commissions**

WHEREAS, the VRE Master Agreement requires the VRE Operations Board submit to the Commissions a preliminary fiscal year budget by September 30 each year; and,

WHEREAS, the VRE Chief Executive Officer has provided the VRE Operations Board with the preliminary FY 2018 Operating and Capital Budget;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board refers the preliminary FY 2018 Operating and Capital Budget to the Commissions for their consideration; and,

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

BE IT FURTHER RESOLVED THAT, VRE staff is directed to consider and address comments by the jurisdictions and to forward a final recommended budget to the VRE Operations Board at the December 2016 meeting for consideration and referral to the Commissions for adoption in January 2017.

Approved this 16th day of September 2016.

Gary Skinner
Chairman

Maureen Caddigan
Secretary

Proposed FY 2018 Key Issues

The key issues described below apply to the development of the FY 2018 Budget and CIP and to the six-year financial plan, which provides a consolidated financial projection over a multi-year time frame.

Key Issue #1: Level of service: *Some trains are currently at or over 100% capacity. Planned service improvements include the lengthening of peak trains as additional rail cars are received.*

The addition of the Fredericksburg line train in FY 2016 was expected to minimize the overcrowding and the capacity issues at stations further up the line, and we continue to monitor this effect. Five rail cars were ordered in FY 2015 and an additional nine were ordered in FY 2016. These additional rail cars along with infrastructure improvements to stations and storage yards will allow for the lengthening of existing peak trains and provide an opportunity to convert two existing “deadhead” trains on the Manassas line to revenue service. No new trains are funded during the FY 2018 – FY 2023 time frame.

Key Issue #2: Jurisdictional subsidy and fare increases: *The VRE service currently must be supported within the confines of jurisdictional budget constraints and a competitive and equitable fare structure. As noted above, the Financial Plan forecast was the first step in quantifying the need for additional ongoing dedicated funding sources to support both the operating and capital needs of the commuter rail service.*

VRE has had three fare increases in the last six fiscal years (FY 2013, FY 2014 & FY 2016) in order to maintain the level of service without being excessive in cost to the rider. The FY 2017 six-year financial forecast projected a fare increase of 3% in FY 2018. This increase will be evaluated as the budget process continues, with consideration given to market factors, system funding needs, commuter benefit levels, comparison to relevant indices, and a preference for biennial increases.

The jurisdictional subsidy amount was increased by 5% in FY 2017 to approximately the total subsidy amount paid in FY 2009. The FY 2017 six-year financial forecast projected no change to the total subsidy amount in FY 2018, and a subsidy increase of 3% for FY 2019. With the decreased gasoline costs over the last two years, several of the jurisdictions who were exclusively relying on the fuel tax to pay the VRE subsidy are no longer able to do so.

Key Issue #3: Maintenance and Replacement of VRE Assets: *As noted above, the maintenance of equipment and facilities to support current service levels is a priority in the VRE capital program. Federal formula funds devoted to maintaining transit assets in a “State of Good Repair” are expected to provide for these costs over the life-cycle of VRE’s assets. However, replacement of the fleet at the end of the expected useful life of the equipment will require additional funding mechanisms.*

The federal priority of maintaining transit systems in a “State of Good Repair” has been continued in the Fixing America’s Surface Transportation (or FAST) Act, the current federal transportation authorization, and the funds to adequately maintain equipment and facilities will be available from this source. VRE’s ongoing transit asset management initiatives will be used to refine the costs that were included in the prior year budget and CIP for related projects.

Because VRE’s current fleet of railcars and locomotives were purchased during a compressed time period, the replacement of the fleet at the end of its useful life is projected to be needed during a five-year period beginning in FY 2030, at an estimated cost of approximately \$450M. Although this need falls well beyond the projection period in the annual budget and CIP, this issue was highlighted in the longer-term Financial Plan forecast.

Key Issue #4: Midday Storage: *The construction of alternate midday storage facilities will require a significant funding commitment over the next several years.*

The current agreement with Amtrak includes provisions for Amtrak to reclaim VRE’s midday storage space at the Ivy City yard for their own use during the next several years. As a result, VRE must proceed expeditiously to replace the storage yard now used at Ivy City. Work done on the project thus far indicates that it will require a substantial portion of available federal formula funds over the term of the FY 2018 – FY 2023 CIP and may require the identification of other funding sources.

In addition to the replacement of the current storage tracks, VRE needs to increase midday train storage beyond what is currently available in order to provide for storage of all existing trains. This will be accomplished with the completion of storage tracks north and south of the L’Enfant station during FY 2017.

The new storage yard is expected to have the capacity to accommodate future growth as well as replace the current storage slots.

Key Issue #5: Resources needed to implement the capital program: *Capital improvements needed to support the current level of VRE service, to increase railroad infrastructure capacity in the VRE service territory or to grow the system to meet future expected demand require the identification and commitment of funds beyond those currently available to VRE.*

Each of the existing sources of capital funding that VRE relies on has inherent limitations. State capital funding is expected to drop off sharply in FY 2019 and FY 2020 when bond funding supporting the state matching percentage is no longer available. Federal funding has increased considerably over the last several years, but the limitations on the use of our major source of federal funds, the 5337 or State of Good Repair program, will further complicate our capital funding picture. NVTa regional funding continues to be available on a discretionary basis for certain VRE capital projects, but only for those located within the

NVTA jurisdictions, which has created an imbalance of funding sources within VRE. Local sources of funding are limited and must compete with other jurisdictional funding priorities.

Key Issue #6: VRE staff level: *VRE needs the staff resources necessary to operate and administer the commuter rail system safely, efficiently and in compliance with all federal and state requirements and to advance the capital program in accordance with system needs and funding commitments.*

Since inception, the administration and oversight of the commuter rail system has been accomplished by a relatively small permanent staff, supplemented at times with assistance on a contract or temporary basis. For a number of years, as the system itself grew and developed, along with a continuing increase in internal and external requirements, the staff level did not keep pace. However, three new permanent positions and the replacement of three contract positions with VRE staff positions were funded in FY 2016 and an additional four new full time positions were funded in FY 2017. VRE management is currently reviewing existing staffing resources and potential needs for FY 2018, particularly in regard to resources needed to advance the capital program.

Key Issue #7: Renewal of CSX operating access agreement: *The VRE five-year operating access agreement with CSX Transportation expired on June 30, 2016. In May 2016, the VRE Operations Board approved a one-year extension of this agreement through June 30, 2017.*

Throughout this one-year extension period, VRE, CSXT and DRPT will meet to determine capacity enhancement projects, to prioritize these projects, to establish methodologies to identify how the capacity enhancements will result in additional service for VRE and to identify potential funding sources. VRE staff anticipates these elements will be integrated into the new Amended and Restated Agreement. The potential fiscal impact will be monitored throughout the FY 2018 budget process and reflected as appropriate.

Key Issue #8: Statewide transit funding: *Projections of available statewide transit funding for operations and capital projects in FY 2018 and future years indicate the possibility of substantial decreases in certain years.*

In the latest information presented to the Commonwealth Transportation Board (CTB) on June 13, 2016, the total level of operating assistance available statewide is projected to increase slightly through FY 2022. However, the expansion of WMATA's Silver Line (Phase II scheduled to open 2020) will materially impact the amount received by VRE and other transit providers in future years. Despite some additional revenue as a result of legislation passed in the 2015 session, state capital funding is expected to drop off sharply in FY 2019 and FY 2020 when bond funding supporting the state matching percentage is no longer available, as noted above. One significant issue for VRE is the matching percentage for state grants for track access in any multi-year agreements entered into during this time frame. VRE staff will continue to monitor future levels of available state funding.

FY 2018 Sources and Uses

LEVEL OF SERVICE FOR FY18

34 trains

18,000 Average Daily Riders

Leases

17,440,000

Amtrak

6,640,000

Total Access Fees

-

NS

3,400,000

Total Access Fees

17,440,000

CSX

7,400,000

Total

17,440,000

USES OF FUNDS	SOURCES OF FUNDS					
	FARE INCOME	INTEREST	MISC	LOCAL SUBSIDY	OTHER SOURCES	STATE OPERATING
Operating Expenses	38,920,500	25,000	200,000	16,761,595	300,000	5,929,600
Non-Operating Expenses:						
Operating Reserve						
Debt Svc (Gallery IV) (11 Cabcars)				83,000		
Debt Svc 60 Railcars (Local)				77,254		
Debt Svc 60 Railcars (Fed/State/Local)				110,442		
Non-Operating Summary	6,797,870	-	-	457,619	-	1,056,708
Total Expenses (Subtotal)	38,920,500	25,000	200,000	17,219,214	300,000	6,986,308
Capital Projects:						
Facilities Asset Management Program				110,400		
Security Cameras				15,456		
Equipment Storage Projects				749,779		
Positive Train Control (PTC)				145,553		
Equipment Asset Management Program				196,000		
Security Enhancements				4,200		
Washington Union Station Improvements				200,000		
Capital Reserve				3,000,000		
Capital Project Summary	38,534,700	-	-	4,421,388	0	10,614,546
CMAQ/REF/IPROC						
Rippon Platforms (CMAQ)				-		
Broad Run Parking Imp. (CMAQ)				-		
Brooke Platforms (REF)				-		
Leeland Road Platforms (REF)				-		
Summary	10,541,100	-	-	-	-	6,341,820
TOTAL	38,920,500	25,000	200,000	21,640,602	300,000	23,942,674

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FY18 subsidy surplus (deficit)

17,250,240

(4,390,362)

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TOTAL	38,920,500	25,000	200,000	21,640,602	300,000	23,942,674

Soft Capital Projects	Program	Funding	Federal Amt	State Amt
Debt Service 11 Cabcars	1,931,357	5337	1,545,086	309,017
Access lease funding (50%/34%)	17,440,000	SSTP/State	8,720,000	5,929,600
Access lease funding (50%/30%)	-	SSTP/State	-	-
Debt Service 60 Railcars	110,442		-	-
Debt Service 60 Railcars	1,947,113	5337	1,557,690	311,538
Debt Service 60 Railcars	2,725,958	5307	2,180,766	436,153
Grant & Project Management	575,000	5307	460,000	-
Grant & Project Management				-
Subtotal	24,729,870			6,986,308
Capital Projects/Earmarks	49,075,800		27,698,046	16,956,366
Federal Cap Program	73,805,670		42,161,588	23,942,674

FY-2018 Summary Proposed Budget

GL Account	FY2017 Operating	FY2017 Capital	FY2018 Operating	FY2018 Capital	Changes	% Chg
Revenue:						
Fare Revenue	38,950,000		38,920,500		(29,500)	0%
Miscellaneous Revenue	200,000		200,000		-	0%
Jurisdictional Subsidy	13,002,382	4,247,858	12,828,852	4,421,388	-	0%
Other Sources (Use of Prev. Surplus)	377,000	-	300,000	-	(77,000)	-20%
Federal/State Subsidy - Operating	29,929,051		31,449,851		1,520,800	5%
Federal/State Subsidy - Capital		42,780,585		44,654,412	1,873,827	4%
Operating/Capital Reserves	-	1,000,000	-	-	(1,000,000)	-100%
Interest Income	25,000		25,000		-	0%
Total Revenue	82,483,433	48,028,443	83,724,203	49,075,800	2,288,127	
Operating/Non-Operating Expenses:						
Non-Departmental Operating	4,728,794		5,598,033		869,239	18%
Executive Management	1,139,500		1,365,300		225,800	20%
Chief of Staff	535,500		1,095,500		560,000	105%
Marketing (Merged into Chief of Staff in FY18)	423,200		-		(423,200)	-100%
Finance and Human Resources	3,504,000		3,672,500		168,500	5%
Purchasing and Contract Administration	484,000		515,920		31,920	7%
Project Development	780,150		1,403,750		623,600	80%
Project Implementation	809,100		1,405,200		596,100	74%
Rail Operations	1,910,500		1,936,000		25,500	1%
Information Technology	2,237,000		2,431,142		194,142	9%
Facilities Maintenance	4,536,650		5,390,950		854,300	19%
Mechanical Operations	10,908,500		11,031,400		122,900	1%
System Safety & Security	1,031,500		1,146,500		115,000	11%
PRTC	104,000		104,000		-	0%
NVTC	80,000		90,000		10,000	13%
Train Operations	15,463,003		15,614,500		151,497	1%
Maintenance of Equipment	5,608,166		6,443,000		834,834	15%
Amtrak	4,615,000		4,666,000		51,000	1%
Amtrak Access Fees	6,340,000		6,640,000		300,000	5%
Norfolk Southern Access Fees	3,450,000		3,400,000		(50,000)	-1%
CSX Access Fees	7,030,000		7,400,000		370,000	5%
					-	
Total Operating/Non-Operating Expenses	75,718,564	-	81,349,695	-	5,631,132	7.44%
CIP Expenditures		48,028,443		49,075,800	1,047,357	
Debt Service/Allowance for Doubtful Accts	6,764,870		6,764,870		(0)	
Total CIP and Other Expenditures	6,764,870	48,028,443	6,764,870	49,075,800	1,047,357	
Grand Total Expenses	82,483,433	48,028,443	88,114,565	49,075,800	6,678,489	
Difference by Fund	-	-	(4,390,362)	(0)	(4,390,362)	
Total Difference	-	-	(4,390,362)	(4,390,362)	(4,390,362)	

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VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 9-B
Information Item

To: Chairman Skinner and the VRE Operations Board

From: Doug Allen

Date: September 16, 2016

Re: 2016 Customer Service Survey Results

VRE conducted its annual customer service survey on board all northbound VRE and Amtrak cross-honor trains on the morning of May 4, 2016. This is an opportunity for the rider to comprehensively evaluate VRE operations and system performance as the survey covers everything from parking to crew performance and train cleanliness. The survey was completed by 6,071 riders, which is approximately 63% of the riders that morning.

VRE riders gave an overall satisfaction rating of 89%, an all-time high.

The top 3 concerns expressed by our riders continue to be:

1. On Time Performance (OTP) – 30.4% of respondents
2. Cost – 20.3%
3. Frequency of Service – 18.6%

While the overall scores continue to trend up based on the five year rolling average, several categories saw decreases from the prior year.

1. VRE follow-up to delays or problems: 64%, down from 70%.
2. Usefulness of Railtime: 72%, down from 79%.
3. Train crews making timely delay announcements: 78%, down from last year's all time high of 83%.
4. Ontime Performance: 78%, down from 85%.



Northern Virginia
Transportation Commission
2300 Wilson Blvd, #620
Arlington, VA 22201
703.524.3322



Virginia Railway Express
1500 King Street, Suite 202
Alexandria, VA 22314
703.684.1001
VRE.org



Potomac and Rappahannock
Transportation Commission
14700 Potomac Mills Road
Woodbridge, VA 22192
703.580.6121

On the positive side:

1. Quality of information in Ride magazine is at 69%: up from 66%.
2. Station parking availability up to an all-time high of 78% from 71%.
3. Level of fare for quality and value of service 72%: up from 66%.

VRE staff will continue to use the survey results to focus our efforts on continuous improvement. Many of the projects recently completed or currently underway are a result of ratings and comments in past surveys. These include the new website, new online forum, automatic passenger counters, parking counters, and improved platform informational displays, which are all intended to enhance the rider experience.

