



## MONTHLY COMMISSION MATERIALS

January 2017

## MEETING OVERVIEW – January 5, 2017

### Action items include:

- Minutes of December 1<sup>st</sup> NVTC Meeting and December 12<sup>th</sup> Joint NVTC-PRTC Legislative Briefing
- Annual Leadership and Governance (election of officers, committee representation, official signatories)
- NVTC FY2018 G&A Budget
- Testimony to WMATA on the FY2018 Budget
- VRE Revised FY2017 Budget and Recommended FY2018 Budget

### Highlights of the meeting include the following:

- Recognition of 2016 Chairman
- Public Comment on NVTC Work Plan
- I-395 Transit/TDM Study Final Report
- WMATA Board Report

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**NVTC COMMISSION MEETING  
THURSDAY, JANUARY 5, 2017  
MAIN FLOOR CONFERENCE ROOM  
2300 Wilson Blvd.  
Arlington, VA 22201**

**7:30 P.M.**

**6:15 P.M. Legislative and Policy Committee  
6:45 P.M. Executive Committee  
First Floor Small Conference Room (dinner is available at 6:40 P.M.)**

**AGENDA**

- 1. Opening Remarks**
- 2. ACTION ITEM: Approve the Minutes**
  - A. Minutes of the December 1, 2016 NVTC Meeting
  - B. Minutes of the December 12, 2016 Joint NVTC-PRTC Legislative Briefing
- 3. Annual Leadership and Governance**
  - A. **ACTION ITEM: Elect NVTC Officers for 2017**
  - B. **ACTION ITEM: Approve Resolution Commending Jay Fisette for His Service as 2016 Chairman**
  - C. **ACTION ITEM: Approve Resolution #2329: Selection of NVTC Representatives to Various Boards**
  - D. **ACTION ITEM: Approve Resolution #2330: NVTC's Official Signatories and Employees' Pension Trustees**
- 4. Public Comment on NVTC's FY2017-FY2018 Work Plan**
- 5. ACTION ITEM: Approve NVTC's FY2018 G&A Budget**
- 6. Department of Rail and Public Transportation (DRPT)**
  - A. DRPT Report
  - B. I-395 Transit/TDM Study Final Report
  - C. Metro Safety Commission

7. **Washington Metropolitan Area Transit Authority (WMATA)**  
**ACTION ITEM: Authorize the Chairman or His Designee to Provide Testimony to WMATA on the FY2018 Budget**
  - A. Board of Directors
  - B. Committee Reports
  - C. Other WMATA News
  - D. Virginia Ridership and Parking Facility Utilization
  - E. Schedule of Upcoming Board Decisions
8. **Virginia Railway Express (VRE)**
  - A. VRE CEO Report and Minutes
  - B. **ACTION ITEM: Approve Resolution #2331:** Revised FY2017 and Recommended FY2018 VRE Operating and Capital Budgets
  - C. 2017 VRE Operations Board Officers
9. **Report of the Legislative and Policy Committee**
10. **Executive Director Report**
  - A. Executive Director Newsletter
  - B. Financial Items for November 2016
  - C. Upcoming Commission Actions and 2017 Meeting Schedule



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

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Fisette at 7:45 P.M.

**Members Present**

David Albo  
Sharon Bulova  
John Cook  
Jim Corcoran  
Katie Cristol  
Christian Dorsey  
Adam Ebbin  
Jay Fisette  
John Foust  
Catherine Hudgins  
David LaRock  
James LeMunyon  
Matt Letourneau  
Tim Lovain  
David Meyer (Alternate, City of Fairfax)  
Ron A. Meyer  
J. Randall Minchew  
Jennifer Mitchell (Alternate, Commonwealth)  
Paul Smedberg  
David Snyder  
Jennifer Wexton

**Members Absent**

Jeff Greenfield  
Jeff McKay

**Staff Present**

Karen Finucan Clarkson  
Jen Deci  
Andrew D'huyvetter  
Rhonda Gilchrest  
Dan Goldfarb  
Nobuhiko Daito  
Patricia Happ  
Kha Huynh  
Scott Kalkwarf  
Kate Mattice  
Aimee Perron Siebert  
Stephen MacIsaac (counsel)  
Doug Allen (VRE)  
Paul Dean (VRE)  
Joe Swartz (VRE)

### Opening Remarks

Ms. Mattice stated that Mr. Garber from PBMAres, LLP, is coming from PRTC, so the audit will be presented later in the agenda.

### Minutes of the November 3, 2016 NVTC Commission Meeting

Mr. Ron Meyer moved, with a second by Senator Wexton, to approve the Minutes of the November 3, 2016 NVTC Commission Meeting. The vote in favor was cast by Commissioners Cook, Corcoran, Cristol, Dorsey, Ebbin, Fisette, Foust, Hudgins, LaRock, LeMunyon, Letourneau, David Meyer, Ron Meyer, Minchew, Smedberg, Snyder and Wexton.

### Washington Metropolitan Area Transit Authority (WMATA)

Mrs. Hudgins gave a report on today's Customer Service, Operations and Security Committee meeting. The current Metrorail closing time of 3:00 A.M. has been one of the greatest contributors to the degradation of the system. There needs to be more time for preventive maintenance. WMATA staff recommended Proposal #3 to the committee, which would adjust the Metrorail operating hours to Mon-Thu 5am-11:30pm, Fri 5am-1am, Sat 7am-1am, and Sun 8am-11pm. The General Manager proposed the 3:00 A.M. closing time would only be restored when there were visible improvements to the system.

Mrs. Bulova and Delegate Albo arrived at 7:48 P.M.

Mrs. Hudgins gave an overview of the committee discussion, which was focused on how to get back to a 3:00 A.M. closing time. The committee eventually compromised on the staff recommendation to forward it the WMATA Board and include a provision to review progress at the end of FY2018 with consideration of a sunset after FY2019. She stated that Metrorail service needs to be safe and reliable and this approach will move towards that goal. The District wants a one-year sunset and is considering a jurisdictional veto. In response to a procedural question from Mr. Letourneau about the jurisdictional veto, Mr. Dorsey explained that if both principal members of a member jurisdiction vote against (or if one abstains), the motion will fail.

Mr. Lovain arrived at 7:50 P.M.

Mr. Smedberg gave an update on the Capital Needs Inventory (CNI) which will identify and quantify WMATA's unconstrained capital needs over a 10-year period to advance or maintain a state of good repair (SGR), meet regulatory compliance, and invest in safety enhancements. The CNI will be aligned with a proper planning process, procurement process, and budget process. He also reported that the Capital Program, Planning and Real Estate Committee had a discussion regarding WMATA's headquarters, which is a valuable piece of property. WMATA is looking at the various options, including renovation, relocation, or redevelopment. Mr. Smedberg noted WMATA has been discussing this periodically since 2002.

Mr. Corcoran gave an update on the proposed FY2018 capital budget, which was presented to the Finance Committee. The budget totals \$1.2 billion but does not include \$200 million for SafeTrack, railcars and additional expenses not budgeted in FY2017. Therefore, \$1.4 billion is needed for capital costs in FY2018. Of the \$1.2 billion, 85 percent is already committed for Series 7000 railcars, buses, system improvements, and other capital needs.

Mr. Dorsey stated that the Finance Committee is also looking at the operating budget during three work sessions. Today's work session focused on ridership, revenue and service. Ridership is down and recovery is expected to be slow. As a result, revenue projections are down. Mr. Corcoran explained that WMATA faces a \$290 million projected gap in the FY2018 operating budget. The plan is to fill the gap by a balanced approach using fare increases, subsidy increases, service reductions, management cuts and other reductions. Mr. Dorsey stated that Virginia and Maryland favor a balanced approach but the current position of the District of Columbia is to only increase subsidies.

Mr. Snyder stated that while Maryland and the District of Columbia have state-wide level of funding, the reality for Virginia's jurisdictions is that they carry the major load of funding. That means additional funding for Metro will compete for funding for teachers and police officers in local budgets. He stated that the vast majority of constituents ride the Metrorail system during the day-time rush hours compared to the few hundreds who ride late at night. It is also important to not lose sight that most riders are being affected by SafeTrack work occurring during the day. He thanked each Virginia WMATA Board member for doing their best to balance the approach to the budget in a fair way.

Mrs. Bulova also expressed her appreciation for the balanced approach to the budget. She observed that the tactic from other jurisdictions of drawing lines in the sand before budget discussions even begin are not constructive, helpful or fair. On top of that, issuing threats meant to inflame is just not helpful and runs counter to working together as a region to address these serious challenges. Mr. Smedberg stated that the three work sessions leading up to Board action were designed to help build consensus.

Mr. Cook asked staff to prepare a one-page document breaking out the jurisdictional and Commonwealth operating and capital contributions (for the current and proposed WMATA budgets).

In response to a question from Delegate LeMunyon, Mrs. Hudgins gave an overview of the budget process. The WMATA Board is expected to take action on the budget in March 2017. The budget goes into effect July 1, 2017.

Mr. Ron Meyer stated that WMATA Board Chairman Jack Evans has publicly supported D.C. Mayor Bowser's statement threatening to use the jurisdictional veto and vote against Phase II of the Silver Line. He observed that these types of statements can shake the confidence of the public. He asked what can be done to send a united message to the public. Mr. Smedberg stated all four Virginia members spoke out against this threat. Mrs. Bulova stated she met with Loudoun County Chairman Randall, who has expressed the

same concerns. She stated that it might be helpful for NVTC to draft an op ed letter explaining the Silver Line Phase II project, which is not funded or managed by WMATA.

Mrs. Bulova moved, with a second by Mr. Dorsey, to authorize staff to prepare an op ed piece on the Silver Line. The vote in favor was cast by Commissioners Albo, Bulova, Cook, Corcoran, Cristol, Dorsey, Ebbin, Fisette, Foust, Hudgins, LaRock, LeMunyon, Letourneau, Lovain, David Meyer, Ron Meyer, Minchew, Smedberg, Snyder and Wexton.

Mrs. Bulova requested NVTC's Chairman, as well as the two chair of Fairfax and Loudoun Counties, sign the letter.

Mr. Dorsey stated NVTC staff is working to provide outreach to the public, key leaders and the business community to convey positive messages about Metro. Two or three meetings are proposed in January or February. NVTC staff is working with the Virginia WMATA Board members to schedule these events.

### Economic Impact of Transit

Metropolitan Washington Council of Governments (MWCOC) Presentation on WMATA. Stuart Freudberg, Deputy Executive Director of MWCOC, stated that on behalf of the Metropolitan Washington Council of Governments Board of Directors he expressed appreciation for being invited to present the "Chief Administrative Officers Technical Panel on Metro Interim Report" to NVTC. He stated that the Council of Governments' number one priority for 2016 is Metro, recognizing its regional importance to the economy as well as transportation mobility and overall quality of life. MWCOC supports the restoration of Metro to a world-class transit system as the ultimate goal and achieving a safe and reliable system in a state of good repair that is properly maintained as the immediate goal. He introduced Jeffrey DeWitt, District of Columbia's independent Chief Financial Officer; and Barbara Donnellan, former Arlington County Manager, who is serving as lead consultant.

Ms. Donnellan stated that the Technical Panel consists of Chief Administrative Officers from the WMATA jurisdictions, the District's Chief Financial Officer, and WMATA leadership. Four key focus areas include the economic value of Metro, metrics (tracking the public's concerns and tracking progress), WMATA funding needs, and revenues. Part of the process included multiple meetings, working with WMATA staff, coordinating with the Board of Trade, and reviewing many existing studies, include NVTC's study from 1984 and updated in 1994. She stated that the essential message in all these previous reports is that Metro spurs economic growth and activity in the region and is essential and vital to the region.

Ms. Donnellan stated that regional benefits from property tax revenue generated within a half-mile of Metro stations is estimated to bring in \$3.1 billion annually. Failure to invest in Metro to restore it to a safe, reliable system in state of good repair could reduce regional economic growth by one-quarter to one-half percent or more, reducing regional economy and tax revenues by \$1-\$2 billion. She then reviewed the metrics – safety, reliability, and customer experience.

Ms. Donnellan stated that the District of Columbia's Chief Financial Officer prepared a financial model to provide a rough order of magnitude of WMATA's funding needs for the region. The model shows the needs are well beyond what individual jurisdictions can afford. The Technical Panel will bring a selection of options to consider to the MWCOG Board in March 2017. She stated that it is important for the region to work together and collectively address these issues.

At 8:51 P.M. the Commission meeting was disrupted by a fire alarm and people were directed to leave the building. Chairman Fisette reconvened the meeting at 9:03 P.M. Delegate Minchew and Senator Wexton did not return.

Mr. DeWitt, the District's Chief Financial Officer, presented an overview of the "WMATA Needs: The Magnitude and the Effect," which is an analysis developed by the District to look at the impact of WMATA on the District's long-range capital plan. WMATA has indicated that it needs to execute approximately \$12 billion in capital improvements over the next 10 years. There is an expected \$3.3 billion gap as well as a \$2.1 billion gap for operating, totaling \$5.42 billion.

Mr. DeWitt explained the analysis, which looked at pay-go and debt service options. Without borrowing, the funding gap averages about \$540 million annually, but increases rapidly from \$333 million in FY2022 to \$1.5 billion in FY2026. With borrowing, the funding gap averages \$290 million annually (approximately \$500 million by FY2026). Additional revenue sources are required because the jurisdictions cannot support the amount of funding needed. He stated that some type of dedicated funding sources should be considered. The analysis also looked at the impacts to the region of no additional funding. SafeTrack-type delays will continue indefinitely, traffic congestion will continue to worsen, and economic growth in the region will likely slow. Just during daytime, \$235 million is currently being lost (wages and lost productivity) by trains being late. Doing nothing could cost the region more than doing something. He observed that there are no easy answers.

Chairman Fisette stated that this is helpful information to be able to frame the issues for legislators in other parts of the Commonwealth to understand the importance of WMATA and its economic impact to Virginia.

#### NVTC's Analysis of the Value of Northern Virginia Transit to the Commonwealth.

Ms. Mattice gave a brief description of the work NVTC will be doing that focuses on locally generated revenues going to the Commonwealth (not necessarily property taxes). NVTC is using analysis started by WMATA in 2011 to effectively quantify the value to incomes and businesses in having high capacity transit. NVTC is coordinating with MWCOG and WMATA staff and using in-house talent for this work. Analysis will include both WMATA and VRE. Preliminary findings will be presented to the Commission in spring 2017.

#### Financial Items

NVTC's FY2016 Audited Financial Statement and Compliance Reports. Mike Garber, Partner at PBMares, LLP, stated that PBMares issued an unqualified (clean) opinion that NVTC's financial statements, in all material respects, fairly and accurately

present the financial position of the organization. PBMares also issued a clean report on the internal control of NVTC's financial reporting, compliance and other matters. Because NVTC's received federal assistance during FY2016, PBMares issued a report on the compliance with requirements and internal control related to those federal funds. The report identified no findings nor any internal control deficiencies.

Mr. Garber stated that the management letter includes recommendations on new uniform guidance on spending federal dollars and on conflict of interest. NVTC should implement a new procedure to verify Commissioners have submitted a conflict of interest disclosure form with their jurisdiction.

Delegate LeMunyon asked if the cash balances on page 19 and 23 fluctuate over the course of the year. He also asked if the funds are being invested according to NVTC's investment policies. Mr. Kalkwarf responded that page 19 is NVTC's share of VRE's assets and page 23 is the jurisdictional trust fund which fluctuates over the year building up as it approaches the end of a quarter and NVTC transfers funds to WMATA on the first day of the next quarter. June 30<sup>th</sup> is the high point. He stated that the funds are invested in Virginia's Local Government Investment Pool (LGIP).