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

VRE Report Card | *Percentages represent ratings of "excellent" or "good"

	Customer Service:							Δ to 5 year average
		2011	2012	2013	2014	2015	2016	
1	Responsiveness of VRE Staff	85%	88%	89%	90%	91%	90%	1%
2	Friendliness of VRE Staff	83%	89%	88%	89%	91%	89%	1%
3	VRE Follow-Up to Delays or Problems	50%	61%	65%	68%	70%	64%	1%
4	Lost and Found	68%	70%	69%	68%	73%	68%	-2%
5	Usefulness of Rail time	72%	77%	80%	79%	79%	72%	-5%
6	Timeliness of E-mail Responses	51%	58%	62%	64%	66%	64%	4%
7	Quality of E-mail Responses	56%	65%	67%	68%	69%	67%	2%
8	Timeliness of Social Media Responses					67%	65%	-2%
9	Quality of Social Media Responses					70%	69%	-1%
10	Quality of Information in RIDE Magazine					66%	69%	3%
11	Quality of Website	74%	75%	75%	74%	73%	73%	-1%
12	Timeliness of Website Information	67%	69%	70%	70%	70%	68%	-1%
13	Timeliness of Train Talk	65%	65%	68%	71%	68%	68%	1%
14	Quality of Train Talk	69%	67%	70%	72%	70%	71%	2%
15	Overall Communication with Passengers	67%	72%	77%	76%	76%	74%	0%
	Train Crew Members:							
1	Are Knowledgeable About VRE Operations	83%	90%	92%	93%	94%	93%	2%
2	Are Helpful	84%	90%	90%	92%	93%	91%	1%
3	Are Courteous	83%	89%	89%	91%	93%	90%	1%
4	Make Regular Station Announcements	75%	82%	84%	85%	87%	85%	3%
5	Make Timely Delay Announcements	68%	76%	78%	81%	83%	78%	1%
6	Check Tickets Regularly	78%	78%	81%	86%	87%	85%	2%
7	Present A Professional Appearance	91%	93%	93%	94%	96%	95%	1%
8	Overall Crew Performance	85%	90%	90%	92%	94%	92%	2%
	VRE Operations:							
1	Convenience of Schedules	59%	59%	62%	60%	62%	64%	3%
2	On-time Performance	62%	85%	89%	84%	85%	78%	-2%
3	Cleanliness of Trains	89%	91%	93%	93%	94%	95%	3%
4	Cleanliness of Stations	83%	84%	88%	87%	88%	89%	2%
5	Communication between VRE Staff & Riders	71%	77%	81%	82%	83%	81%	2%
6	Automated Telephone System	59%	67%	72%	73%	75%	73%	4%
7	Reliability of FC2 Ticket Vending Machines	51%	58%	58%	56%	65%	64%	6%
8	Ease of Buying a FC2 Ticket	70%	75%	79%	77%	81%	82%	6%
9	Ease of Using SmartBenefits	61%	63%	70%	71%	77%	77%	9%
	VRE Operations (Continued):							

10	Station Parking Availability	56%	57%	66%	65%	71%	78%	15%
11	Public Address System On Train	52%	58%	64%	64%	66%	68%	7%
12	Public Address System On Platform	45%	51%	58%	62%	64%	65%	9%
13	Timeliness of Platform Information	40%	50%	58%	61%	62%	61%	7%
14	Personal Security at Station & On Train	63%	68%	75%	76%	78%	78%	5%
15	Safety of Train Equipment	79%	84%	87%	88%	90%	89%	4%
16	Station Signage	67%	71%	76%	77%	87%	89%	13%
17	Lighting at Morning Station	79%	82%	85%	86%	87%	88%	5%
18	Lighting at Evening Station	79%	82%	85%	86%	61%	64%	-15%
19	Traffic Circulation	49%	53%	58%	57%	78%	80%	21%
20	Level of Fare for Quality and Value of Service	63%	61%	67%	64%	66%	72%	8%
21	Overall Service Quality	78%	84%	88%	88%	88%	89%	4%

VIRGINIA RAILWAY EXPRESS 2016 ANNUAL CUSTOMER SERVICE SURVEY



A BETTER WAY. A BETTER LIFE.

WWW.VRE.ORG

SUMMARY

VRE Operations:		2011	2012	2013	2014	2015	2016
1	Overall Service Quality	78%	84%	88%	88%	88%	89%



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WHAT IS MOST IMPORTANT TO OUR PASSENGERS?

1. On Time Performance **30.4%** (2015 – 20.6%)
2. Cost **20.3%** (2015 – 20.2%)
3. Frequency of Service **18.6%** (2015–14.2%)



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REPORT CARD

Train Crew Members:		2011	2012	2013	2014	2015	2016
1	Are Knowledgeable About VRE Operations	83%	90%	92%	93%	94%	93%
2	Are Helpful	84%	90%	90%	92%	93%	91%
3	Are Courteous	83%	89%	89%	91%	93%	90%
4	Make Regular Station Announcements	75%	82%	84%	85%	87%	85%
5	Make Timely Delay Announcements	68%	76%	78%	81%	83%	78%
6	Check Tickets Regularly	78%	78%	81%	86%	87%	85%
7	Present A Professional Appearance	91%	93%	93%	94%	96%	95%
8	Overall Crew Performance	85%	90%	90%	92%	94%	92%



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REPORT CARD

VRE Operations:		2011	2012	2013	2014	2015	2016
1	Convenience of Schedules	59%	59%	62%	60%	62%	64%
2	On-time Performance	62%	85%	89%	84%	85%	78%
3	Cleanliness of Trains	89%	91%	93%	93%	94%	95%
4	Cleanliness of Stations	83%	84%	88%	87%	88%	89%
5	Communication between VRE Staff & Riders	71%	77%	81%	82%	83%	81%
6	Automated Telephone System	59%	67%	72%	73%	75%	73%
7	Reliability of Ticket Vending Machines	51%	58%	58%	56%	65%	64%
8	Ease of Buying a Ticket	70%	75%	79%	77%	81%	82%
9	Ease of Using SmartBenefits	61%	63%	70%	71%	77%	77%
10	Station Parking Availability	56%	57%	66%	65%	71%	78%
11	Public Address System On Train	52%	58%	64%	64%	66%	68%
12	Public Address System On Platform	45%	51%	58%	62%	64%	65%
13	Timeliness of Platform Information	40%	50%	58%	61%	62%	61%
14	Personal Security at Station & On Train	63%	68%	75%	76%	78%	78%
15	Safety of Train Equipment	79%	84%	87%	88%	90%	89%
16	Station Signage	67%	71%	76%	77%	87%	89%
17	Lighting at Morning Station	79%	82%	85%	86%	87%	88%
18	Lighting at Evening Station	79%	82%	85%	86%	61%	64%
19	Traffic Circulation	49%	53%	58%	57%	78%	80%
20	Level of Fare for Quality and Value of Service	63%	61%	67%	64%	66%	72%



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REPORT CARD

Customer Service:		2011	2012	2013	2014	2015	2016
1	Responsiveness of VRE Staff	85%	88%	89%	90%	91%	90%
2	Friendliness of VRE Staff	83%	89%	88%	89%	91%	89%
3	VRE Follow-Up to Delays or Problems	50%	61%	65%	68%	70%	64%
4	Lost and Found	68%	70%	69%	68%	73%	68%
5	Usefulness of Rail time	72%	77%	80%	79%	79%	72%
6	Timeliness of E-mail Responses	51%	58%	62%	64%	66%	64%
7	Quality of E-mail Responses	56%	65%	67%	68%	69%	67%
8	Timeliness of Social Media Responses					67%	65%
9	Quality of Social Media Responses					70%	69%
10	Quality of Information in RIDE Magazine					66%	69%
11	Quality of Website	74%	75%	75%	74%	73%	73%
12	Timeliness of Website Information	67%	69%	70%	70%	70%	68%
13	Timeliness of Train Talk	65%	65%	68%	71%	68%	68%
14	Quality of Train Talk	69%	67%	70%	72%	70%	71%
15	Overall Communication with Passengers	67%	72%	77%	76%	76%	74%



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TAKEAWAYS

1. Separate data by line to better understand specific needs.
2. Communications – continue to develop ways of communicating real-time accurate data. (VRE Mobile, Station Displays, Website, Onboard).
3. Continue to work with railroad partners on schedules and traffic flow to help improve OTP.



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QUESTIONS?



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TO: Chairman Fiset and NVTC Commissioners

FROM: Kate Mattice

DATE: September 29, 2016

SUBJECT: Executive Director's Spending Authority

ACTION ITEM: Approve Resolution #2321: Increase the Executive Director's Spending Authority

Approval is sought to increase the spending authority of the Executive Director from \$10,000 to \$30,000 for budgeted expenditures without prior authorization from the Commission.

The spending authority was last increase from \$2,500 to \$10,000 in June 1987. Since that time, NVTC's general and administrative budget has increased, with inflation eroding the true value of the spending authority. This increased authority also aligns the spending authority with that of other regional organizations, including the Northern Virginia Transportation Authority, Virginia Railway Express, and the Potomac and Rappahannock Transportation Commission.



RESOLUTION #2321

SUBJECT: Increase the Executive Director's Spending Authority

WHEREAS: It is NVTC policy to required its Executive Director to receive authorization from the Commission before entering into contracts of \$10,000 or more;

WHEREAS: The last increase to the Executive Director's spending authority was in 1987 when it was increased from \$2,500 to \$10,000; and

WHEREAS: The Commission desires to improve management flexibility, reduce the burden on the Commission to consider small administrative details, and bring the Commission in line with other regional entities.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission hereby increases the Executive Director's spending authority from \$10,000 to \$30,000.

Approved this 6th day of October 2016.

Jay Fisette
Chairman

Paul C. Smedberg
Secretary-Treasurer

Agenda Item #9: Report of the Legislative and Policy Committee



TO: Chairman Fiset and NVTC Commissioners

FROM: Kate Mattice and Jen Deci

DATE: September 29, 2016

SUBJECT: Report of the Legislative and Policy Committee

A. Proposed 2017 NVTC Legislative and Policy Agenda

The Commission is provided the [2017 NVTC Legislative and Policy Agenda](#) for review and comment. The Commission will be asked to approve the agenda at the November meeting. The agenda was developed in coordination with jurisdictional staff and was approved by NVTC's Legislative and Policy Committee at their September meeting.

B. Transit Service Delivery Advisory Committee (TSDAC) and Transit Capital Project Revenue Advisory Board (TCPRAB)

TSDAC will be meeting in October to discuss prioritization process measures, the allocation process and direction to guide potential scenarios, the framework for the business case for transit and the content of an interim report. Since TSDAC's inception, NVTC has provided significant technical expertise. NVTC Acting Executive Director Kate Mattice is a member of TSDAC representing NVTC through the Virginia Transit Association.

TCPRAB met on September 19th in Richmond. The principle directives of the Advisory Board are to examine impacts of the expiration of the transit capital bonds, identify possible replacement revenues, and develop methodologies for prioritizing new and existing transit funds. NVTC Commissioner and Legislative and Policy Committee Chair Jeff McKay is a member of TCPRAB as a representative of the Virginia Association of Counties. The group received presentations and discussed the progress of [assessing the Commonwealth's transit needs](#), [prioritization process and measures](#), and the [business case for transit](#). TCPRAB is expected to meet again in November to discuss the contents of the statutorily required interim report due to the General Assembly in January 2017 and revenue options and needs of the Commonwealth's transit agencies.

C. Federal Legislative Update

The United States Congress passed a Continuing Resolution to fund the Federal government through December 9, 2016. Both chambers are now in recess until after the November presidential elections.

The House of Representatives passed [HR 5625](#), the Modernizing Government Travel Act which requires the General Services Administration to prescribe regulations to provide for the reimbursement of federal employees traveling on official business for use of transportation network companies, such as Uber or Lyft. This bill has subsequently been referred to the Senate for consideration. [S 3337](#), the Senate version of the bill, has been referred to the Senate Committee on Homeland Security and Governmental Affairs where it awaits consideration.

2017 Federal and State Legislative and Policy Agenda



Northern Virginia's economic growth and global competitiveness are directly tied to the region's transit network. Transit links business to employees, customers, suppliers and investors and residents to jobs, school, shopping and entertainment. With nearly 60 percent of jobs within a quarter-mile of a rail station or bus stop, Northern Virginia is among the nation's most transit-accessible areas. For the past five decades, the Northern Virginia Transportation Commission (NVTC) has promoted an efficient, high-quality and innovative transit network in order to fuel the economy and sustain the region's quality of life.

Each work day 550,000 Northern Virginians commute via transit, saving the region 35.5 million hours of congestion-related delays annually. Virginia Railway Express (VRE) riders, nearly 19,000 daily, take the equivalent of two lanes of traffic – one each on I-66 and I-95 – off the highways during rush hour. With six bus systems extending from Loudoun County to the City of Alexandria and commuter- and fixed-rail systems, Northern Virginia continues to explore new ways to better connect businesses, residents and visitors.

NVTC will support legislation and policies that build our transportation network by:

- ✓ Maintaining and expanding opportunities for dedicated, sustainable funding for transit capital and operations;
- ✓ Establishing the Metro Safety Commission (MSC) to enhance safety and security of riders and systems in the region through predictable funding and diligent oversight;
- ✓ Using metrics to promote efficiency and maximize capital investments;
- ✓ Promoting and strengthening regional cooperation and accountability;
- ✓ Maximizing use of existing assets to enhance transit performance and safety; and
- ✓ Fostering innovation and technological integration that improves transit operations and expands service.

2017 Federal and State Legislative and Policy Agenda



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- ✓ Maximizing use of existing assets to enhance transit performance and safety; and
- ✓ Fostering innovation and technological integration that improves transit operations and expands service.

Maintain & Expand Opportunities for Dedicated, Sustainable Funding for Capital and Operations

NVTC's top legislative and policy priority is identifying stable, secure and dedicated sources of funding for regional transit systems including WMATA's Metrorail and Metrobus, the Virginia Railway Express (VRE), the commuter rail service NVTC co-owns with the Potomac and Rappahannock Transportation Commission (PRTC), and local and commuter bus service. Maintaining and expanding stable, dedicated revenue sources for capital and operations is essential to system safety and meeting the region's transportation needs. This includes a focus on the following items:

Establishing a Floor on Regional Gas Tax Revenues

NVTC supports establishing a floor on the regional gas tax. The monthly revenues collected via the regional gas tax --- the only dedicated source of funding for WMATA in Northern Virginia -- are down as much as 40 percent since 2013. During calendar year 2015 alone, NVTC lost \$13.2 million and PRTC lost \$10.6 million in revenue because the regional gas tax lacks the same protection as the statewide tax.

Maintaining Long-Standing Funding Commitments & Prepare to Meet Future Needs

To meet the growing funding needs of NVTC's transit systems, the Commonwealth must continue its financial commitments to WMATA and VRE and work with the region to lay the groundwork for expanded innovative finance and planning. NVTC is committed to working with the Transit Service Delivery Advisory Committee and the Transit Capital Revenue Advisory Board to ensure the Commonwealth's judicious allocation of capital and operating assistance.

NVTC supports:

- Continuing to ensure the Virginia match to the federal Passenger Rail Investment and Improvement Act of 2008 (PRIIA) funding for WMATA;
- Identifying new funding for Virginia's share of WMATA's [Momentum: Long Term Strategic Plan](#);
- Identifying additional sources of revenue for operating assistance for regional transit including VRE and WMATA as well as the local providers in the NVTC and PRTC districts; and
- Developing and expanding opportunities for innovative finance of transportation infrastructure.

Addressing the Transportation Capital Funding Bond Expiration

In FY2019, the Commonwealth Transportation Board will allocate the last of the Transportation Revenues Bond revenue authorized by the 2007 Act. When this happens, the Commonwealth's projected available funds for transit capital projects will drop by approximately \$75 million each year unless another source of revenue is identified. The capital funding bond gap is a significant concern for continuing to invest in all modes of transportation projects. Finding a long-term, sustainable funding solution for the Commonwealth's transportation needs is imperative if we are to avoid the collapse of Virginia's transit capital program.

Enhance Safety and Security

Strong oversight, state of good repair and emergency preparedness are essential to providing for the safety of all transit riders whether they are customers of WMATA's Metrorail and Metrobus, VRE or local bus. Additional areas of focus include:

Establishing the Metro Safety Commission (MSC)

FTA has mandated the establishment of a Metro Safety Commission to replace the Tri-State Oversight Commission. The MSC will be an entity that is financially independent from regional transit agencies with its own investigative and enforcement authority. In order to comply with this federal mandate, legislative action is required by Virginia, Maryland and the District of Columbia. On February 8, 2016, USDOT Secretary Anthony Foxx informed the jurisdictions that if the MSC is not established by February 9, 2017, FTA is prepared to begin withholding federal formula funds.

Integrating State and Regional Emergency Preparedness Plans

Transit must provide key transportation support in the event of an emergency. To do so successfully, Metrorail, VRE and all bus service must be fully integrated in state and regional emergency planning programs.