In response to another question from Delegate LeMunyon, Mr. Garber stated that the audit looks at the high-risk areas, such as the SAM allocation in more detail because of how those dollars get split between the jurisdictions. The audit also takes random samples and looks at all sizes of transactions.

Mr. Cook suggested implementing the recommendation to have high-level staff fill out conflict of interest forms.

There were no objections to accepting the audit and distributing it to interested parties.

Financial Items for October 2016. The financial reports were provided to Commissioners. There were no questions.

#### Department of Rail and Public Transportation

DRPT Report. Ms. Mitchell encouraged Commissioners to read the written DRPT Report.

Metro Safety Commission. Ms. Mitchell stated that a draft resolution of support has been prepared by NVTC staff for Commission consideration. She gave a status report on the draft MSC legislation. The Technical Committee is reviewing and addressing each comment. The next step is for the new draft to be submitted to the District of Columbia for consideration at its December 6<sup>th</sup> meeting followed by approval on December 20<sup>th</sup>. NVTC Resolution #2324 expresses support for the establishment of the MSC but does not address details of the legislation. Chairman Fisette noted that support for the MSC is already included in NVTC's Legislative and Policy Agenda and this resolution just reinforces that position.

Mr. Cook moved, with a second by Mr. Letourneau, to approve Resolution #2324.

Delegate Albo stated he is pleased to see the resolution does not address the jurisdictional veto issue. Delegate LeMunyon stated that as long as this vote is not construed as being in favor of a specific version of the bill, he can vote support the motion.

Mr. Snyder asked whether the new administration could impact or reverse FTA's position on withholding funds. Ms. Mitchell stated the Commonwealth received multiple statements regarding withholding funds from USDOT as well as FTA. FTA has the legal authority under FAST Act to withhold funds. The MSC still needs to be established. She would argue that state safety oversight belongs back at the state level since Maryland, Virginia and the District are the owners of the system. Mr. Snyder stated that he sees NVTC is taking this action under the current conditions but if they change, it may need to be revisited.

The Commission then voted on the motion and it was a unanimous vote. The vote in favor was cast by Commissioners Albo, Bulova, Cook, Corcoran, Cristol, Dorsey, Ebbin, Fisette, Foust, Hudgins, LaRock, LeMunyon, Letourneau, Lovain, David Meyer, Ron Meyer, Minchew, Smedberg, Snyder and Wexton.

### Virginia Railway Express

VRE CEO Report. Mr. Allen reported overall on-time performance (OTP) for the month of October was 93 percent with average daily ridership remaining strong at 19,400. This is 1,400 over the previous year's average daily ridership, which can be mostly attributed to SafeTrack. VRE has retained some riders after the surges ended.

Mr. Allen reported that Fairfax County held a ribbon cutting ceremony at the Lorton Station today for new parking. He also announced several upcoming events. VRE will be collecting toys and cash for its annual Marine Corps Toys for Tots campaign on December 7<sup>th</sup>. Santa Trains will be run on December 10<sup>th</sup>. VRE will also run regular service on January 20<sup>th</sup> for Inauguration Day.

Mr. Allen stated that DRPT's consultants are finalizing their draft report on VRE's Financial Plan to submit to the Commonwealth Transportation Board. It is expected that the findings will show they concur with VRE's analysis and conclusions that VRE needs an additional \$40 million annually to maintain current service levels and \$60 million to expand service as outlined in VRE's 2040 Plan.

Mr. Allen also announced that the Virginia Transit Association (VTA) is holding its annual legislative reception for General Assembly members at the Main Street Station in Richmond on January 23<sup>rd</sup>. VRE is coordinating with VTA and CSX to provide a train to view and board at the event.

VRE's FY2016 Comprehensive Annual Financial Report. Mrs. Bulova reported that the Operations Board recommends the Commission accept and authorize the distribution of VRE's FY2016 Comprehensive Annual Financial Report (CAFR) and associated

information from the auditors. Resolution #2325 would accomplish this. VRE's audit firm, PBMAres, LLP, has issued an unqualified (clean) opinion. The Operations Board received a detailed presentation from Mr. Garber at its November meeting.

Mrs. Bulova moved, with a second by Mr. David Meyer, to approve Resolution #2325 (copy attached). The vote in favor was cast by Commissioners Albo, Bulova, Cook, Corcoran, Cristol, Dorsey, Ebbin, Fisette, Foust, Hudgins, LaRock, LeMunyon, Letourneau, Lovain, David Meyer, Ron Meyer, Minchew, Smedberg, Snyder and Wexton.

CSX Transportation Operating Access Agreement and Master Facilities Lease Agreement. Mrs. Bulova reported that the VRE Operations Board recommends that the Commission authorize the VRE CEO to execute amendments to the CSX Operating Access Agreement and the Master Facilities Lease Agreement in a form approved by legal counsel. The recommended amendments would incorporate changes to the current train schedules to reflect actual run-times between Spotsylvania and the Fredericksburg Stations and to update the physical characteristics of the corridor to include the new L'Enfant Storage tracks. Resolution #2326 would accomplish this.

Mrs. Bulova moved, with a second by Ms. Cristol, to approve Resolution #2326 (copy attached). The vote in favor was cast by Commissioners Albo, Bulova, Cook, Corcoran, Cristol, Dorsey, Ebbin, Fisette, Foust, Hudgins, LaRock, LeMunyon, Letourneau, Lovain, David Meyer, Ron Meyer, Minchew, Smedberg, Snyder and Wexton.

Norfolk Southern Operating Access Agreement. Mrs. Bulova reported that the VRE Operations Board recommends that the Commission authorize the VRE CEO to execute an amendment to the April 30, 2014 Norfolk Southern Operating Access Agreement to reflect train schedule changes for the VRE Manassas and Fredericksburg line trains in a form approved by legal counsel. Resolution #2327 would accomplish this.

Mrs. Bulova moved, with a second by Ms. Cristol, to approve Resolution #2327. The vote in favor was cast by Commissioners Albo, Bulova, Cook, Corcoran, Cristol, Dorsey, Ebbin, Fisette, Foust, Hudgins, LaRock, LeMunyon, Letourneau, Lovain, David Meyer, Ron Meyer, Minchew, Smedberg, Snyder and Wexton. (A copy of the resolution is attached.)

Amtrak Access and Storage Agreement. Mrs. Bulova reported that the VRE Operations Board recommends that the Commission authorize the VRE CEO to execute an amendment to the July 1, 2015 Amtrak Access and Storage Agreement to reflect schedule changes for the VRE Manassas and Fredericksburg line trains in a form approved by legal counsel. Resolution #2328 would accomplish this.

Mrs. Bulova moved, with a second by Mr. Ron Meyer, to approve Resolution #2328 (copy attached). The vote in favor was cast by Commissioners Albo, Bulova, Cook, Corcoran, Cristol, Dorsey, Ebbin, Fisette, Foust, Hudgins, LaRock, LeMunyon, Letourneau, Lovain, David Meyer, Ron Meyer, Minchew, Smedberg, Snyder and Wexton.



## Regional Transit Performance: NVTC FY2017 1<sup>st</sup> Quarter Ridership Report

Ms. Mattice stated that due to the lateness of the hour, staff will not make a presentation. She explained that the 1<sup>st</sup> quarter of ridership, which is the first full quarter where SafeTrack has been in effect, shows a decline in Metro ridership. There is some good news with ART, VRE and Loudoun County Transit (LCT) where ridership is up. Mr. D'huyvetter explained that ART ridership increased because the county added service to compensate for SafeTrack and converted some Metrobus service into ART service. Chairman Fisette stated that one could presume that people would shift from Metrorail to bus during SafeTrack, but data shows reduction in bus ridership too. These two systems seem to be intertwined.