Ensuring State of Good Repair

Ensuring that our regional transit systems are maintained in a "state of good repair" is key to providing riders with safe service. To that end, NVTC supports stable state (and federal) funding of transit capital including the \$50 million per year state match required for WMATA to receive \$150 million per year in federal state of good repair funding authorized under the Passenger Rail Investment and Improvement Act of 2008 (PRIIA).

Use Metrics to Promote Efficiency and Effectiveness

SMART SCALE Metrics Should Ensure an Even Playing Field for All Modes of Transportation

Passed in the 2014 General Assembly Session, SMART SCALE requires the Commonwealth Transportation Board to develop a statewide prioritization process for capacity expansion projects, starting in the FY 2016-2022 Six Year Improvement Program. HB2 applies only to projects that are new construction for expansion purposes. Transit, along with all other modes, are eligible to compete for highway construction funds and therefore, those specific transit projects will be subject to the same HB2 evaluation factors as any other project. SMART SCALE requires that projects be evaluated based on congestion reduction, environmental quality, economic development, accessibility, land use, and safety, with congestion reduction being given the greatest weight in Northern Virginia and Hampton Roads. NVTC will continue to work with the Commonwealth Transportation Secretary Aubrey Layne to ensure that transit continues to be on an even playing field with other modes of transportation.

Development of Distribution Process for Transit Capital and Operating Funds through the Transit Service Delivery Advisory Committee (TSDAC)

NVTC will continue to monitor the implementation of SB1140 to assess how new performance criteria applied to the operating assistance formula are working in practice. In addition, NVTC will analyze the

impact of adjustments to the state assistance for capital, including the implementation of changes in the calculation of state participation and the adoption of the tiering structure.

Promote and Strengthen Regional Cooperation and Accountability

NVTC through regional planning and funding activities will continue to promote high-quality, high-capacity transit in key corridors including Route 1, Route 7, U.S. 29 and U.S. 50. NVTC partners with other entities such as the Northern Virginia Transportation Authority, the Northern Virginia Regional Commission and the Metropolitan Washington Council of Governments to seek ways to maximize transit investments in the region.

Maximize Use of Existing Facilities to Enhance Transit Performance and Improve Safety

NVTC will continue to work with the General Assembly, the Department of Rail and Public Transportation (DRPT) and the Virginia Department of Transportation (VDOT) to encourage optimal use of existing investments through:

- Investing in multimodal options in key interstate corridors including I-66, I-95, I-495, and I-395;
- Maximizing bus service on existing Express Lanes on I-95, I-395, I-495 and future Express Lanes on I-66;
- Evaluating the bus-on-shoulder pilot and other opportunities with the potential to provide safer and faster connections along interstates and roadways in the region;
- Identifying cost-effective vehicle storage solutions for commuter buses;
- Employing full flexibility provided in the urban design standards for transportation system components;
- Providing training to ensure safe and secure transit operations; and
- Developing and integrating transit into local, regional, and state emergency management plans.

Foster Innovation & Technology Integration to Improve Transit Operations and Service

NVTC will continue to support innovative technological opportunities for transportation including:

- Deploying Transportation Demand Management (TDM) and Intelligent Transportation Systems (ITS);
- Seeking support for the acquisition of a regional electronic fare payment system that will decrease costs and make it seamless to move from VRE to Metro to local bus systems; and
- Expanding telecommuting, ridesharing and transit ridership during peak and off-peak times through innovative incentives.

Commuter Benefits

NVTC supports legislation that would make transit service more attractive to commuters who currently drive alone. We encourage the use of carpools, vanpools, rideshare, bikeshare and TDM as effective tools to eliminate congestion.

Federal Surface Transportation Program

As discussions on future federal legislation continue, NVTC supports Congress:

- Significantly increasing the level of federal investment in the nation's transportation infrastructure;
- Ensuring that funding structures support all modes of public transportation and uses of innovative funding techniques;
- Highlighting safety and security as key outcomes of transportation projects;
- Affirming that all interstate toll revenues can be used for transit capital and operations;
- Appropriating funding levels for New Start, Small Start, and Core Capacity grants as authorized by the Fixing America's Surface Transportation (FAST) Act;
- Providing funding for the Transportation Improvements Generating Economic Recovery (TIGER) discretionary grant program;
- Simplifying the distribution of the federal flex funding through programs like the Surface Transportation Program (STP) and the Congestion Mitigation and Air Quality (CMAQ) program in order to provide greater decision-making authority to local government and regional agencies to determine how the funding is spent; and
- Streamlining environmental reviews when multiple federal agencies are involved with a project so that the environmental impacts can be efficiently identified and addressed.

Dedicated Funding for WMATA (PRIIA)

NVTC supports continued annual federal appropriations of \$150 million for the Passenger Rail Investment and Improvement Act of 2008 (PRIIA). Under this legislation, Congress committed to \$1.5 billion for WMATA over ten years to support critical safety and state of good repair projects. This funding requires Maryland, Virginia and the District of Columbia provide a \$1.5 billion match (\$500 million per jurisdiction) of the federal funds over the same period. All three signatory jurisdictions have passed the Compact amendments required to receive the federal funding, and the non-Federal matches are in place.

Funding for the Virginia Railway Express (VRE)

As a co-owner of VRE, NVTC supports legislation that contributes to the overall expansion of commuter rail service to meet growing demands in Northern Virginia. NVTC supports efforts to secure federal funding for the following capital projects:

- Expansion of Long Bridge;
- High-capacity railcars;
- Train storage of rail equipment;
- Station parking expansion; and
- Platform extensions and additions.

Funding for Transportation Emergency Preparedness

NVTC calls upon Congress to provide increased security funding to local and regional transportation agencies in the metropolitan Washington area.

Support for In-State Collection of Online Retail Sales Tax

NVTC supports passage of legislation to allow the Commonwealth of Virginia to collect sales tax on purchases made with online retailers, such as the Marketplace Fairness Act of 2015. If Marketplace Fairness is enacted in the future, HB2313 ensures the Commonwealth will spend a portion of the collected funds on transit projects.

TO: Chairman Fisette and NVTC Commissioners

FROM: Kate Mattice

DATE: September 29, 2016

SUBJECT: Executive Director Report

A. Executive Director Report

NVTC's [Executive Director Report](#) provides updates on specific NVTC projects and programs and highlights items of interest at the federal and state levels and among partners such as the Transportation Planning Board and the Northern Virginia Transportation Authority.

This month's report focuses on Transform 66, emergency planning efforts, the continued decline of motor fuels tax revenues, regional response to SafeTrack, commuting trends, SafeTrack coordination, and news from VRE, VDOT, TBP, and NVTA.

B. NVTC 2017-2018 Work Plan

Based upon NVTC's Strategic Framework approved November 2014, NVTC has developed the [NVTC 2017-2018 Work Plan](#) that articulates the efforts of staff in support of NVTC's mission. The Work Plan is intended to provide background information that can inform the development of future NVTC General and Administrative Budgets.

This Work Plan is as a guiding document that identifies specific programs, projects, and tasks that NVTC staff intend to perform during the period from September 2016 through June 2018 (fiscal years FY2017–2018). It supports [NVTC's Strategic Framework](#), [Implementation Plan](#), and [Regional Bus Agenda](#), and was developed in consultation with the Management Advisory Committee.

This document is intended to be a living document that can be updated as priorities and projects change. As with previous NVTC work plans, the public will be provided the opportunity to provide comment during the January Commission meeting.

C. FY2018 Key Budget Issues

Key Budget Issues for FY2018 were discussed by the Executive Committee in September. This information has also been reviewed by jurisdictional staff members of NVTC's Management Advisory Committee (MAC). As a result of these discussion, NVTC

staff do not anticipate any major increases in the proposed FY 2018 NVTC General and Administrative Budget. Below are five areas for consideration in the development of the FY 2018 budget.

1. Implementation Costs of Transform 66 Multimodal Project

It is expected that the FY 2018 general and administrative budget will include toll revenue from the Transform 66 project as a funding source to cover the direct costs expected to be incurred by NVTC in administering the program. These costs include direct staff time and related costs for oversight, compliance, financial and program management, and a call for projects. Other costs include those related to public meetings, such as the cost of facilities, advertising, court reporters, and outreach. An estimate of these costs has not yet been developed. Due to the uncertainty of potential financing package and the related costs, the FY 2018 general and administrative budget will not include costs related to financing, such as counsel or financial advisors. However, should NVTC decide to issue bonds or another financing mechanism, NVTC staff has been advised that those costs may be reimbursed by bond revenue.

2. Stable Staff Levels

Consistent with current staffing levels, the FY 2017 budget includes 12 staff positions, including Executive Director and Director of Programs and Policy.

3. Replacement of Financial Accounting System

NVTC's computer financial accounting system is well past its useful life and needs to be replaced. Originally placed in service in 1993, the software developer has discontinued support of the program. NVTC's network consultant has advised staff that the program is not compatible with Windows 10, which NVTC has started migrating to, and even the older Windows 7 environment poses some challenges in using all desired features. Furthermore, additional functionality is desired to better meet the needs of NVTC's current financial environment, including the management of the Transform 66 project. For budgeting purposes, the cost will be estimated based on that of systems used by governmental entities similar in size and complexity to NVTC. Based on an initial assessment, it is expected first year installation and conversion costs may be \$10,000 - \$25,000, with annual fees of \$3,000 to \$8,000

D. NVTC Financial Items

The [Financial Report for August 2016](#) is provided for your information.

Executive Director Report

October 2016



#10A



As I read the newly released “State of the Commute,” I was reminded of NVTC’s unique role as a champion for transit and its ability to tackle the opportunities and challenges that lie ahead. With solo driving on the decline – a nearly 10 percent drop over the past 15 years – “transit and teleworking have seen the biggest gains,” notes the Transportation Planning Board in its triennial report. By serving as a forum for the discussion of transit issues, NVTC is the voice of transit in Northern Virginia.

Broader recognition of NVTC’s distinct role has resulted in opportunities for our organization to help solve regional and statewide issues and to educate businesses and residents about transit’s many benefits. The Commonwealth’s Transit Service Delivery Advisory Committee, of which I am a member, is providing technical support to an appointed advisory board charged with identifying new revenue sources to replace expiring bonds and prioritizing transit capital funds. This effort is especially important to NVTC, as we are tasked with the funding and stewardship of both WMATA and Virginia Railway Express, which together provided 120 million passenger trips in Northern Virginia during FY2015.

Over the past few years, NVTC has become the go-to organization for presentations to business and civic groups. During October, I will participate in a session with WMATA GM/CEO Paul Wiedefeld at the Governor’s Transportation Conference and with WMATA Board Member and NVTC Commissioner Jim Corcoran and others at a breakfast sponsored by the Northern Virginia Transportation Alliance. The Tysons Partnership has invited NVTC to bring the message of our Envision Route 7 project – bus rapid transit along Route 7 – to its upcoming open house. And, NVTC will host two events in October – a state transit update by DRPT Director Jennifer Mitchell to our Transit Means Business partners and a transit tour for members of the General Assembly.

Given the importance of transit to our economy and quality of life, it is incumbent upon NVTC to continue to speak strongly and with one voice to ensure that our bus and rail systems have the support necessary to serve the businesses and residents who call Northern Virginia home.

~ **Kate Mattice**
Acting Executive Director

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Northern Virginia Transportation Commission
2300 Wilson Blvd., Ste. 620
Arlington, VA 22201
info@nvtc.org
www.novatransit.org



Key Dates

Oct. 7	TPB Tech Cmte Meeting
Oct. 11	TPB Monthly Meeting
Oct. 13	NVTA Monthly Meeting
Oct. 14	VTA Fall Board Meeting
Oct. 19	VRE GHX Tech Cmte Meeting
Oct. 18-19	CTB Meeting (Crystal City)
Oct. 19-21	Gov’s Transportation Conf
Oct. 21	VRE Ops Bd Monthly Meeting
Oct. 26	NOVA Alliance Trnsprt Seminar
Nov. 3	NVTC Monthly Meeting



**Join PRTC for its 30th Anniversary
Community Celebration**

**Saturday, October 8
11:30 a.m.-4 p.m.
at the PRTC Transit Center**

Transform 66 October Update

As installation of tolling equipment for Transform 66 Inside the Beltway shifts into high gear, NVTC and the grantees of its Multimodal Project have defined the measures NVTC will use to determine the various components' effectiveness in meeting the goals of the [Memorandum of Agreement](#) (MOA) between NVTC and the Commonwealth. These measures have been incorporated as individual addendums into the Standard Component Agreement (SCA), which will be presented to the Commission at its October meeting. Commissioners also will consider amendments to the MOA at the meeting.



NVTC-Approved Multimodal Components

Bus Stop Consolidation and Accessibility Improvements

Peak Period Service Expansion to ART Bus Route 55

Peak Period Service Expansion to Metrobus Route 2A

Loudoun County Stone Ridge Enhanced Transit

Fairfax Connector Express Bus, Gov. Center to State Dept.

PRTC Gainesville to Pentagon Commuter Service

Expanded TDM Outreach to the I-66 Corridor

Expanded Transit Access, through Capital Bikeshare

Loudoun County Transportation Demand Management

Multimodal Real-Time Transportation Information Screens

NVTC's Transform 66 website is updated regularly. Visit www.novatransit.org/i66multimodal to learn more.



Meanwhile, VDOT's contractor has been installing many of the 125 signs and eight overhead toll collection gantries that need to be put in place by next year. As a result, the contractor is working in as many as 12 locations at the same time. While the project includes lane, shoulder and ramp closures on I-66 and local roads, work that could affect traffic is occurring only overnight and at midday.

Scheduled for completion by fall 2017, Transform 66 Inside the Beltway is designed to deliver more reliable trips for transit riders and carpoolers, as well as a new travel choice for solo drivers.

I-95/I-395 Express Lanes Update

As part of the [I-395 Express Lanes Extension](#) project, VDOT has [posted an online survey](#) to obtain ideas and feedback on what would be the best ways to improve travel in the I-95/I-395 corridor. Improvements will support mobility, economic development, and sustainability goals for communities along the corridor. The confidential survey takes less than 10 minutes to complete.

VDOT will hold two design public hearings on the project, which will extend the I-395 express lanes for 8 miles between the Turkeycock Run interchange just north of Edsall Road and Eads Street near the Pentagon. The hearings run from 6:30-8:30 p.m., with a formal presentation at 7 p.m.

Mon., Oct. 24

[Wakefield High School](#)

1325 S. Dinwiddie St.

Arlington, VA 22206

Wed., Oct 26

[Francis C. Hammond Middle School](#)

4646 Seminary Road

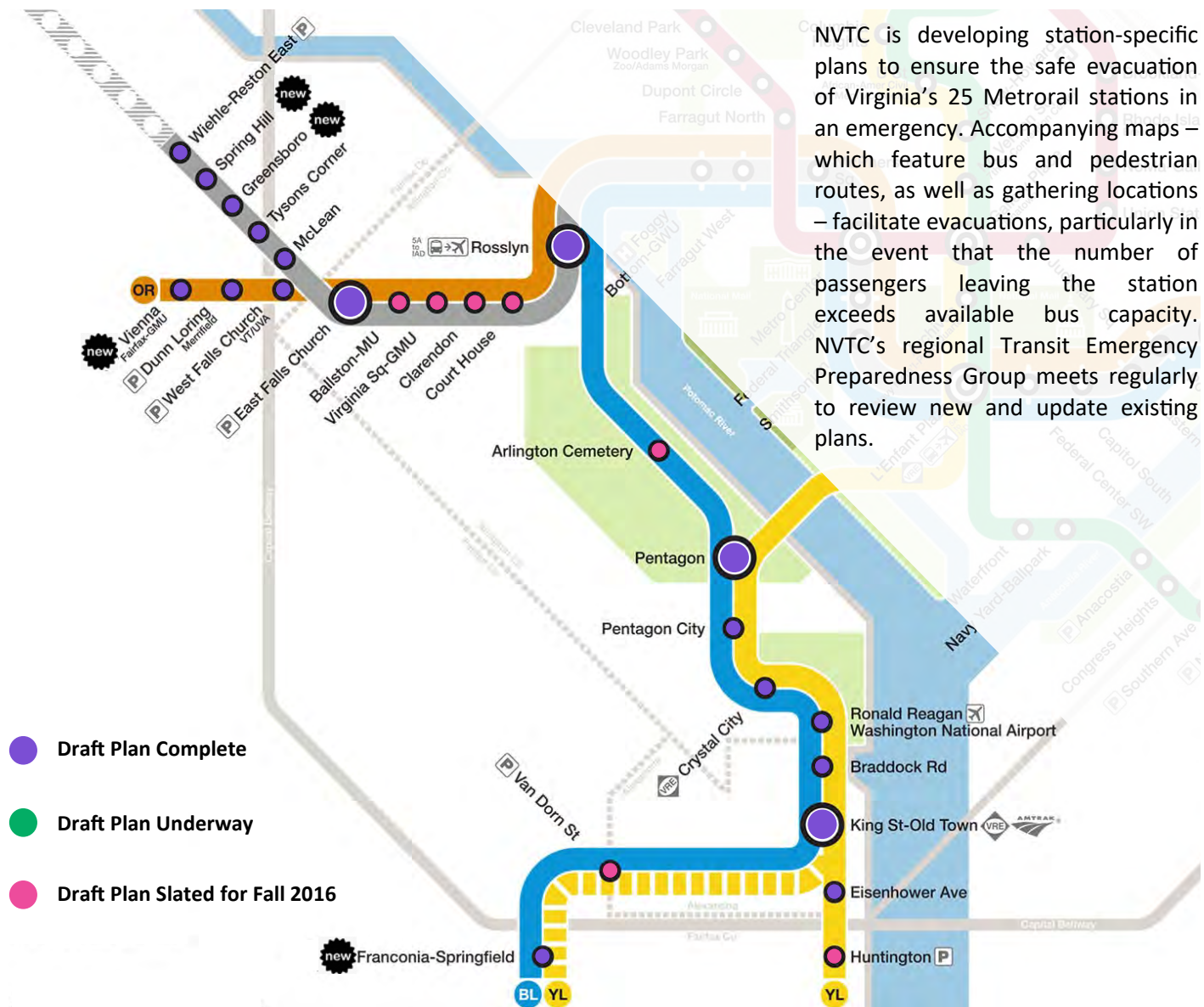
Alexandria, VA 22304

VDOT's current schedule calls for construction to begin in spring 2017 and wrap up in summer 2019.



NVTC Completes 18 Emergency Plan Drafts for VA's Metrorail Stations

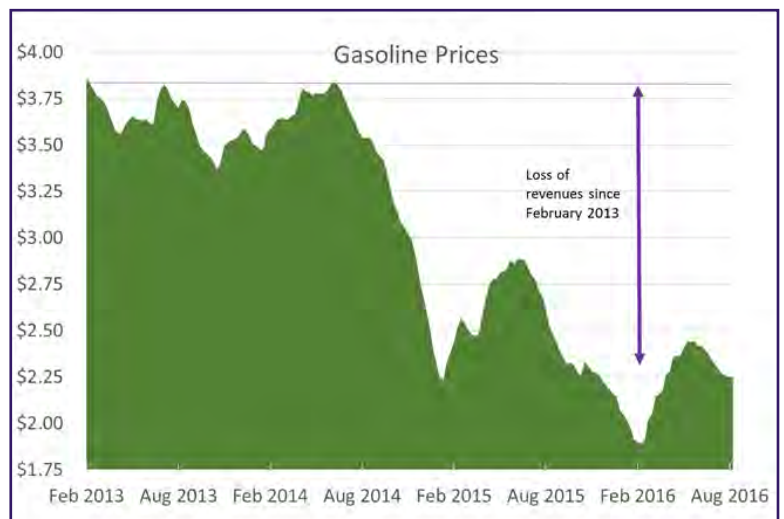
NVTC is developing station-specific plans to ensure the safe evacuation of Virginia's 25 Metrorail stations in an emergency. Accompanying maps – which feature bus and pedestrian routes, as well as gathering locations – facilitate evacuations, particularly in the event that the number of passengers leaving the station exceeds available bus capacity. NVTC's regional Transit Emergency Preparedness Group meets regularly to review new and update existing plans.



Decline in Motor Fuels Tax Revenues Persists

A comparison of regional motor fuels tax revenues in 2013, when the tax was enacted, and 2016 shows a 40 percent decline this past fiscal year. Because there is no floor on the 2.1 percent tax, revenues have fallen as gas prices plummeted. As a result, in the last year and a half alone, NVTC experienced a loss of \$23.1 million.

Fuels tax revenues allow NVTC's WMATA compact members — Arlington and Fairfax counties and the cities of Alexandria, Fairfax and Falls Church — to fulfill their financial obligations to the transit agency. The tax is collected by the Commonwealth of Virginia and remitted to NVTC, where it is held in trust for NVTC member jurisdictions' restricted use.



WMATA Revises SafeTrack, NVTC Coordinates Regional Response

[Adjustments to Metro's SafeTrack schedule](#), announced in mid-September, include a break from track repairs from Dec. 21 through the start of the new year.

A planned shutdown of a segment of the Red Line has been pushed to the end of October. Orange and Silver Line repairs originally scheduled for early November will begin after Thanksgiving and end prior to Christmas. That surge, number 11 out of 15, involves continuous single-tracking between the East Falls Church and West Falls Church Metrorail Stations.

Metro also reshuffled the order of some of its 2017 surges to reduce the impact of extreme cold on above-ground work zones. Updated SafeTrack schedule information for 2017 will be announced in December with specific start and end dates.

NVTC continues to coordinate NoVa's SafeTrack response, holding weekly calls that allow stakeholders to gain clarity on issues and provide feedback. These calls allow local transit systems to modify service to ensure that residents have travel options as Metro works to fix track issues affecting passenger safety.

Date	Stations Affected	Lines Affected	Service Status
Oct. 29 - Nov. 22	NoMa-Gallaudet-Fort Totten	RL	Line segment shutdown
Nov. 28 - Dec. 21	East Falls Church-West Falls Church	OL SL	Single tracking at all times
Early Jan.	Braddock Road-Van Dorn St/Huntington	YL BL	Single tracking, weekend shutdowns
Late Jan. - Early Feb.	Rosslyn-Pentagon	BL	Line segment shutdown
Mar.	Braddock Road-Van Dorn St/Huntington	YL BL	Single tracking, weekend shutdowns
Late Mar.-Apr.	Greenbelt-College Park	GL	Single tracking, weekend shutdowns

Plan to Attend the Governor's Transportation Conference

[Join Gov. Terry McAuliffe and Transportation Secretary Aubrey Layne](#) at the Hyatt Regency in Crystal City, Oct. 19-21, for a transportation extravaganza. Take a deep dive into transit and roadway issues affecting the Commonwealth.

Prior to the noon kick-off of the [Governor's Transportation Conference](#), NVTC will host a transit tour for members of the General Assembly who will be in town for a joint meeting of the House and Senate committees that deal with transportation. The tour will take place aboard an ART bus and highlight Metroway, VRE and I-395.

NVTC Acting Executive Director Kate Mattice and WMATA GM/CEO Paul Wiedefeld will headline a 4 p.m. session on Wednesday focused on Metrorail. The 45-minute session will feature brief presentations and allow ample time for questions and answers.





12TH ANNUAL

What You Need To Know About Transportation

2016

October 26, 7:30 - 9:45 am
Waterford at Fair Oaks

Sponsored by the
Northern Virginia
Transportation Alliance

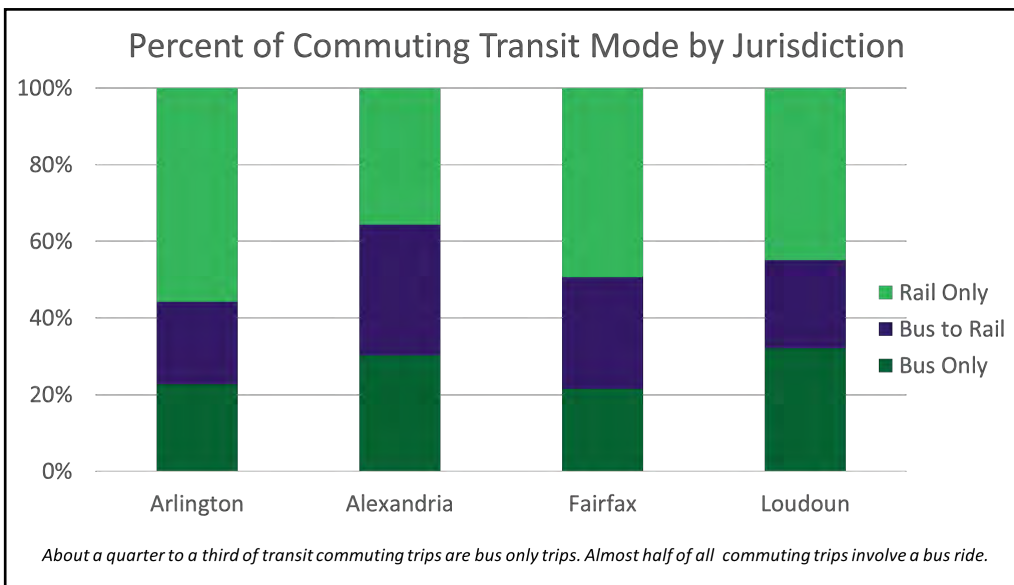
Speakers & Panelists:
Aubrey Layne (Transportation Sec.)
Kate Mattice (NVTC)
Jim Corcoran (WMATA Board)
Doug Allen (VRE)
Marty Nohe (NVTA)
Helen Cuervo (VDOT)

[CLICK FOR DETAILS](#)

Commuters' Favored Mode of Transit Differs by Jurisdiction

Preliminary analysis of transit data in support of NVTC's Regional Bus Agenda underscores the importance of transit to Northern Virginia. It provides mobility and access to residents in and visitors to the region. The transit system provides comprehensive coverage across the region and throughout the day, but the vast majority of transit trips are taken by commuters getting to and from work.

Loudoun County has the highest percentage of transit trips that use only bus as the primary transit commuting mode. Loudoun County Transit operates morning and late-afternoon rush hour service from park-and-ride lots in Loudoun to Wiehle-Reston East Metrorail Station; Rosslyn; Crystal City; the Pentagon; and several locations in Washington, D.C.



Arlington County boasts the highest percentage of commuters using only Metrorail, while the City of Alexandria has the greatest percentage of commuters riding the bus to connect to Metrorail.

Nearly half of all commuting trips in the four jurisdictions involve a bus ride — with the lowest percentage (just over 40) in Arlington and the greatest percentage (just over 60) in Alexandria.

Around Town: Headlines from NVTC Jurisdictions & Partners



[Public input sought on bus loop improvements at Metro's King St-Old Town Station](#)

[DASH GM Sandy Modell to Retire](#)

[Arlington & Alexandria Among The 50 Best Bike Cities of 2016](#)

[Redfin Ranks Arlington & Alexandria Among Best Mid-Sized Cities for Public Transit](#)



[Lyft to put new regional HQ in Crystal City](#)

[Arlington County Board Paves Way for New Ballston Quarter Pedestrian Bridge](#)



[With a \\$2.45 billion federal loan, Amtrak set for upgraded trains, stations](#)



[Fairfax Co. wants trucks blocked from new I-66 lanes, citing noise, higher tolls](#)



[Supervisors talk transportation, growth and community needs at first planning retreat](#)

[Silver Line envisioned as a community corridor](#)

[A Bike-Friendlier Loudoun is in the Making](#)



[Metrorail on Track \(Sept. 2016 issue\)](#)

[MWAA moving from Reagan National to Crystal City office building](#)

[SafeTrack Surge 8 Report](#)

[Tens of Thousands of Customers Relied on Metrobus During SafeTrack Surges 3 and 4](#)

[Metrorail Usage Data to Inform Analysis of the Budget Proposal Regarding Early Closures](#)

[Bike and Pedestrian Infrastructure – Quantifying the Return on Investment](#)

[Metro adds 28 new digital ad displays to increase revenue](#)



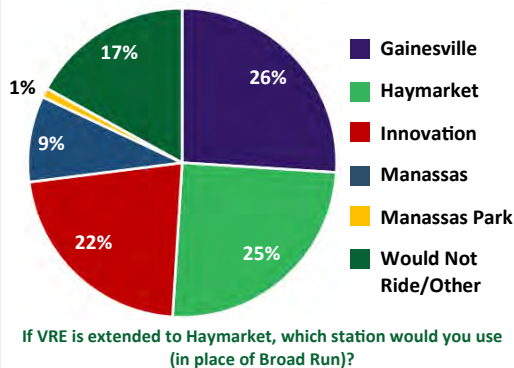
Virginia Railway Express



A survey of VRE Broad Run passengers shows that 83 percent would continue to ride were the station to close as part of the [Gainesville-Haymarket extension \(GHX\)](#) proposal. The most popular alternative stations to Broad Run were Gainesville (26 percent), Haymarket (25 percent) and Innovation (22 percent). The survey also gauged Manassas Line riders' opinions on potential overcrowding, should the extension be built, pricing, and parking availability. There was a consensus among riders that VRE needs more frequent service, particularly in the evening and

midday. Survey results will inform VRE's analysis of service options. VRE will hold a public meeting this fall. Visit the VRE website for GHX details.

Broad Run Rider Survey Response

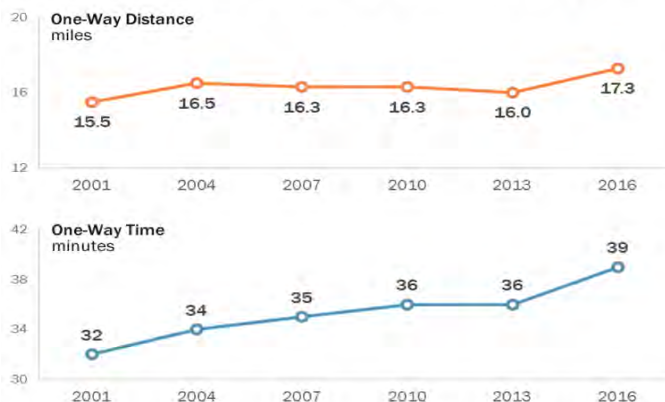


Transportation Planning Board



Teleworking is up, solo driving is down, and commuters are, on average, traveling farther and longer. Those are the results of [TPB's triennial "State of the Commute,"](#) released last week. The report also includes data on commute satisfaction by mode — bicyclists and pedestrians are most content — and average one-way commute times by mode.

Average One-Way Commute Distance and Time



Washington Metropolitan Area Transit Authority



WMATA recently celebrated completion of bus bay improvements at Franconia-Springfield. [The \\$5.5 million project increases bus capacity by more than 40 percent](#) at the station, which is served by Metrobus, Fairfax Connector, PRTC OmniRide and other commercial bus systems. It was funded with a FTA TIGER grant secured through the Metropolitan Washington Council of Governments. Improvements include real-time bus arrival display signs and new canopies, sidewalks and crosswalks.



NVTC Commissioners and Fairfax County Supervisors Cathy Hudgins (left) and Jeff McKay (center) cut the ribbon on the new Franconia-Springfield Metrorail Station bus bays with WMATA GM Paul Wiedefeld (right)

Northern Virginia Transportation Authority



Groundbreakings in Fairfax and Loudoun counties took center stage in September, as NVTA kicked off the [expansion of the West Ox Bus Garage](#) and widening of and [improvements to Belmont Ridge Road](#). Nine additional garage bus bays will allow for the maintenance of 135 more Fairfax Connector buses. Improvements along Belmont Ridge Road will include mixed-use trails and sidewalks and a grade-separated crossing for the W&OD Trail.



Representatives from WMATA, NVTA, Fairfax County Board of Supervisors, Fairfax County DOT, and the General Assembly break ground for the West Ox Bus Garage expansion.

The NVTC Work Plan serves as a guiding document for NVTC staff to support the mission of the Commission. This Work Plan identifies specific programs, projects, and tasks that NVTC staff intend to perform during the period from September 2016 through June 2018 (fiscal years FY2017 – 2018). Where appropriate, the Work Plan includes milestones and deliverable dates. This document supports NVTC's Strategic Framework, Implementation Plan, and Regional Bus Agenda, and was developed in consultation with the Management Advisory Committee. This document is intended to be a living document that can be updated as priorities and projects change.