## Executive Director Report

Executive Director Newsletter. Ms. Mattice encourage Commissioners to read the newsletter. She announced that yesterday WMATA issued a Notice to Proceed to Cubic for the Farebox/DCU technical work to replace obsolete farebox hardware and software. NVTC is working with the Northern Virginia bus systems to implement upgrades to fareboxes. NVTC is also coordinating on a solution for off-board payment technologies for Metroway and for future BRT in the region. Ms. Mattice also announced that the new Gainesville to Pentagon OmniRide service begins on December 12<sup>th</sup>. This is the first of the Transform 66 Inside the Beltway Multimodal components to begin service.

NVTC FY2018 G&A Budget. Ms. Mattice reported that the Executive Committee approved the submission of the budget to the Commission for approval at its January 5, 2017 meeting. Total expenses increase by 1.7 percent over the approved FY2017 budget. Staff levels are held constant at the FY2016 and FY2017 approved budget levels. The Computer Operations line includes funds needed to replace NVTC's antiquated financial accounting system, which will be procured in early FY2018. The Contract Services and Support line includes a provision for research and technical support efforts, HR support, NVTC's state liaison activities contract, and non-payroll costs for the Transform 66 project.

Annual Agenda. Ms. Mattice explained that the Annual Agenda is a preview of upcoming topics and actions for 2017. She invited Commissioners to provide comments to staff.

Meeting Location and Webcasting. Regarding last month's request for information on the feasibility of holding Commission meetings at offsite locations, Ms. Mattice stated staff reviewed the current logistics, staffing and budget associated with the current location and the possibility of holding program or project-specific public meetings throughout the transportation district. She stated that NVTC holds public comment every January and over the last year, held over a dozen public meetings on different programs and projects in other locations (Reston, Alexandria, Tysons, Baileys Crossroads, Springfield, Fairfax and Falls Church). NVTC has also gone out into the communities to meet with Chambers, local community groups and transportation commissions. For

Transform 66, NVTC partnered with VDOT and held public hearings in Gainesville, Ashburn, Falls Church and Arlington.

In response to Chairman Fisette's question about staff's recommendation, Ms. Mattice stated that NVTC staff want to be very purposeful about having project-specific meetings out in the community, but there is a predictability, ease and cost benefit of keeping the meetings at the current location. There were no objections.

Ms. Mattice stated that since NVTC shares this meeting facility with other tenants, any webcasting would need to be a temporary solution brought in each meeting and would need to be staffed. It is cost prohibitive. The Metropolitan Washington Council of Governments is the only regional body that currently provides this type of webcasting.

Joint NVTC-PRTC Legislative Briefing. Ms. Mattice reminded Commissioners that the Joint NVTC-PRTC Legislative Briefing will be held on December 12<sup>th</sup> at the Springfield Hilton at 9:30 A.M. Featured speakers include Deputy Secretary of Transportation Nick Donohue, DRPT Director Jennifer Mitchell, WMATA General Manager/CEO Paul Wiedefeld, VRE CEO Doug Allen, and Chairman-Elect Nominee of the Prince William Chamber Betty Dean.

#### Adjournment

Ms. Cristol moved, with a second by Mrs. Bulova, to adjourn the meeting. Without objection, Chairman Fisette adjourned the meeting at 9:57 P.M.

Approved this 5<sup>th</sup> day of January 2017.

\_\_\_\_\_

Secretary-Treasurer

\_\_\_\_\_

Chairman



## RESOLUTION #2324

**SUBJECT:** Support of the Washington Metropolitan Area Transit Authority Metro Safety Commission (MSC)

**WHEREAS:** NVTC's strategic goals include the promotion of safe, reliable, and financially sound performance of WMATA's Metrorail system;

**WHEREAS:** NVTC's 2017 Federal and State Legislative and Policy Agenda supports the establishment of the MSC as a means to enhance the safety and security of riders in the region;

**WHEREAS:** Title 49 Chapter 53 of United States Code contains federal statutory requirements for public transportation safety programs and State Safety Oversight Agencies (SSOAs) that require heavy rail systems to have a legally and financially independent safety oversight agency;

**WHEREAS:** The Federal Transit Administration (FTA) determined that WMATA's SSOA, the Tri-State Oversight Committee (TOC), does not possess adequate enforcement authority necessary to meet certification requirements for SSOAs;

**WHEREAS:** On October 15, 2016, the FTA assumed temporary federal oversight of WMATA's State Safety Oversight program until a SSOA is established and certified to meet federal safety requirements;

**WHEREAS:** If the U.S. Secretary of Transportation determines that a State Safety Oversight program is not being carried out in accordance with federal law, FTA may withhold Section 5307 funding to transit agencies in the state;


**WHEREAS:** Due to the unique multi-state nature of the WMATA Metrorail system, the MSC must be established through an interstate compact, which will require that identical legislation be passed in the District of Columbia, Maryland and Virginia; and

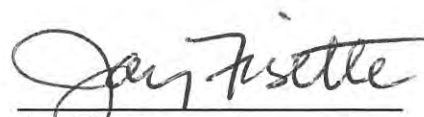
**WHEREAS:** In February 2016, United States Secretary of Transportation Anthony Foxx informed the District of Columbia, Maryland and Virginia that if the MSC is not established and certified by February 9, 2017, the FTA is prepared to begin withholding Section 5307 funds until the MSC is certified as the SSOA for WMATA.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission hereby urges the Commonwealth to work collaboratively with the District of Columbia and Maryland to establish the MSC as WMATA's SSOA.

**BE IT FURTHER RESOLVED** that NVTC encourages the Commonwealth to act expeditiously in order to minimize disruptions to transit operations statewide and prevent the withholding of Section 5307 funds.

Approved this 1<sup>st</sup> day of December 2016.

  
Paul C. Smedberg  
Secretary-Treasurer

  
Jay Fisetle  
Chairman





## **RESOLUTION #2325**

**SUBJECT:** Accept and Authorize Distribution of VRE's FY2016 Comprehensive Annual Financial Report (CAFR)

**WHEREAS:** The VRE Operations Board has contracted with the firm of PBMares, LLC for the audit of its financial statements;

**WHEREAS:** The audit of VRE's FY2016 financial statements has been completed;


**WHEREAS:** The auditors have issued an unqualified opinion that VRE's statements, in all material respects, fairly and accurately present the financial position of the commuter rail operation;

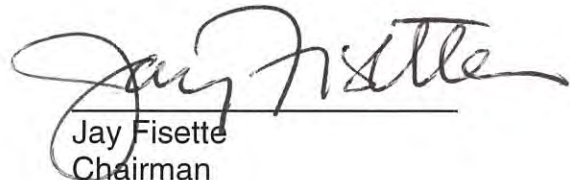
**WHEREAS:** The VRE Operations Board accepts the FY2016 Comprehensive Annual Financial Report (CAFR) and associated information from the auditors; and

**WHEREAS:** The VRE Operations Board recommends the following action.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission hereby accepts VRE's FY 2016 Comprehensive Annual Financial Report (CAFR) and associated information from the auditors and authorizes the VRE Chief Executive Officer to forward these documents to interested groups, firms and members of the public.

Approved this 1<sup>st</sup> day of December 2016.

  
Paul C. Smedberg  
Secretary-Treasurer

  
Jay Fisette  
Chairman



## **RESOLUTION #2326**

**SUBJECT:** Authorize the VRE CEO to Amend the CSX Transportation Operating Access Agreement and Master Facilities Lease Agreement

**WHEREAS:** VRE's current Operating Access Agreement with CSX Transportation was executed in July of 2011;

**WHEREAS:** The current Operating Access Agreement defines the train schedules and physical characteristics of the rail corridor in which VRE operations;

**WHEREAS:** The current train schedules and physical characteristics of the rail corridor need to be modified to include revised train schedules and the addition of the L'Enfant Storage tracks; the auditors have issued an unqualified opinion that VRE's statements, in all material respects, fairly and accurately present the financial position of the commuter rail operation;

**WHEREAS:** VRE has a Master Facilities Lease Agreement with CSX Transportation for all Stations on the CSX Transportation right of way;

**WHEREAS:** The Master Facilities Lease Agreement needs to be updated to include the right of way for the L'Enfant Storage tracks; and

**WHEREAS:** The VRE Operations Board recommends the following action.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission hereby authorize the VRE Chief Executive Officer to execute an Amendment to the current CSX Transportation Operating Access Agreement to 1) revise the current train schedules; 2) update the physical characteristics of the rail corridor to include the L'Enfant Storage tracks in a form approved by legal counsel.

**BE IT FURTHER RESOLVED** that NVTC authorizes the VRE Chief Executive Officer to execute an Amendment to the current Master Facilities Lease Agreement to include the right of way for the L'Enfant Storage tracks in a form approved by legal counsel.

Approved this 1<sup>st</sup> day of December 2016.

Paul C. Smedberg  
Secretary-Treasurer

Jay Fiset  
Chairman





## RESOLUTION #2327

**SUBJECT:** Authorize the VRE CEO to Amend the Norfolk Southern Operating Access Agreement

**WHEREAS:** VRE has an Operating Access Agreement with Norfolk Southern Railway Company dated April of 2014 for a term of five years

**WHEREAS:** The Operating Access Agreement, in part, identifies train schedules for the VRE Manassas line trains that intersect with CSX Transportation at the AF interlock;

**WHEREAS:** VRE will modify the current train schedules with Norfolk Southern Railway to reduce station dwell times; and

**WHEREAS:** The VRE Operations Board recommends the following action.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission hereby authorize the VRE Chief Executive Officer to execute an Amendment to the Operating Access Agreement with Norfolk Southern Railway Company to modify the VRE Manassas Line train schedules in a form approved by legal counsel.

Approved this 1<sup>st</sup> day of December 2016.

Paul C. Smedberg  
Secretary-Treasurer

Jay Fiset  
Chairman



## **RESOLUTION #2328**

**SUBJECT:** Authorize the VRE CEO to Amend the Amtrak Access and Storage Agreement

**WHEREAS:** VRE has an Operating Access Agreement with Amtrak dated July 1, 2015;

**WHEREAS:** The Access and Storage Agreement, in part, identifies train schedules for the VRE Manassas and Fredericksburg line trains;

**WHEREAS:** VRE will modify the train schedules with CSX Transportation and Norfolk Southern Railway Company;


**WHEREAS:** The modified trains schedules will not affect the arrival and departure schedules into and out of Washington Union Terminal;


**WHEREAS:** In order to incorporate the modified train schedules into the current Agreement an Amendment is required; 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 an Amendment to the Access and Storage Agreement with Amtrak to modify the VRE Manassas and Fredericksburg Line train schedules in a form approved by legal counsel.

Approved this 1<sup>st</sup> day of December 2016.

  
Paul C. Smedberg  
Secretary-Treasurer

  
Jay Fiset  
Chairman

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**MINUTES  
JOINT NVTC-PRTC LEGISLATIVE BRIEFING  
DECEMBER 12, 2016  
SPRINGFIELD HILTON – SPRINGFIELD, VIRGINIA  
9:30 A.M.**

**NVTC Members Present**

Sharon Bulova  
Jim Corcoran  
Katie Cristol  
Adam Ebbin  
Jay Fisette  
Jeff McKay  
Jennifer Mitchell (Alternate, Commonwealth)  
Phyllis Randall (Alternate, Loudoun County)

**NVTC Members Absent**

David Albo  
John Cook  
Christian Dorsey  
Jeff Greenfield  
John Foust  
Catherine Hudgins  
David LaRock  
James LeMunyon  
Matt Letourneau  
Tim Lovain  
Ron A. Meyer  
J. Randall Minchew  
Paul Smedberg  
David Snyder  
Jennifer Wexton

**NVTC Staff Present**

Karen Finucan Clarkson  
Jen Deci  
Rhonda Gilchrest  
Dan Goldfarb  
Andrew D'huyvetter  
Patricia Happ  
Kha Huynh  
Scott Kalkwarf  
Kate Mattice  
Nobuhiko Daito  
Colethia Quarles  
Aimee Perron Seibert

**PRTC Members Present**

Ruth M. Anderson  
George L. Barker  
Jackson H. Miller  
Jennifer Mitchell  
Frank J. Principi

**PRTC Members Absent**

Richard L. Anderson  
Maureen Caddigan  
John D. Jenkins  
Frank C. Jones  
Jeanine Lawson  
Paul Milde  
Marty Nohe  
Gary F. Skinner  
Robert Thomas  
Paul Trampe  
Matthew Kelly  
Jonathan Way

**PRTC Staff Present**

Gina Altis  
Althea Evans  
Holly Mareello  
Eric Marx  
Ben Matters  
Luis Ortiz  
Perrin Palistrant  
Chuck Steigerwald  
Jeff Gore  
Stan Tretiak

## Opening Remarks

Jeff McKay, Co-Chairman of NVTC's Legislative and Policy Committee and Fairfax County Supervisor representing the Lee District, welcomed everyone to the second annual NVTC-PRTC Joint Legislative Briefing. He introduced the Virginia Transit Association's "Transit Working for Virginia" video that highlights the impact of transit on Virginia's economy and why an investment in transit capital is critical.

NVTC Chairman Jay Fisette recognized state legislators, including Senator George Barker, Senator Adam Ebbin, Senator Barbara Favola, Delegate Mark Keam, Delegate Jackson Miller, Delegate Mark Sickles, Delegate Marcus Simon, Delegate Vivian Watts. He also recognized Mary Hynes, who serves on the Commonwealth Transportation Board. Chairman Fisette also identified NVTC and PRTC Commissioners.

NVTC Chairman Fisette stated that NVTC is a unique organization with over 50 years of experience and is the voice of transit in Northern Virginia. NVTC is made up of six jurisdictions, including the counties of Arlington, Fairfax, and Loudoun, and the cities of Alexandria, Fairfax and Falls Church. NVTC, along with PRTC, co-owns the Virginia Railway Express. NVTC manages funds going to WMATA and is the focal point for all discussion in Northern Virginia regarding WMATA; manages regional, state and federal transit funds; provides Northern Virginia with specific research and technical assistance; and coordinates among local transit systems in Northern Virginia.

NVTC Chairman Fisette reviewed the highlights of NVTC's Legislative and Policy Agenda. NVTC's Agenda focuses on three main legislative initiatives, the establishment of the Metro Safety Commission, priority to keep building the case for long-term sustainable funding for transit, and a regional gas tax floor.

PRTC Chairman Frank Principi also welcomed attendees. He gave a special thanks to members of the General Assembly who recognize the essential role transit plays in this region. He stated PRTC has a staff of 50 that operate a fleet of 156 buses on 23 different routes. The routes include local intra-county routes, Metrorail feeder routes, as well as OmniRide routes from Prince William County to major employment centers across the region. PRTC's buses carry over 2.8 million riders each year and provide other services including vanpool and carpool management services as well as support for Prince William County's major employers. PRTC Chairman Principi announced that a new bus service from Gainesville to the Pentagon commenced service today. This is the first Transform 66 Multimodal project funded under NVTC to start service.

PRTC Chairman Principi announced that PRTC has embarked on a strategic planning process to look at future transit roles, which may include bikeshare, carshare, and partnerships with major employers, transportation network companies, or microtransit services. PRTC is exploring these initiatives in light of the funding challenges from reduced gas tax revenues. He and Chairman Fisette signed a letter to the Transit Capital Project Revenue Advisory Board to ask the Board to consider strategies to provide more predictable sources of revenues for transit operations.

### Multimodal Transportation in Northern Virginia

NVTC Chairman Fisette introduced Nick Donohue, Virginia Deputy Secretary of Transportation.