NVTC's activities in the Work Plan are categorized into the following focus areas:

- | | |
|--|-----------------------------|
| A. Planning & Programs | E. Legislative & Policy |
| B. Financial Analysis | F. Virginia Railway Express |
| C. Grants Management, Trust Funds,
Contracts & Compliance | G. WMATA |
| D. Inform & Engage | H. NVTC Internal Operations |
| | I. Commission Management |
-

Northern Virginia Transportation Commission

Mission: As the premier transit organization in Northern Virginia, NVTC brings the region together to plan, coordinate, and secure funding for transit systems that are financially sustainable and high performing.

Vision: Northern Virginia businesses and residents are served by a high capacity, high quality network of transit systems that allows our diverse region to thrive economically.

NVTC Strategic Goals

1. Increase the capacity of the regional transit network by expanding and improving the quality, coverage, and frequency of new and existing systems, including Metro, VRE and new transit services.
2. Improve the access and mobility throughout Northern Virginia by connecting the regional and local transit systems.
3. Promote safe, reliable, and financially sound performance and management of regional transit systems.

NVTC Work Plan

A. PLANNING & PROGRAMS

Support and facilitate safe and reliable transit in Northern Virginia through transit planning, research, data analysis and regional coordination.

Actions:

Data & Research

- 1) Regional Transit Performance Data Collection and Analysis
 - a) Collect and analyze transit data and publish the Annual Transit Performance Update. Provide jurisdictional and regional transit performance data through materials and presentations, and on NVTC's website. Work with local governments to coordinate collection of performance data for Federal Transit Administration's (FTA) National Transit Database (NTD) reports.
 - b) Manage the contract for NTD data collection on behalf of Northern Virginia's transit systems. Oversee data collection efforts to facilitate the receipt of federal funds to the region.
 - c) Report the Washington Metropolitan Area Transit Authority's (WMATA) monthly ridership to comply with the Department of Rail and Public Transportation's (DRPT) performance data requirements. Ensure that the data are consistent, timely and accurate.
 - d) As requested, provide ad hoc data analysis for NVTC jurisdictions and the Commission on regional and national issues that impact transit planning, operations and organizations. Use technical tools to perform in-depth, regional and multi-jurisdictional analyses in support of Northern Virginia transit systems.
- 2) Regional Bus Performance Measures and Gap Analysis
 - a) In support of NVTC's Regional Bus Agenda, conduct analysis of bus operations across the Northern Virginia to identify trends, gaps in service, and future opportunities. Using readily available data, analyze gaps and untapped capacity in the regional network in terms of accessibility and connections between systems and across jurisdictional borders. Analysis to include:
 - i) Quality
 - (1) Average bus run time during peak periods
 - (2) Bus service geographic coverage
 - (3) Bus frequency and load factors during am peak period
 - ii) Accessibility
 - (1) Number of jobs accessible within 30 minutes
 - (2) Number of jobs accessible by fare level
 - iii) Efficiency
 - (1) Serving transit dependent populations
 - (2) Serving transit supportive populations
 - (3) Boarding per revenue mile
 - (4) Person throughput on key corridors

- 3) Quantification of Transit Access and Transportation Demand Management Projects
 - a) In support of evaluating the impact of transit access projects under the Transform 66 Multimodal Project, work with local jurisdictions and the DR PT to develop measures that assess the impact of regional pedestrian, bike share, bicycle, and TDM efforts on transit ridership and other outcomes.
- 4) Analysis of Regional and Statewide Economic Benefits of NOVA Transit
 - a) Conduct research on how transit impacts development and how the quantity and quality of transit in Northern Virginia provides economic value to the Commonwealth.
 - i) Assess current WMATA, Metropolitan Washington Council of Governments (MWCOC) and Board of Trade analyses of the economic impact of transit to the Washington, D.C. region.
 - ii) Using land use densities and tax revenue data, assess the impact of high-capacity transit in Northern Virginia on real estate and corporate tax revenues.

Transform 66 Multimodal Project

- 1) Program Administration
 - a) Complete and seek approval for amendments to the Memorandum of Agreement (MOA) between NVTC and the Commonwealth to strike references to the use of tolls for widening I-66 and to refine financing, operating assistance and administrative funding. (Fall 2016)
 - b) Work with the Virginia Department of Transportation (VDOT) to assure interim technical/program assistance through FY2017.
 - c) Develop and implement Standard Component Agreement (SCA) documentation, including Measures of Effectiveness/Performance Metrics documentation and guidance documents. (Fall 2016)
 - i) Develop internal policies and procedures documentation and mechanics of administrative reimbursement.
 - ii) Review and approve invoices; transfer funds; issue grants.
 - iii) Perform and report service monitoring per Measures of Effectiveness.
 - d) Produce annual reports on component selection and effectiveness for distribution to the Commission and the Commonwealth Transportation Board (CTB).
- 2) Bond Issuance Efforts
 - a) Work with bond counsel and financial advisors to assess feasibility of issuing bonds under the Transform 66 Multimodal Project.
 - b) If feasible, prepare and conduct call for components, including project evaluation and selection [see (3)].
 - c) If necessary, prepare and support bond issuance and related efforts.
- 3) Future Calls for Projects
 - a) Determine schedule for 2017/2018 call for projects. (November 2016)
 - b) Advertise call for projects; work with jurisdictions and transit agencies to address questions and educate them on the application process.
 - c) Review and score applications.
 - d) Conduct public meetings and hearings for applications.

- e) Convene working group for project selection and conduct working group sessions to choose component package.
- f) Once new component package is selected, prepare approval materials for NVTC and CTB approval for new projects.
- g) Conduct necessary public outreach and communications efforts.
- h) Administer new grant agreements.

4) Outreach

- a) Plan and implement Transform 66 Multimodal Project kick-off and groundbreaking events in collaboration with local jurisdictions and transit providers.
- b) Provide ongoing updates to Transform 66 Multimodal website and social media outlets.

Envision Route 7

- 1) Continue to study the technical and financial feasibility of a Bus Rapid Transit (BRT) option in the Route 7 corridor in coordination with the member jurisdictions, as part of the Envision Route 7 project.
 - a) Meet and coordinate with relevant jurisdictional staff to further the study of high quality transit on Route 7.
 - b) Develop a conceptual engineering draft scope of work to help facilitate continued study in the corridor.
 - c) Assist in identifying financial resources for continued study and programing for BRT along the Route 7 corridor.
 - d) Continue advocating for high quality transit in the Route 7 corridor and inclusion of transit options for the corridor in regional planning studies.

Next Generation Fare Payment

- 1) Work with the WMATA and NVTC's regional transit partners to ensure WMATA maintains an operational, cost-effective regional fare collection system that meets the needs of Northern Virginia's transit providers.
 - a) Coordinate the Northern Virginia Regional Partners group, to include providing grant-funded technical assistance and applying for capital assistance.
 - b) Ensure the requirements of Northern Virginia transit agencies are represented on WMATA's fare collection subcommittees.
 - c) Support the implementation of the upgraded fare box (DCU3) through FY2018.
 - d) Study options for off-board fare payment to support BRT and off-boarding loading in Northern Virginia.

SafeTrack Coordination

- 1) Coordinate the Northern Virginia SafeTrack Group, a comprehensive collection of stakeholders, to discuss WMATA's SafeTrack service plan, impacts, and mitigation efforts. (Through at least Spring 2017)
- 2) Conduct or participate in lessons learned activities from SafeTrack mitigation activities.

- 3) Use regional data to conduct ridership analyses and other data analysis of the impact of SafeTrack on the Northern Virginia region.

Emergency Preparedness / Metrorail Station Plans

- 1) Work closely with Northern Virginia jurisdictional staff, transit providers and WMATA to create and implement emergency preparedness plans for each of Virginia's 25 Metrorail stations in order to expedite the safe evacuation of potentially thousands of riders in the case of an emergency.
 - a) Each station will have a draft plan completed by December 2016, including a schedule for future plan updates.
- 2) Work with WMATA to ensure NVTC plans are consistent with WMATA's Emergency Response and Evacuation plans and training exercises.
- 3) Observe relevant, quarterly emergency-preparedness exercises conducted by WMATA and incorporate lessons learned into station plans.
- 4) Participate in jurisdictional tabletop exercises, as needed.

Regional Collaboration

- 1) Use NVTC's Management Advisory Committee as a forum to facilitate cooperative regional solutions and keep local governments informed.
- 2) Participate with the Northern Virginia Transportation Authority (NVTA) on regional planning efforts in order to better provide for regional transit needs. NVTA is currently leading TransAction, the long-range transportation plan for Northern Virginia.
- 3) Participate and provide regional-focused contributions to technical committees assisting in planning, funding, preliminary engineering and environmental analysis for transit in the region, including:
 - a) Transportation Planning Board (TPB) Technical Committee
 - b) TPB Long Range Planning Task Force
 - c) TPB Travel Forecasting Subcommittee
 - d) TPB Regional Public Transportation Subcommittee
 - e) NVTA's Regional Jurisdiction and Agency Coordinating Committee
 - f) NVTA's TransAction Technical Committee, the region's long-range transportation planning body
 - g) (DRPT's I-395 Transit/Transportation Demand Management Study Key Stakeholder Technical Advisory Group
 - h) VDOT/DPRT Transform 66 Inside and Outside the Beltway Stakeholder Technical Advisory Groups
 - i) VDOT VTrans2040, the Commonwealth's long-range transportation plan.
 - j) Virginia Railway Express' (VRE) Gainesville-Haymarket Extension Technical Committee
 - k) VRE Coordination Committee
 - l) VRE Chief Administrative Officer's Task Force

B. FINANCIAL ANALYSIS

Identify and implement cooperative strategies with member governments to gain additional transit revenues aimed at achieving adequate, dedicated, stable and reliable financial support from the federal government, the Commonwealth, the region and the private sector.

Actions

- 1) Regional Gas Tax Revenues
 - a) Monitor NVTC's 2.1 percent gas tax receipts from the Division of Motor Vehicles (DMV) for reasonableness of collections in total and by jurisdiction.
 - i) Employ database and spreadsheet models to identify unanticipated discrepancies on a taxpayer level by jurisdiction and in total.
 - ii) Maintain communications with DMV in regard to both unusual activity identified by NVTC, and DMV audit activity, and make suggestions for improving the program.
 - iii) Brief MAC as needed on processes, issues and solutions.
- 2) Ensure the stability of the current sources of transit funding available to NVTC's local governments.
- 3) Serve as the central point of contact for Northern Virginia transit system financial information.
- 4) State Transit Revenues
 - a) Participate on the Transit Service Delivery Advisory Committee (TSDAC) to assist DRPT in reviewing the distribution process for transit capital and operating funds.
 - b) Provide input to DRPT's Transit Capital Project Revenue Advisory Board (TCPBAB) regarding the impact of the expiration of transit capital bonds; identify potential sources of replacement revenue; and develop methodologies for further prioritization of transit capital funds.
- 5) Transit Funding Opportunities
 - a) Produce financial projections and an analysis of the growing gap between transit operating and capital needs versus available financial resources.
 - a) Actively participate in regional and statewide efforts to define public transit needs and identify funding sources, such as corridor studies, TPB's Region Forward initiative and constrained financial plan update, and the TransAction transportation plan update.
 - b) Identify and seek to implement stable, reliable, permanent and dedicated funding sources for operating and capital expenses for WMATA, VRE and local transit systems.
 - c) Help coordinate regional efforts and prepare analytic tools, communication materials and editorials to promote such funding.
 - d) Analyze funding proposals produced by regional and statewide studies and identify policy issues for consideration by the Commission.
 - e) Identify and help obtain funding for new transit projects that are recommended by NVTC's jurisdictions.

C. GRANTS MANAGEMENT, TRUST FUNDS, CONTRACTS & COMPLIANCE

Facilitate the fair and equitable allocation of transit assistance among governments. Manage grants, contracts and trust funds fairly and effectively, according to state and federal laws and NVTC's policies.

Actions:

State Assistance

- 1) Prepare and submit state assistance applications through DRPT's Online Grant Administration (OLGA) system as grantee for the NVTC jurisdictions' share of WMATA operating subsidies and capital requirements.
- 2) Report WMATA ridership information to DRPT on a monthly basis, performance metrics data on an annual basis, and other information as requested by DRPT as a requirement for receiving state assistance.
- 3) Review and submit state operating and capital assistance applications for local systems through DRPT's OLGA system as agent for the NVTC jurisdictions.
- 4) Manage NVTC and NVTC jurisdiction state grants, including the preparation and review of timely grant invoicing.
- 5) Participate with VRE and NVTC jurisdictions in quarterly project status review meetings with DRPT.
- 6) Work with DRPT and grantees to achieve the maximum funding available.

NVTC Subsidy Allocation Model

- 1) Maintain NVTC's subsidy allocation model (SAM) utilizing the most recent WMATA and local budget information on transit costs, revenues and subsidies.
- 2) Determine each local government's share of NVTC assistance using the annual SAM percentages.
- 3) Apportion shares of the direct local contributions to NVTC's administrative budget using the annual SAM percentages.
- 4) Provide projections and other analysis of annual transit assistance to the NVTC members for planning purposes.

NVTC Jurisdiction Trust Funds

- 1) Allocate revenue to NVTC jurisdictions through the NVTC trust fund upon receipt using the annual SAM percentages.
- 2) Prepare timely and accurate quarterly cash flow forecasts of available transit assistance sources and uses for the NVTC jurisdictions.
- 3) Prepare quarterly reports of actual NVTC trust funds activity for use by NVTC jurisdictions.
- 4) Manage and invest trust funds according to NVTC policy by safeguarding assets while maximizing liquidity and investment return.

Financial Reporting, Accounting, Audit, Compliance & Contracting

- 1) Prepare the annual financial statements, disclosures, and supplementary information for NVTC's annual audit.
- 2) Manage a multi-year audit services contract.
- 3) Accomplish unqualified auditors' opinions and provide financial and compliance reports to the appropriate regulatory agencies.
- 4) Maintain up-to-date compilations of state and federal grant regulations and ensure staff is adequately trained in grant, contract and project management.
- 5) Maintain current documents and policies to facilitate prompt procurement in compliance with state and federal laws.
- 6) Perform internal accounting functions, including invoicing, accounts receivable, cash receipts, accounts payable, disbursements and transfers, payroll, general ledger and reconciliations.

Federal Grants

- 1) Apply for and manage federal grants for member jurisdictions as required as designated recipient for FTA funds. Currently, NVTC is the designated recipient of federal grants for the cities of Alexandria and Falls Church. For these grants, NVTC will:
 - a) Maintain both subrecipient agreements outlining terms, conditions and expectations, and an annual checklist outlining the range of tasks and corresponding completion dates.
 - b) Review reimbursement requests to ensure funding is for eligible activities and is in compliance with FTA requirements.
 - c) Host quarterly project management meetings with the subrecipient and FTA.
 - d) File quarterly financial and milestone reports (1/30, 4/30, 7/30, 10/30), biannual Disadvantaged Business Enterprise (DBE) reports (6/1, 12/1) and other required documentation in FTA's grants management system (TrAMS).
 - e) Close out completed grants.
- 2) Ensure NVTC and subrecipients are in compliance with all relevant FTA regulations and guidelines in numerous areas such as legal, financial, technical, continuing control, maintenance, procurement, DBE program, Title VI civil rights compliance, and National Transit Database.
 - a) Submit annual certifications and assurances to the FTA.
- 3) Actively administer Title VI and DBE programs with FTA; manage programs and perform required reporting.
 - a) Provide updated DBE policy and goal to FTA. (August 1, 2017)

D. INFORM & ENGAGE

Improve the public's understanding and appreciation of transit's role in Northern Virginia and the Commonwealth and increase participation in transit-related decision-making.

Actions:

Partnerships

- 1) Identify opportunities to host a transit-related event with Northern Virginia's chambers of commerce.
- 2) Serve as a member of the Virginia Transit Association's (VTA) annual awards and conference planning committees.
- 3) Partner with government agencies, business groups, and national, state and local associations to promote transit through educational programs, complementary messaging and attendance at conferences, seminars and workshops.