Mr. Donohue stated that the McAuliffe Administration appreciates its partnership with NVTC and PRTC and thinks it is critical for the Commonwealth to work collaboratively with these two commissions in order to make the Northern Virginia transportation network work. By 2022, the region will be maxed out of pavement on the freeways in Northern Virginia. This means the state needs to work more closely with NVTC and PRTC to figure out how to move more people in the existing space. A functional transportation network is key to the region's continued economic success, growth, and ability to move more people throughout the region. This is why the Commonwealth has worked hard to partner with NVTC and PRTC, as well as the Northern Virginia Transportation Authority, to move projects forward.

Regarding the I-66 Outside the Beltway project, Mr. Donohue stated that the Governor recently announced that the Administration reached a successful deal with a P3 partner, Express Mobility, and is moving forward to create a framework for how P3s will work throughout the Commonwealth. In 2013, estimates projected the project would cost \$1 billion with no funding for transit or future corridor improvements over 50 years of development. Governor McAuliffe worked with Delegate Jones and other legislators to reform the P3 process during the last General Assembly Session. The current P3 deal can support many additional improvements not included in the original estimates. Express Mobility has agreed to provide \$2.5 million for construction with no public contribution. They are going to fund \$800 million (net present value) of new commuter bus service over the 50-year term. They will put in place 4,000 new park-and-ride spaces along the corridor compared to the current number of less than 1,000 spaces. They will provide \$350 million over 50 years for corridor improvements for other enhancements in the corridor. They will also provide \$500 million next summer for other corridor improvements. Mr. Donohue stated that the Commonwealth would like to discuss with NVTC and PRTC, as well as the Commonwealth Transportation Board, about what are the most pressing needs for the corridor.

Mr. Donohue stated that the Commonwealth must work on creating attractive transit and other TDM mechanisms to help utilize the new express lanes. These express lanes will be part of the region's high capacity network to move more people. He gave some historical background to the I-95/395 express lanes project. He reported that the Administration is currently working with Transurban to extend the I-395 express lanes from the current terminus to the Potomac River. Part of the success of this project is a substantial dedicated, ongoing investment in transit for the entire I-95/395 corridor. It is important for the region to help the Commonwealth make decisions related to use of tolls for transit.

Mr. Donohue noted that for the 2017 General Assembly Session the Administration will focus on the Metro Safety Commission. It is the top legislative issue for transportation in this upcoming Session.

Mr. Donohue stated that the next big thing to address is figuring out how Virginia will participate in the replacement of the Long Bridge, which carries all Amtrak, VRE and freight trains across the Potomac River to and from the District of Columbia. Currently it is a two-track bridge. It will cost hundreds of millions of dollars to replace it but without it there is no additional capacity for VRE and Amtrak. The Commonwealth can build third track along the I-95/395 corridor, but if the Long Bridge is not expanded, rail traffic will continue to bottleneck. This is a statewide need as it impacts other areas in the Commonwealth, such as Norfolk, Richmond, Hampton Roads and Lynchburg.

In conclusion, Mr. Donohue expressed the Administration's appreciation for its partnership with NVTC and PRTC and that the Administration looks forward to continued collaboration for the remainder of their time in office.

NVTC Chairman Fiset introduced Jennifer Mitchell, Director of the Department of Rail and Public Transportation.

Ms. Mitchell stated that her remarks will focus on the Metro Safety Commission (MSC) and long-term transit funding. The MSC is required by Congress through the federal MAP-21 legislation and was restated in the FAST Act reauthorization bill.

Ms. Mitchell explained that all three WMATA jurisdictions (Virginia, Maryland and the District of Columbia) must enact identical legislation or risk withholding of federal transit dollars statewide. The District plans to take action at its December 20<sup>th</sup> City Council meeting.

Ms. Mitchell stated that U.S. Secretary of Transportation Anthony Foxx has given the region a deadline of February 9, 2017. Virginia has acknowledged that it will not meet the deadline since the General Assembly Session will not be ended by that date. If there is a lengthy delay in passing the MSC, Virginia could stand to lose about five percent of its transit funds, which amounts to approximately \$6 million annually. It is very important to get support from legislators to pass this bill. She thanked NVTC for passing a resolution of support of the MSC, which is one of NVTC's highest legislative priorities.

Ms. Mitchell stated that the MSC will have the enforcement teeth essential to promoting a much needed and stronger safety culture at WMATA. This will improve accountability for WMATA and provide additional transparency in oversight, which cannot be provided by the current federal oversight. The MSC will be able to address any future safety issues that occur at Metro by:

- Overseeing, reviewing and approving safety plans.
- Conducting independent accident investigations and property inspections.
- Taking legal action and issuing citations or fines.
- Directing WMATA to prioritize capital spending on safety needs.
- Removing vehicles, facilities or infrastructure.
- Restricting or suspending rail service.
- Impelling WMATA to remove employees from safety sensitive positions.
- Urging WMATA's Office of Inspector General to conduct investigations.

- Publishing an annual safety report to FTA and jurisdictions, annual report of operations, and an annual independent audit of finances.

Ms. Mitchell reviewed the structure of the MSC, which will be completely independent from WMATA. The Commission will be comprised of six members, with two from each jurisdiction. They cannot be elected officials and must have a professional background in transportation, transit safety, related engineering fields, or public finance. There will not be a jurisdictional veto to avoid the problems that the WMATA Board encounters. She stated that the Commonwealth believes strongly that oversight belongs at the state level rather than under the temporary federal control.

In regards to transit capital funding, Ms. Mitchell stated that by 2019 the Commonwealth stands to lose \$110 million in annual capital funding (\$60 million in statewide capital needs and \$50 million to WMATA). With the loss of this funding and if PRIIA funding is not reauthorized, WMATA would stand to lose \$300 million a year.

Ms. Mitchell stated that it is estimated that over the next 10 years there will be \$6.5 billion in statewide transit needs. By 2021 the state will not be able to fund state of good repair needs. By 2027 there will be a gap of approximately \$147 million. This will result in a decline in the quality of transit and the condition of assets. The General Assembly has asked for a new project-based prioritization method for DRPT's transit capital program. It will be modelled on the highly successful SmartScale, which prioritizes projects based on an objective and quantifiable analysis. The Advisory Board will report back to the General Assembly in June 2017. She observed that this will be a heavy lift in 2018 and she asked for support from legislators.

### Washington Metropolitan Area Transit Authority

NVTC Chairman Fisette introduced Paul Wiedefeld, WMATA's General Manager and Chief Executive Officer.

Mr. Wiedefeld recognized Jim Corcoran, a WMATA Board member. Mr. Wiedefeld stated that the last year has been a year of challenges. His approach to address these challenges is to find the cause, own it, and tackle it. He has put together a management team and they are beginning to see some improvements. His team is focusing on three areas – safety, service reliability and financial management. From his perspective, the largest achievement in safety is that a safety culture that has taken root. It started when Metro shutdown for the blizzard recognizing the dangers to employees and riders, followed by the system-wide shutdown in March to address cable wire replacement. Putting the safety of riders and employees comes first. This set the tone for the SafeTrack program.

Regarding service reliability, Mr. Wiedefeld stated WMATA is receiving 20 new 7000 series railcars each month. WMATA also launched a new website and is utilizing social media more effectively. WMATA implemented a grace period where riders can leave within 15 minutes of entering the station if there is a delay or issue and they will not be charged. WMATA introduced a My Trip Time app as well as a SelectPass.

Mr. Wiedefeld reviewed progress being made regarding financial management. The FY2016 audit was on-time and had no findings. Cost savings have been realized by eliminating 500 positions and reducing healthcare costs for non-labor employees.

Mr. Wiedefeld recognized that WMATA still has a long way to go. There are immediate issues facing the WMATA Board. He has recommended span of service be changed to close the system three hours earlier to allow more time for maintenance. The Board will take action on December 15<sup>th</sup>. The proposed FY2018 budget has a \$290 million funding gap. He recommends a “shared sacrifice” approach to the budget with additional 500 positions eliminated, service cuts, fare increases and subsidy increases.