Internal & External Relations

- 1) Serve as the central point of contact for the news media, interest groups, U.S. Congress and Virginia General Assembly, and general public for transit issues in Northern Virginia.
 - a) Keep the news media, interest groups and local jurisdictions apprised of Commission meetings and hearings, actions, analyses, research, reports and events.
 - b) Share transit-related information from external sources – print/broadcast media, online publications and bloggers, transit agencies and state/local governments – with Commissioners, MAC, agency public information officers, transit advocacy groups, and staff.
 - c) Participate and speak at chamber of commerce events, homeowner association meetings, and jurisdictional governing-body and committee meetings as requested.
- 2) Develop and distribute information and resources necessary for Commissioners to fulfill their responsibilities, including the annual member manual, NVTC website updates, e-newsletters and monthly Executive Director reports.
- 3) Develop and distribute written and visual communications, such as project fact sheets, issue briefs, web content, frequently asked questions, press releases and targeted e-mail communications on transit-related topics, as well as testimony for Commissioners and NVTC senior leadership.

Online Communication

- 1) Maximize NVTC's online presence to further its mission.
 - a) Continue to build NVTC's website as a research and information resource.
 - i) Create an online searchable resolution library from 1964-present.
 - ii) Enhance search engine functionality to retrieve historic documents, such as meeting agendas and Commission resolutions.
 - b) Expand NVTC's social media presence to drive traffic to the site and incorporate Twitter and/or Facebook feeds into the website.

- c) Maintain up-to-date project information on the website as a means to inform the public and Commissioners on the latest project news.
- d) Use online analytics and surveys to monitor the effectiveness of online communication and outreach efforts.

Project-Specific Communications

- 1) Develop and implement communications plans and budgets for transit studies, such as Envision Route 7, and multimodal projects, such as Transform 66.
 - a) Publicize and solicit public comment through multiple channels, such as meetings and hearings, advertising, online crowdsourcing, email, mail and telephone.
 - b) Plan and promote public meetings and hearings in consultation with local jurisdictions, transportation agencies and transit providers.
 - c) Design and create materials, such as flyers, handouts, infographics, email blasts, display boards, PowerPoint presentations, and videos.
 - d) Establish distinct project- and program-specific social media presence.

Title VI Civil Rights Compliance

- 1) Ensure NVTC's compliance with the federal Title VI program.
 - a) Use GIS to conduct a demographic analysis to determine the location of concentrations of minority and limited English proficiency (LEP) persons.
 - b) Seek out and consider the viewpoints of minority, low-income and LEP persons in the course of public outreach and involvement activities.
 - c) Strive to overcome linguistic, institutional, cultural, economic, historical or other barriers that might prevent minority, low-income and LEP persons from effectively participating in NVTC's decision-making process.
 - d) Target outlets that support or serve affected populations when soliciting public participation and/or comment.
 - e) Translate printed materials and advertisements into languages other than English and offer translators and sign-language interpreters at public meetings/hearings, when appropriate.

E. LEGISLATIVE & POLICY

Devise, coordinate and implement legislative and policy strategies based on sound policy analysis in coordination with legislative staff for relevant jurisdictions, agencies and partner organizations.

Actions:

State & Federal Legislative Policy Agenda

- 1) Assist NVTC's Legislative and Policy Committee with adopting a state and federal legislative and policy agenda to guide NVTC's legislative support in the coming year.
 - a) Develop strategies to effectively implement NVTC's annual legislative and policy agenda in collaboration with NVTC jurisdictions' legislative liaisons and the Virginia Transit Association (VTA).
 - b) Work with delegations in Richmond and in Washington D.C. as needed to promote NVTC's approved agenda. Focus should include, but not be limited to:
 - i) Transit capital and operating funding;
 - ii) The Metro Safety Commission; and
 - iii) A regional gas tax floor.
 - c) Identify transit issues that require policy decisions. Assemble data and perform policy analyses to facilitate those decisions (e.g. fare integration, development of new technology, service expansion, customer safety, system security and the business case for and value of public transit).
 - d) Conduct a joint NVTC and PRTC legislative and policy briefing. (December)
 - e) Develop messaging and a plan to educate the public about the need for Commonwealth transit funding as well as the benefits of public transit throughout the Commonwealth.

Virginia General Assembly Session

- 1) Prepare and support NVTC legislative and policy efforts before and during the General Assembly.
 - a) Reach out to legislators to garner support for NVTC's legislative agenda and educate them about the benefits of public transportation.
 - b) Prepare informative district-specific legislative maps showing transit service and performance for all members of the Northern Virginia delegation.
 - c) Conduct NVTC's February meeting at the General Assembly in Richmond, jointly with PRTC.
 - d) Use online legislative monitoring service and share access with member jurisdictions.
 - e) Provide legislative alerts to Commissioners and local staff during the session.

Commonwealth Transportation Board

- a) Prepare written statements and deliver testimony at the CTB's semi-annual hearings on transit funding priorities and other hearings as appropriate.
- b) Advocate NVTC's policies, including balanced transportation and stable and reliable funding.

Transit Industry Groups and Trade Associations

- 1) Participate in analysis and dialogs on local, state and national transit issues with state and national transit industry associations and other bodies, including:
 - a) Virginia Transit Association
 - i) Contribute to VTA's state legislative strategy for the transit industry and strengthen VTA's response to Northern Virginia's concerns.
 - ii) Provide technical and communications support regarding the economic benefits of transit.
 - iii) Co-chair VTA events and encourage NVTC board members to serve as VTA officers.
 - iv) Serve as VTA's member of the Transit Service Delivery Advisory Committee (TSDAC), providing technical guidance on performance-based funding for transit capital and operations
 - b) American Public Transportation Association (APTA)
 - i) Provide technical assistance and feedback to APTA on federal transit program implementation issues
 - ii) Participate in defining and implementing a federal legislative strategy as part of a broad, nationwide pro-transit coalition.
- 2) Provide technical assistance and policy analysis support to state and national boards and committees, including, but not limited to:
 - a) DRPT's Transit Service Delivery Advisory Committee (TSDAC)
 - b) VTA Executive Committee
 - c) DRPT's Transit Capital Project Revenue Advisory Board (TCPBAB)
 - d) The General Assembly's Joint Committee on Transportation Accountability
 - e) VTA Executive Committee
 - f) APTA Legislative Committee
 - g) APTA Policy and Planning Committee
 - h) APTA Public Private Partnership Committee
 - i) APTA Commuter Rail Committee
 - j) Institute for Transportation Engineers
 - k) Transit Cooperative Research Program Dissemination and Implementation of Research Findings Project Panel

F. VIRGINIA RAILWAY EXPRESS

As co-owner of the Virginia Railway Express, provide oversight of the railway to promote safe, reliable and financially sound performance and management.

Actions:

VRE Operations Board Support

- 1) Facilitate the annual appointment of NVTC's principal and alternate members of the VRE Operations Board. (January)
- 2) Provide staff support, in coordination with jurisdictional staff when necessary, to NVTC-appointed VRE Board members.
- 3) Provide staff support to the Board Secretary for VRE's Operations Board to produce meeting minutes.
- 4) Actively participate on VRE's Coordination Committee (VCC) and Chief Administrative Officer's Task Force.
- 5) Review Operations Board materials for consistency with the Master Agreement and approved budgets. Maintain close communications with PRTC and VRE staff to coordinate the writing and presentation of VRE action items to the two Commissions.

Budget and Financial Management

- 1) Facilitate NVTC's approval of VRE's annual operating and capital budgets. Participate and provide technical support at budget review sessions.
- 2) Apply and receive state and regional assistance on behalf of VRE, including DPRT transit capital and operating funding, Rail Enhancement Funds, and HB2/Smart Scale and NVTA funds.
- 3) Provide assistance to VRE planning staff on ridership, travel forecasting, federal funding programs, and other technical items.

Annual Rider Survey

- 1) Provide staff and technical support to VRE customer service surveys each spring by assisting with on-board survey distribution.
- 2) Provide staff and technical support to VRE customer service surveys each fall by conducting address verification using GIS technology.

Technical and Communications Support

- 1) Amplify and actively share VRE public communications through NVTC social media.
- 2) Serve on technical and policy advisory committees, as requested.

G. WMATA

Exercise leadership through the appointment and support of Virginia Washington Metropolitan Area Transit Authority (WMATA) Board members to promote safe, reliable, and financially sound performance and management of WMATA.

Actions:

Virginia WMATA Board Member Support

- 1) Facilitate the annual appointment of Virginia's two principal and two alternate members of the WMATA Board of Directors. (January)
- 2) Provide staff support to WMATA Board members by writing talking points and memos prior to NVTC Commission meetings.
- 3) Participate in WMATA Board meeting preparation calls and provide input as necessary.
- 4) Provide recommendations to the Northern Virginia local jurisdictions and the Virginia WMATA Board members, as appropriate.

Northern Virginia Forum on WMATA Issues

- 1) Develop and present white papers and/or issue briefs on key topics of interest to the Commission, including but not limited to Northern Virginia WMATA funding and the economic impact of WMATA in Northern Virginia.
 - a) Actively review and participate in the development of regional studies related to WMATA conducted by MWCOG and the Washington Board of Trade.
- 2) Keep NVTC Commissioners informed of pending WMATA Board decisions of regional significance.
- 3) Invite WMATA's General Manager/CEO to brief the Commission on important issues.
- 4) Participate on WMATA's Jurisdictional Coordinating Committee (JCC).
 - a) Monitor and report on the development of WMATA's FY2018 and FY2019 budgets.
 - b) Actively participate in the development of the multiyear Capital Funding Agreement.

Support to Northern Virginia Jurisdictions

- 1) Participate and provide reports on JCC deliberations and WMATA Board actions to Northern Virginia jurisdictions, as requested.
- 2) Assist Loudoun County as it transitions to full participation in WMATA leading up to the completion of Phase 2 of the Silver Line.

See other NVTC WMATA-related efforts in Planning and Projects: Data Analysis; SafeTrack Coordination, Emergency Preparedness; Financial Analysis; and Grants Management, Trust Funds, Contracts & Compliance

H. NVTC INTERNAL OPERATIONS

Strengthen NVTC as an organization through improvements of internal policies to ensure a rewarding and equitable work environment.

Actions:

Human Resources and Administration

- 1) In coordination with jurisdictional staff, develop the annual NVTC General and Administrative (G&A) budget for consideration by the Commission in the fall.
- 2) Explore the feasibility of leveraging jurisdictions' contracts to access human resources support to enhance and support human resource functions currently provided by NVTC's financial staff.
- 3) Continue NVTC Fellows Program to attract talent to supplement NVTC staff on specific projects.
- 4) Develop and implement a professional development plan for staff, including appropriate training.
- 5) Develop and implement a staff earning structure and align job descriptions and benefits, such as health and retirement, with NVTC's jurisdictions.
- 6) Administer employee benefit programs, including retirement plan, 457 plan, group health insurance, group life insurance, disability insurance, flex benefit plan, bike share, and Zip Car.

Telework and Office Space

- 1) Encourage staff utilization of transportation demand management techniques, particularly for the duration of WMATA's SafeTrack program.
- 2) Review office space needs and identify opportunities to address overcrowding.

Information Technology

- 1) Procure financial accounting software, as current software is no longer supported.
- 2) Investigate partnerships with jurisdictions to utilize technical resources, such as software programs, that may be cost prohibitive for NVTC but essential to improved productivity and the success of its programs and projects.
- 3) Provide ongoing information technology improvements to ensure a productive and secure working environment for staff.

I. COMMISSION MANAGEMENT

Provide staff support and execute duties to ensure the smooth running of day-to-day operations of the Commission.

Actions:

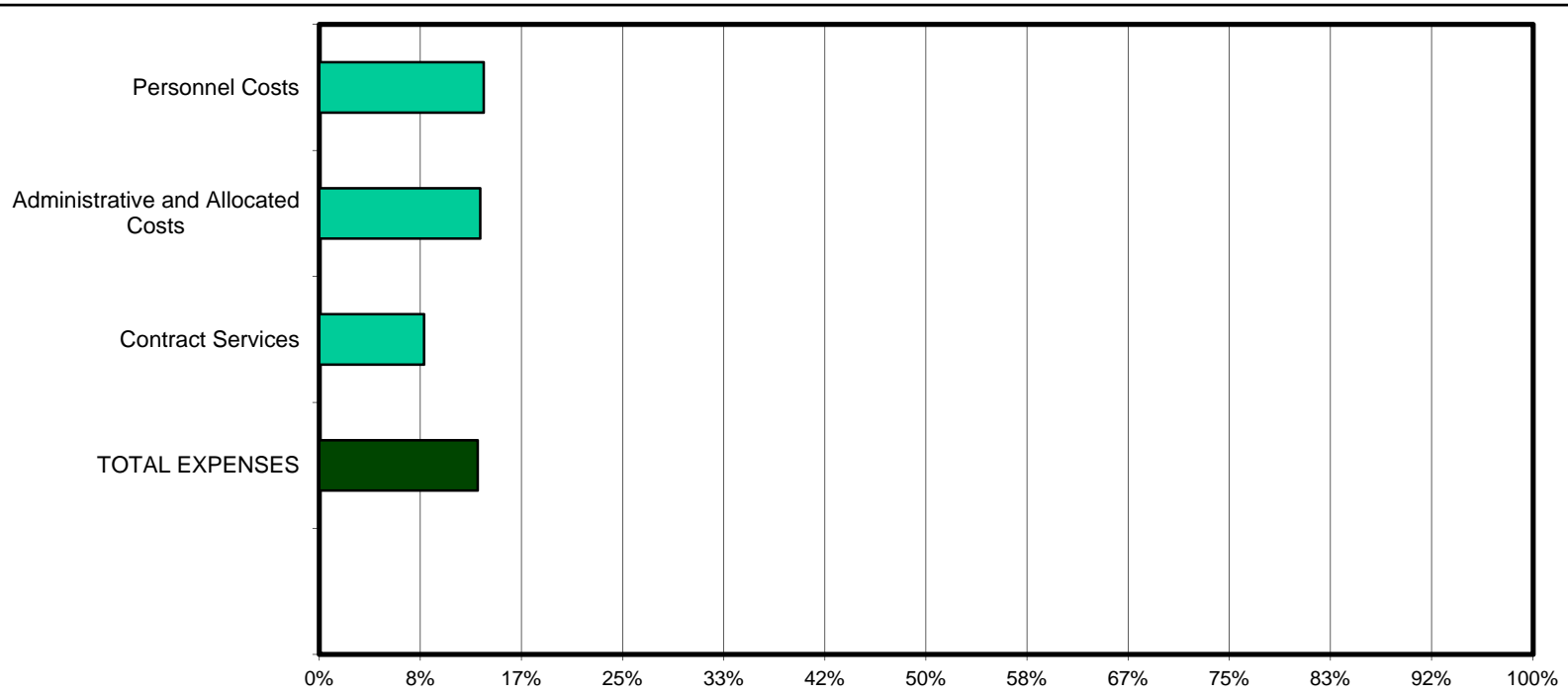
- 1) Develop and distribute information and resources necessary for Commissioners to fulfill their responsibilities, including the annual member manual, NVTC website updates, e-newsletters and monthly Executive Director reports.
- 2) Prepare materials for monthly Commission meetings. Coordinate with external speakers to present to the Commission when appropriate.
- 3) Schedule, oversee and take and record minutes of Commission meetings, as well as other NVTC events.
- 4) Provide accurate and timely responses to Commissioners, jurisdictional staff and the public.
- 5) Support the Executive Committee and the Legislative and Policy Committee, including development of agendas, meeting notes, and handouts.
- 6) Ensure the issuance of per diem payments for Commissioners.
- 7) Conduct new Commission member orientations.
- 8) Maintain archival Commission materials and provide access to archival documentation when requested.

Northern Virginia Transportation Commission

Financial Reports

August, 2016

Percentage of FY 2017 NVTC Administrative Budget Used
August 2016
(Target 16.67% or less)



Note: Refer to pages 2 and 3 for details

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
August, 2016

	<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 and Contract Wages	\$ 91,511.11	\$ 190,360.22	\$ 1,352,000.00	\$ 1,161,639.78	85.9%
Temporary Employee Services	-	-	-	-	
Total Personnel Costs	<u>91,511.11</u>	<u>190,360.22</u>	<u>1,352,000.00</u>	<u>1,161,639.78</u>	<u>85.9%</u>
<u>Benefits</u>					
Employer's Contributions:					
FICA	6,324.46	12,778.20	90,300.00	77,521.80	85.8%
Group Health Insurance	5,957.97	12,721.84	139,500.00	126,778.16	90.9%
Retirement	9,080.00	18,160.00	145,000.00	126,840.00	87.5%
Workmans & Unemployment Compensation	95.38	201.37	4,900.00	4,698.63	95.9%
Life Insurance	375.97	713.11	5,300.00	4,586.89	86.5%
Long Term Disability Insurance	848.72	1,363.08	6,400.00	5,036.92	78.7%
Total Benefit Costs	<u>22,682.50</u>	<u>45,937.60</u>	<u>391,400.00</u>	<u>345,462.40</u>	<u>88.3%</u>
<u>Administrative Costs</u>					
Commissioners Per Diem	200.00	1,050.00	9,800.00	8,750.00	89.3%
<i>Rents:</i>	<i>19,028.82</i>	<i>37,446.55</i>	<i>239,600.00</i>	<i>202,153.45</i>	<i>84.4%</i>
Office Rent	17,682.92	35,190.65	223,400.00	188,209.35	84.2%
Parking & Transit Benefits	1,345.90	2,255.90	16,200.00	13,944.10	86.1%
<i>Insurance:</i>	<i>477.95</i>	<i>887.95</i>	<i>5,800.00</i>	<i>4,912.05</i>	<i>84.7%</i>
Public Official Bonds	100.00	200.00	2,000.00	1,800.00	90.0%
Liability and Property	377.95	687.95	3,800.00	3,112.05	81.9%
<i>Travel:</i>	<i>1,028.98</i>	<i>2,223.98</i>	<i>29,300.00</i>	<i>27,076.02</i>	<i>92.4%</i>
Conference / Professional Development	653.80	1,758.80	17,000.00	15,241.20	89.7%
Non-Local Travel	233.52	343.28	2,300.00	1,956.72	85.1%
Local Travel, Meetings and Related Expenses	141.66	121.90	10,000.00	9,878.10	98.8%
<i>Communication:</i>	<i>526.54</i>	<i>1,045.68</i>	<i>15,700.00</i>	<i>14,654.32</i>	<i>93.3%</i>
Postage	-	-	2,000.00	2,000.00	100.0%
Telephone and Data	526.54	1,045.68	13,700.00	12,654.32	92.4%
<i>Publications & Supplies</i>	<i>493.67</i>	<i>1,454.04</i>	<i>11,600.00</i>	<i>10,145.96</i>	<i>87.5%</i>
Office Supplies	-	608.04	2,500.00	1,891.96	75.7%
Duplication and Paper	493.67	846.00	8,600.00	7,754.00	90.2%
Public Information	-	-	500.00	500.00	100.0%

NORTHERN VIRGINIA TRANSPORTATION COMMISSION
G&A BUDGET VARIANCE REPORT
August, 2016

	<u>Current Month</u>	<u>Year To Date</u>	<u>Annual Budget</u>	<u>Balance Available</u>	<u>Balance %</u>
<i>Operations:</i>	233.33	466.66	22,900.00	22,433.34	98.0%
Furniture and Equipment (Capital)	-	-	11,500.00	11,500.00	100.0%
Repairs and Maintenance	-	-	1,000.00	1,000.00	100.0%
Computer Operations	233.33	466.66	10,400.00	9,933.34	95.5%
<i>Other General and Administrative:</i>	354.30	1,023.73	9,000.00	7,976.27	88.6%
Subscriptions	-	-	-	-	0.0%
Memberships	79.67	159.34	1,800.00	1,640.66	91.1%
Fees and Miscellaneous	274.63	864.39	5,600.00	4,735.61	84.6%
Advertising (Personnel/Procurement)	-	-	1,600.00	1,600.00	100.0%
Total Administrative Costs	<u>22,343.59</u>	<u>45,598.59</u>	<u>343,700.00</u>	<u>298,101.41</u>	<u>86.7%</u>
<u>Contracting Services</u>					
Auditing	7,500.00	7,500.00	22,000.00	14,500.00	65.9%
Contract Services and Support	2,474.38	4,974.38	155,000.00	150,025.62	96.8%
Legal	2,916.67	5,833.34	35,000.00	29,166.66	0.0%
Total Contract Services	<u>12,891.05</u>	<u>18,307.72</u>	<u>212,000.00</u>	<u>193,692.28</u>	<u>91.4%</u>
Total Gross G&A Expenses	<u>\$ 149,428.25</u>	<u>\$ 300,204.13</u>	<u>\$ 2,299,100.00</u>	<u>\$ 1,998,895.87</u>	<u>86.9%</u>

NVTC
RECEIPTS and DISBURSEMENTS
August, 2016

Payer/ Payee		Purpose	Wells Fargo	Wells Fargo	VA LGIP	
Date			(Checking)	(Savings)	G&A / Project	Trusts
RECEIPTS						
1	DMV	Motor Vehicle Fuels Sales tax				\$ 1,125.00
2	Falls Church	G&A contribution		2,336.00		
2	City of Fairfax	G&A contribution		2,427.50		
2	Arlington	G&A contribution		14,259.50		
4	DRPT	Operating assistance receipt				9,053,095.00
5	DRPT	Capital grant receipt - VRE			504,269.00	
17	FTA	Grant receipt - Alexandria			3,549.00	
17	DRPT	Operating grant receipt - VRE			2,637,670.00	
18	FTA	Grant receipt - Falls Church			3,108.00	
18	DRPT	Operating assistance receipt				9,053,095.00
23	DRPT	Grant receipt - Alexandria			887.00	
23	DRPT	Grant receipt - Falls Church			777.00	
24	DRPT	Intern grant receipt			1,180.00	
25	Loudoun	Local contribution - NEPP project		3,257.02		
25	Loudoun	G&A contribution		6,006.00		
25	PRTC	Local contribution - NEPP project		10,005.77		
31	DRPT	Intern grant receipt			13,244.00	
31	DMV	Motor Vehicle Fuels Sales tax				2,819,023.81
31	VRE	Reimbursement for staff support		7,211.83		
31	Banks	Interest earnings		1.56	66.64	66,453.50
			-	45,505.18	3,164,750.64	20,992,792.31
DISBURSEMENTS						
1-31	Various	G&A expenses	(177,082.12)			
5	VRE	Grant revenue			(504,269.00)	
17	VRE	Grant revenue			(2,637,670.00)	
17	Stantec	Consulting - Data collection project	(35,942.32)			
18	Alexandria	Costs incurred			(4,436.00)	
18	Arlington	Other capital				(1,419,737.00)
18	Falls Church	Costs incurred			(3,885.00)	
23	Falls Church	Other capital				(3,100.00)
31	Banks	Service fees	(53.38)	(51.38)		
			(213,077.82)	(51.38)	(3,150,260.00)	(1,422,837.00)
TRANSFERS						
17	Transfer	From savings to checking	100,000.00	(100,000.00)		
17	Transfer	From LGIP to checking	50,000.00		(50,000.00)	
18	Transfer	From LGIP to LGIP (NTD project)			35,942.32	(35,942.32)
			150,000.00	(100,000.00)	(14,057.68)	(35,942.32)
NET INCREASE (DECREASE) FOR MONTH			\$ (63,077.82)	\$ (54,546.20)	\$ 432.96	\$ 19,534,012.99

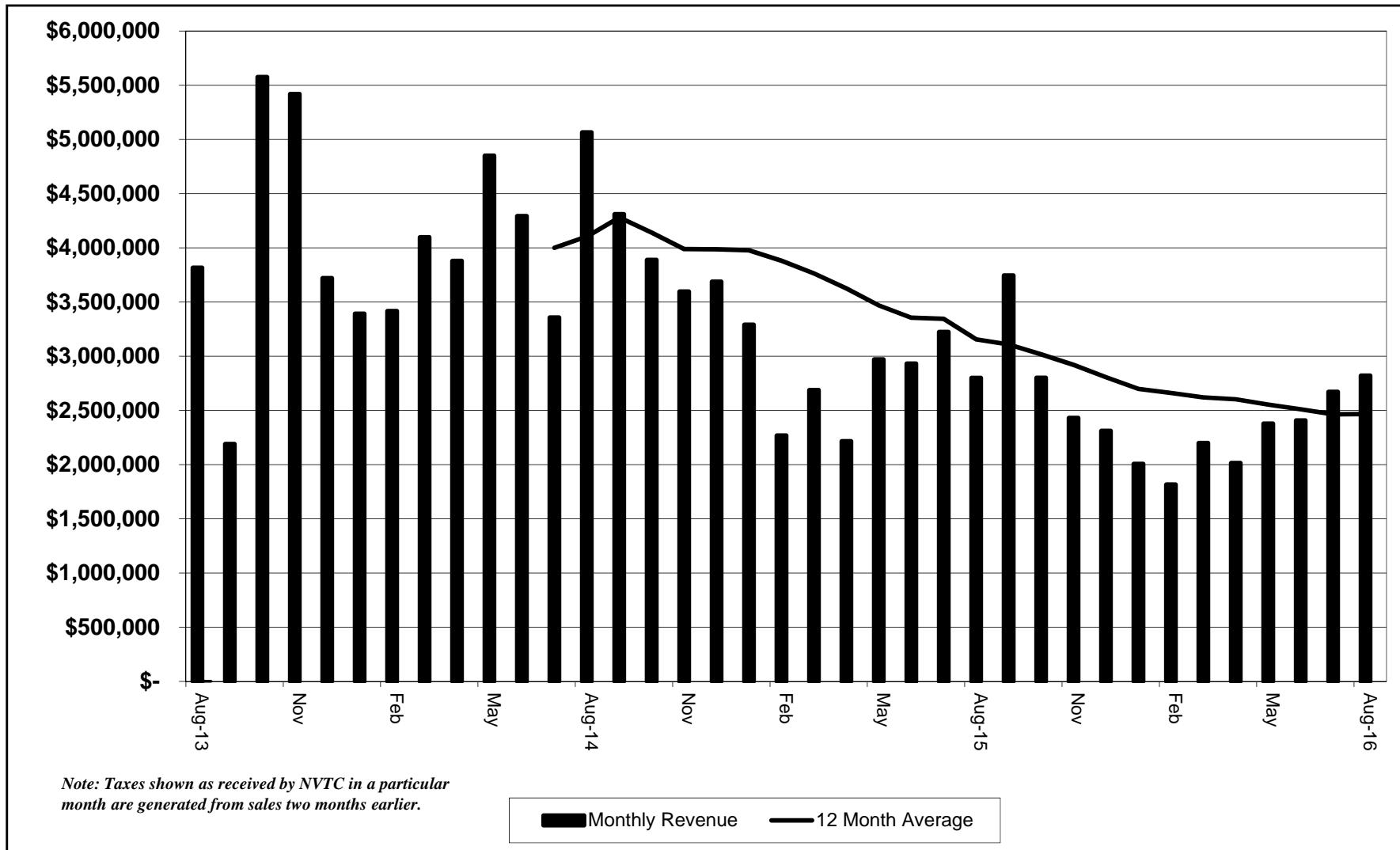
**NVTC
INVESTMENT REPORT
August, 2016**

Type	Rate	Balance 6/30/2016	Increase (Decrease)	Balance 7/31/2016	NVTC G&A/Project	Jurisdictions Trust Fund	Loudoun Trust Fund
<u>Cash Deposits</u>							
Wells Fargo: NVTC Checking	N/A	\$ 123,070.70	\$ (63,077.82)	\$ 59,992.88	\$ 59,992.88	\$ -	\$ -
Wells Fargo: NVTC Savings	0.200%	117,658.05	(54,546.20)	63,111.85	63,111.85	-	-
<u>Investments - State Pool</u>							
Bank of America - LGIP	0.544%	132,187,495.65	19,534,445.95	151,721,941.60	150,827.21	126,265,204.05	25,305,910.34
		<u>\$ 174,599,689.02</u>	<u>\$ 19,507,246.16</u>	<u>\$ 151,845,046.33</u>	<u>\$ 273,931.94</u>	<u>\$ 126,265,204.05</u>	<u>\$ 25,305,910.34</u>