Mr. Wiedefeld stated that from WMATA’s perspective, it is important that the Metro Safety Commission be established. He is confident that the improvements will continue. He thanked the Commissions and legislators for their support over the last year. He reiterated that he is fully committed to bringing the Metro system back to full restoration.

### Virginia Railway Express

PRTC Chairman Principi introduced Doug Allen, VRE’s Chief Executive Officer. Mr. Allen stated that VRE runs commuter rail service during the rush hours on two lines. The Manassas Line runs from the Broad Run Station in Manassas to Union Station in the District. The Fredericksburg Line runs from the Spotsylvania Station to Union Station. He observed that transportation is a team effort. Twenty percent of VRE riders transfer to the Metro system to complete their trip.

Mr. Allen stated that VRE prides itself on a well-run system – good on-time performance, reliability of equipment, attention to maintaining the infrastructure at stations and parking lots, and a focus on safety. VRE developed a System Plan 2040, which looked at future expansion of the system. Initial plans for VRE’s Natural Growth Scenario calls for extending train lengths to eight-car trains and expanding parking. The Long Bridge project is critical for VRE expansion. VRE also developed a Financial Plan. The analysis shows VRE needs an additional \$40 million annually to remain viable and up to \$65 million to expand service. During the last General Assembly Session, legislation was passed to direct DRPT to study VRE’s Financial Plan and report to the CTB Rail Subcommittee. DRPT’s consultant, HDR, submitted its report to the Rail Subcommittee and confirms VRE’s analysis is accurate. VRE hopes to use this report to educate legislators of VRE’s funding needs.

Mr. Allen stated that the I-66 and I-95/395 corridors are corridors of statewide significance but basically built out. VRE can add up to an equivalent of two lanes of extra capacity by implementing longer trains. The HDR report concluded that the value VRE brings in context of highway construction is \$5-14 billion. By investing \$65 million in VRE, the Commonwealth can get the equivalent of \$14 billion in road construction. This is a compelling argument.

## OmniRide, OmniLink and the Role of Bus in the Region

PRTC Chairman Principi introduced Betty Dean, President and CEO of Betty Dean & Associates and Chair Elect Nominee of the Prince William Chamber of Commerce.

Ms. Dean noted that her background is a little different than some of the other speakers. She wears several hats as she is part of the leadership team of the Prince William Chamber of Commerce, remains active in the not-for-profit community where she serves as Chair of the Greater Prince William Coalition for Human Services, and serves as president of Occoquan River Communities, which is focused on promoting the Occoquan River region as a desirable destination. In these roles, she has witnessed firsthand the role of public transit in fostering successful communities. Her goal today is to share a perspective on transit that is shaped by those experiences.

Ms. Dean stated that transportation – and the role the region plays in its success or failure – is far too critical to warrant anything less than the absolute best efforts to get it right. Growth is a good thing. She stated that growth for her means new customers for her business, increasing property values and more variety in things like shopping and recreation. It also means opportunities for a better quality of life for all citizens.

She stated that forecasts suggest a nearly 30 percent increase in population over the next 15 years in Prince William County. Although the county has one of the highest rates of job growth in the country, the number of added jobs right now is not keeping pace with the increase in population. The majority of the county's workforce works outside the county. County residents would like more opportunities to work where they live. That means there needs to be more businesses opening in Prince William – businesses that always look at local transportation when making decisions about where to locate. While growth creates opportunities, it also creates challenges –and transportation is among the biggest of these, because it touches nearly every aspect of our economy and our society.

Ms. Dean observed that the Commonwealth has stepped up to fund transportation management plans that complement a network of toll facilities that in turn relieve Prince William and other localities from some of the burden of keeping up with commuter transit services. That has not been an easy task and she is grateful for those efforts.

Ms. Dean stated that the current commuter and local transit services face a very uncertain future in light of the instability and inadequacy of the gas tax revenues on which they depend. As chair the policy committee of the Prince William Chamber, she has been part of many conversations focused on the need to better coordinate and integrate the functions of transportation, economic development and land-use planning. The region cannot afford to wait and see what happens. As critical as these long-term planning initiatives are, it can be difficult to focus on the future when the current situation is so tenuous.

Ms. Dean stated that over the past several years PRTC has worked diligently in close cooperation with Prince William County to identify efficiencies, cuts and creative strategies for dealing with the significant financial shortfalls brought about principally by

reduced gas tax revenues. PRTC has recently initiated a strategic planning process that focuses on some creative thinking, such as more employer engagement and alternative funding strategies.

Ms. Dean observed that the incoming workforce of millennials do not want to rely on cars. Statistics show that people in general want more access to public transportation. For those who are poor, public transit is not a convenience, it is a lifeline. Without it there is no getting to a job, or even to a job interview; as well as no way to get to the doctor, the grocery store or the other basics of life. In other words, no way to live independently. Something as seemingly minor as the inability to catch a bus can suddenly turn an otherwise productive member of society into one dependent on our social safety net for survival. Throughout her career in the not-for-profit sector, Ms. Dean stated she saw countless examples of situations where her organization had a chance to place someone in a job, only to discover that either the bus just did not go there, or did not line up with the work hours – and the opportunity slipped away.

Ms. Dean noted that there are a lot of plans and plenty of controversies surrounding the construction of new roads and there is no doubt that the region needs them. But it is like trying to solve the nation's traffic problems just by building new roads is the equivalent of trying to solve the obesity problem by manufacturing larger clothes. Public transit plays a critical role not just for the segments of the population that use it, but for everyone – even those who never “get on the bus”.

In closing, Ms. Dean encouraged the Commissioners and staff of PRTC and NVTC, the governments of Prince William, Manassas and Manassas Park, the Chamber of Commerce leadership, and state legislators to work more closely together to both plan for tomorrow and to solve the immediate, and very critical, issues of today. There is always talk about the costs of having good public transportation. She urged them to think as well about the costs of not having it.

### Closing Remarks

Mr. McKay thanked all the speakers. He stated that they will not be taking formal questions because of the time, but he encouraged people to stay and connect with staff from NVTC, PRTC, DRPT, VRE, WMATA and VTA.

Approved this 5<sup>th</sup> day of January 2017.

\_\_\_\_\_  
Secretary-Treasurer

\_\_\_\_\_  
Chairman



**TO:** Chairman Fisette and NVTC Commissioners

**FROM:** Kate Mattice

**DATE:** December 21, 2016

**SUBJECT:** Annual Leadership and Governance

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### **A. ACTION ITEM: Elect NVTC Officers for 2017**

Chairman Fisette, Jeff McKay and David Snyder are serving as the Nominating Committee and will recommend a slate of officers for 2017 at the January 5<sup>th</sup> meeting.

### **B. ACTION ITEM: Approve Resolution Commending Jay Fisette for His Service as 2016 Chairman**

Outgoing Chairman Jay Fisette will be recognized for his outstanding leadership during 2016. A resolution of commendation will be presented to him at the meeting.

### **C. ACTION ITEM: Approve Resolution #2329: Selection of NVTC Representatives to Various Boards**

The Chairman will announce NVTC nominations to serve on the WMATA, VRE and VTA Boards to be acted upon by the Commission. The resolution also reaffirms the appointments of James Corcoran and Paul Smedberg to the WMATA Board to continue their terms. (WMATA Board Member terms and requirements are subject to the [Code of Virginia §33.2-1907.4](#).) A membership list of NVTC's Committees, including Executive Committee, Legislative and Policy Committee, and Governance and Personnel Committee will be provided at the meeting. NVTC's By-Laws determine the membership of the Executive Committee and NVTC's Chairman selects the members of the other committees. Some of these actions may be contingent on subsequent action by local boards and councils as their nominees may not be known by January 5, 2017.

### **D. ACTION ITEM: Approve Resolution #2330: NVTC's Official Signatories and Employees' Pension Trustees**

The Commission each January authorizes its Executive Director, Director of Finance and Administration, and the newly elected Secretary-Treasurer to serve as signatories for financial transactions exceeding \$5,000. These persons plus the NVTC Assistant Financial Officer are selected to serve as NVTC's employees' pension trustees.