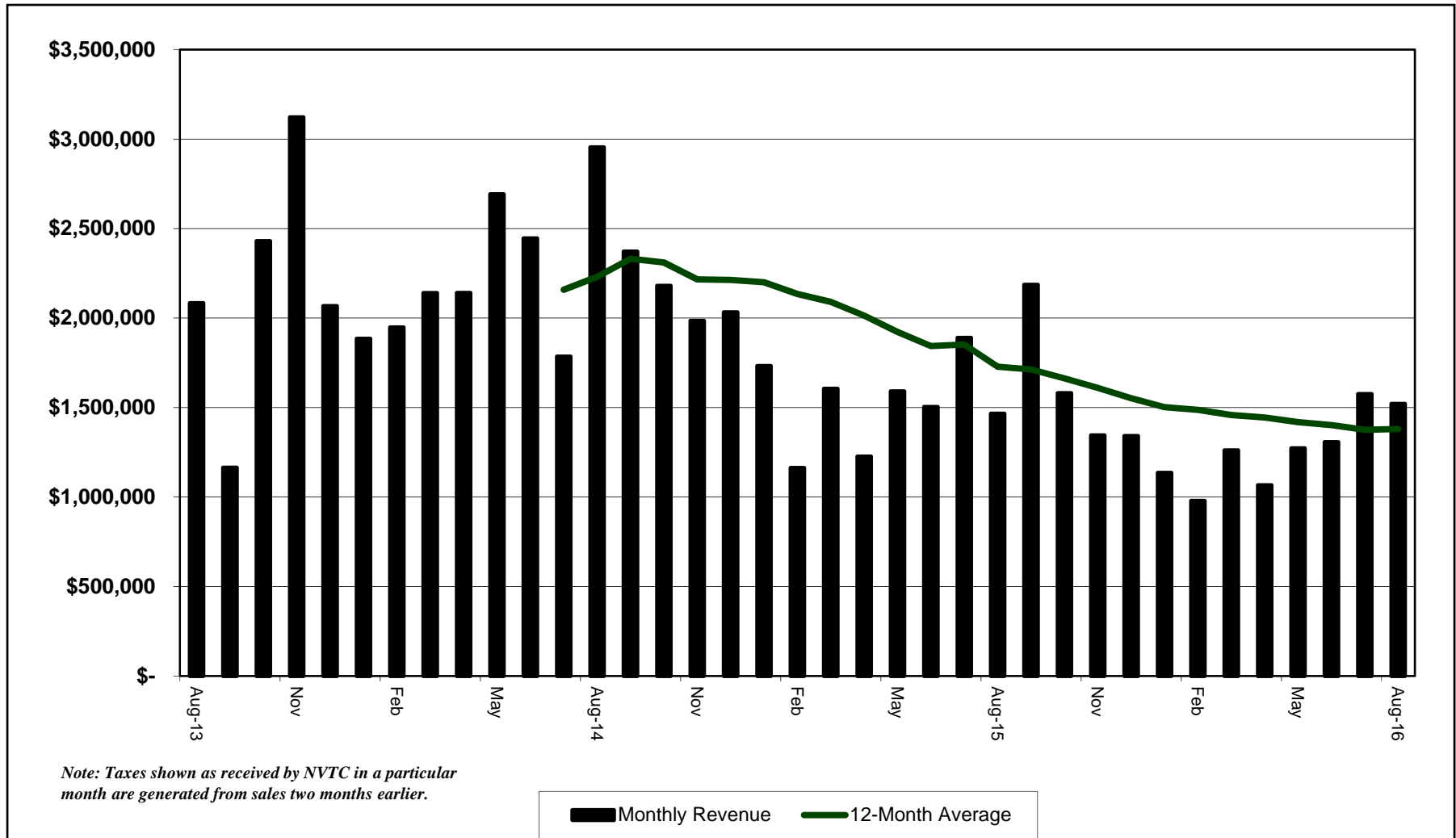
NVTC MONTHLY GAS TAX REVENUE

ALL JURISDICTIONS

FISCAL YEARS 2014-2017



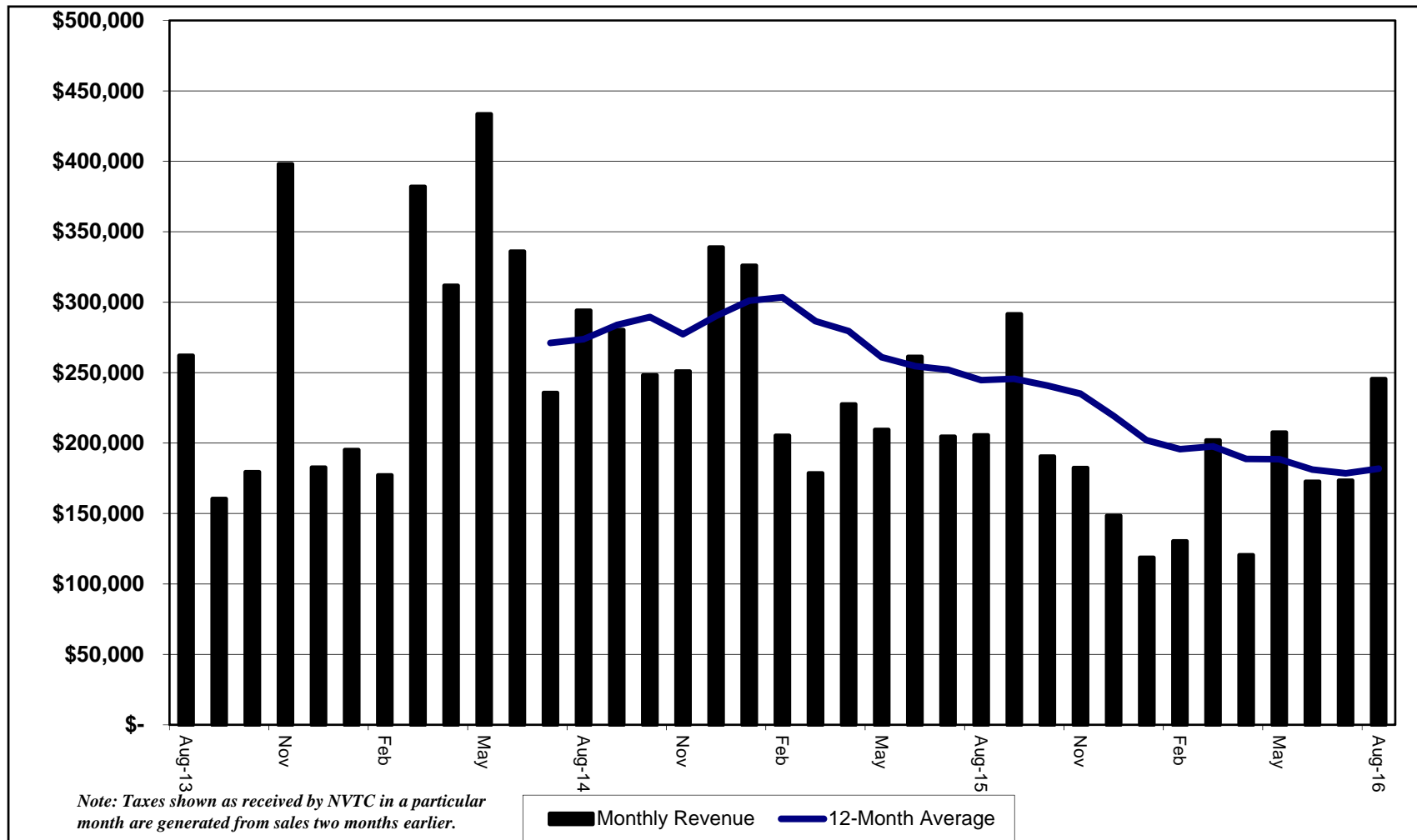
NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2014-2017



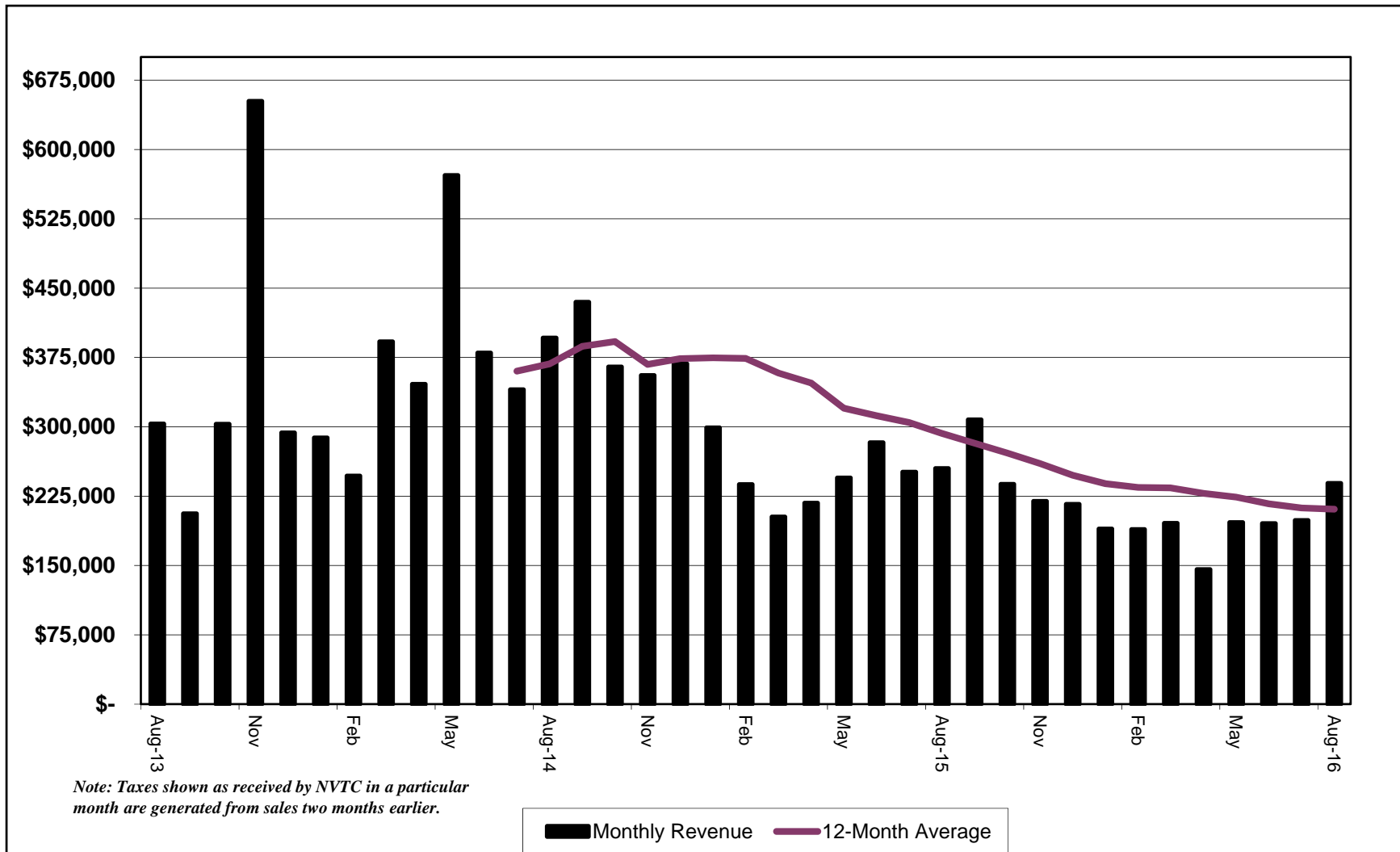
NVTC MONTHLY GAS TAX REVENUE

CITY OF ALEXANDRIA

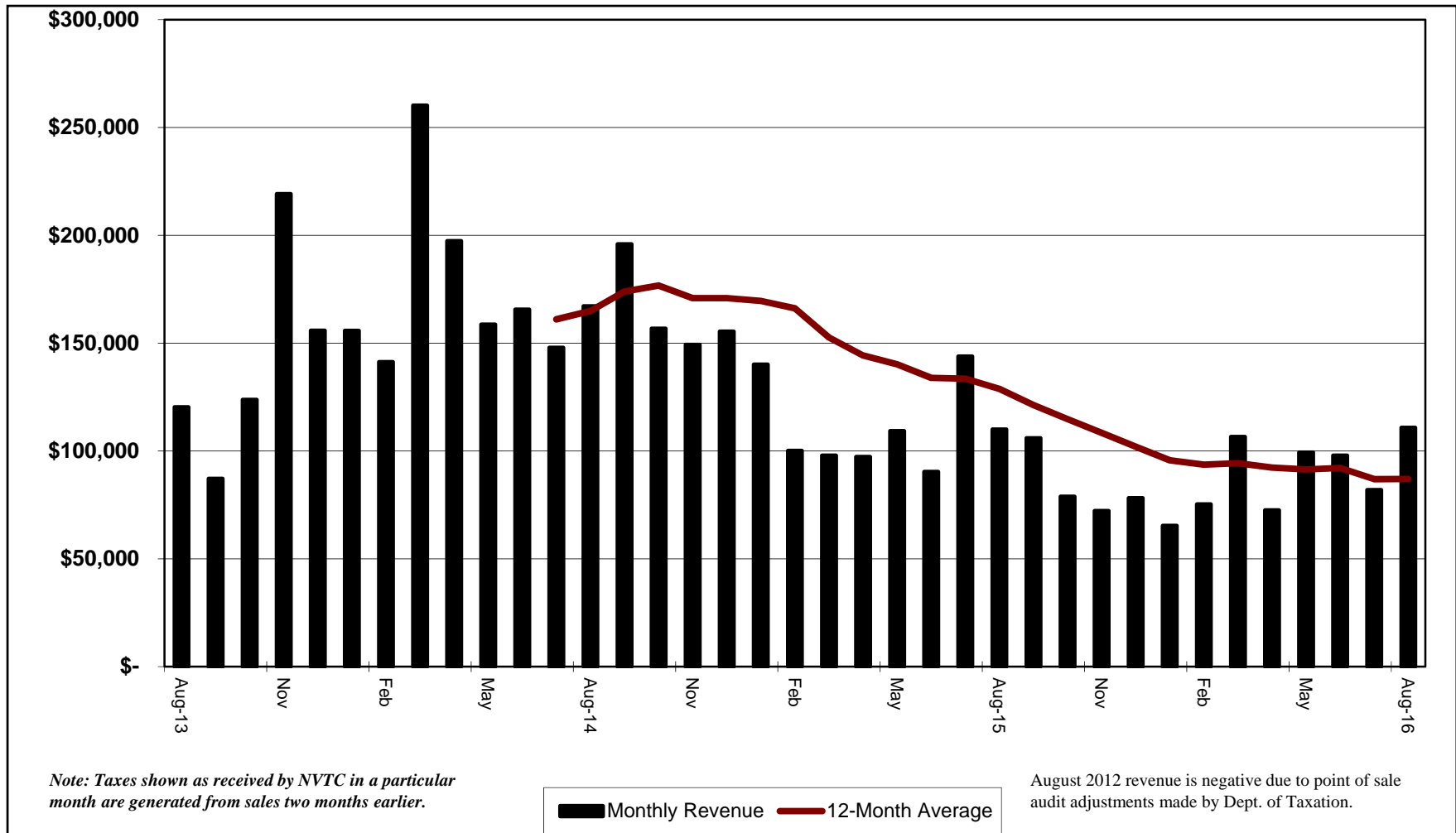
FISCAL YEARS 2014-2017



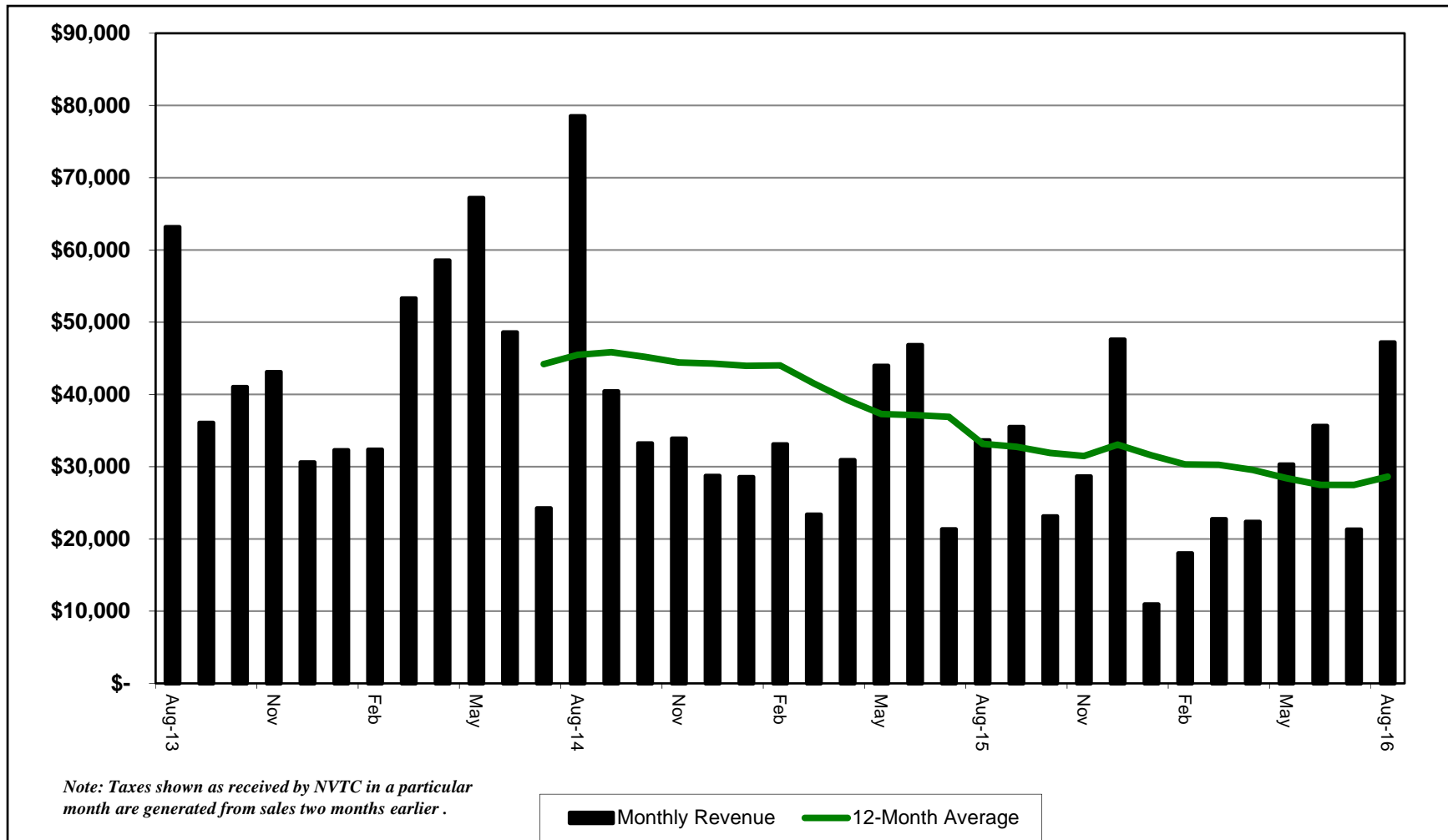
NVTC MONTHLY GAS TAX REVENUE ARLINGTON COUNTY FISCAL YEARS 2014-2017



NVTC MONTHLY GAS TAX REVENUE CITY OF FAIRFAX FISCAL YEARS 2014-2017



NVTC MONTHLY GAS TAX REVENUE CITY OF FALLS CHURCH FISCAL YEARS 2014-2017



NVTC MONTHLY GAS TAX REVENUE LOUDOUN COUNTY FISCAL YEARS 2014-2017