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## RESOLUTION #2329

**SUBJECT:** Selection of NVTC Representatives to Various Boards

**WHEREAS:** NVTC is empowered to make appointments to the Board of Directors of the Washington Metropolitan Area Transit Authority (WMATA), the Virginia Railway Express (VRE) and the Virginia Transit Association (VTA);

**WHEREAS:** Some of NVTC's jurisdictions may not formally appoint their NVTC members prior to NVTC's January meeting and some may not be ready with recommendations for appointment to various boards;

**WHEREAS:** Secretary Aubrey Layne designated James Corcoran to be the Secretary's designee on NVTC and the WMATA Board to fill the unexpired term of James W. Dyke, Jr., which expires January 9, 2018 and that appointment became effective February 1, 2015;

**WHEREAS:** Paul C. Smedberg was appointed to the WMATA Board for a four-year term which expires January 2, 2020; and

**WHEREAS:** James Corcoran and Paul C. Smedberg will continue to serve their terms on the WMATA Board.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission hereby appoints and confirms the following persons to serve as Principals and Alternates to the WMATA Board, subject to possible subsequent action by NVTC's jurisdictions that alters their NVTC members for 2017 and their recommendations for members of the various boards:

### **WMATA Board:**

#### Principals

James Corcoran  
(term expires 01/09/2018)

\_\_\_\_\_  
(term expires 01/05/2021)

#### Alternates

\_\_\_\_\_  
(term expires 01/09/2019)

Paul Smedberg  
(term expires 01/02/2020)

**BE IT FURTHER RESOLVED** that NVTC hereby appoints the following persons to serve on the VRE Operations Board, subject to possible subsequent action by NVTC's jurisdictions that alters their NVTC members for 2016 and their recommendations for members of the various boards:

**VRE Operations Board:**

Principals

Sharon Bulova

John C. Cook

Paul Smedberg

Katie Cristol

Alternates

Jeffrey C. McKay

Jay Fisette

**BE IT FURTHER RESOLVED** that NVTC hereby appoints the following persons to serve on the Virginia Transit Association Board, subject to possible subsequent action by NVTC's jurisdictions that alters their NVTC members for 2016 and their recommendations for members of the various boards:

**VTA Board:**

Principals

David F. Snyder

Katherine A. Mattice

Alternates

Jeffrey C. McKay

Katie Cristol

Approved this 5<sup>th</sup> day of January, 2017.

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Chairman

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Secretary-Treasurer



### RESOLUTION #2330

**SUBJECT:** Designation of NVTC Signatories and Pension Trustees

**WHEREAS:** The Honorable \_\_\_\_\_ has been elected Secretary-Treasurer of NVTC for 2017; and

**WHEREAS:** NVTC desires that the person holding the office of Secretary-Treasurer be designated as an official signatory as well as a pension trustee.

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

Hon. \_\_\_\_\_  
Katherine A. Mattice  
Scott C. Kalkwarf

Secretary-Treasurer  
Executive Director  
Director of Finance and Administration

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

Approved this 5<sup>th</sup> day of January, 2017.

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Secretary-Treasurer

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## Agenda Item #4: Public Comment on NVTC's FY2017-FY2018 Work Plan



**TO:** Chairman Fiset and NVTC Commissioners

**FROM:** Kate Mattice

**DATE:** December 21, 2016

**SUBJECT:** Public Comment on NVTC's FY2017-FY2018 Work Plan

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All NVTC meetings are open to the public. At the January 5<sup>th</sup> Commission meeting, the Chairman will ask if anyone in the audience wishes to address the Commission on [NVTC's FY2017-FY2018 Work Plan](#). 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 January 2017 through June 2018 (fiscal years 2017 – 2018). This document supports [NVTC's Strategic Framework](#), [Implementation Plan](#), and [Regional Bus Agenda](#), and was developed in consultation with the Management Advisory Committee.

During the public comment period, any interested parties may step forward to the podium. Speakers must state their name and address for the record and will be provided three (3) minutes to speak.

Speakers may also submit a written statement for the record. If they wish for a written statement to be distributed to the Commissioners, speakers should provide twenty-five (25) copies to NVTC staff prior to the start of the meeting. Audio-visual equipment is not available for public use.

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*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 January 2017 through June 2018 (fiscal years FY2017 – 2018). 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.*

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**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,<br>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 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 DRPT 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) Apply a travel demand forecast model to evaluate the current levels of traffic congestion and the impact of high quality transit on mode shares. Activities will include balancing the land use to sustain the current levels of highway congest and then assessing the impact of high-capacity transit in Northern Virginia on state revenues sources.

### **Transform 66 Multimodal Project**

- 1) Program Administration
  - a) Develop and implement Standard Component Agreement (SCA) documentation, including Measures of Effectiveness/Performance Metrics documentation and guidance documents.
    - 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.
  - b) Work with the Virginia Department of Transportation (VDOT) to assure interim technical/program assistance through FY2017.
  - c) Produce annual reports on component selection and effectiveness for distribution to the Commission and the Commonwealth Transportation Board (CTB).
- 2) Potential Financing Efforts
  - a) Work with financial counsel and financial advisors to assess feasibility of issuing a financing package under the Transform 66 Multimodal Project.
  - b) Prepare and conduct FY 2018 call for components, including project evaluation and selection [see (3)].
  - c) If necessary, prepare and support finance issuance and related efforts.
- 3) Future Calls for Projects
  - a) Determine schedule for 2017/2018 call for projects
  - 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 design and implementation of replacement for obsolete farebox/driver control unit (DCU) hardware and software for regional providers.
  - 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.
- 2) Conduct or participate in lessons learned activities from SafeTrack mitigation activities.

### **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 March 2017 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 regards 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 and other business representatives.
- 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.
  - 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 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.

**TO:** Chairman Fiset and NVTC Commissioners

**FROM:** Kate Mattice and Scott Kalkwarf

**DATE:** December 21, 2016

**SUBJECT:** NVTC's FY2018 G&A Budget

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### **ACTION ITEM: Approve NVTC's FY2018 G&A Budget**

The proposed FY2018 NVTC General and Administrative Budget was provided to the Commission in December as an information item. It has been reviewed by jurisdiction staff, and was approved by the Executive Committee to be presented to the Commission for action at its January 5<sup>th</sup> meeting.

The proposed budget includes resources to accomplish the NVTC work program, including the administration of the Transform 66 project. Total expenses increase by \$38,700, or 1.7 percent over the approved FY2017 budget. Staff levels are held constant at the FY2016 and FY2017 approved budget levels, and include a provision for performance based increases up to three percent. The Computer Operations line includes funds needed to replace NVTC's antiquated financial accounting system, which will be procured in early FY2018. The Contract Services and Support line includes a provision for research and technical support efforts, HR support, NVTC's state liaison activities contract, and non-payroll costs for the Transform 66 project. An equal amount of revenue is included to cover these Transform 66 costs.

The budget is funded primarily by contributions from the NVTC member jurisdictions, including direct contributions, and an amount taken off the top of state assistance as it becomes available to NVTC. Project chargebacks include revenue for the Transform 66 Multimodal project for anticipated staff time and non-payroll costs. It should be noted that while VDOT provided implementation support in FY2016 and FY2017, administration costs are carried entirely by NVTC in the FY2018 proposed budget.

Also, appropriated surplus more than NVTC's minimum operating requirement is included as a source of revenue, which is the result of positive budget variances in prior years.

Detailed footnotes are included to explain the various lines, how amounts have been budgeted, and the reason for the more significant changes from the prior year.

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## **PROPOSED BUDGET**

**FISCAL YEAR  
2018**

**(July 1, 2017 – June 30, 2018)**

**--November 3, 2016 --**

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**BUDGETED FISCAL YEAR 2018 REVENUE**  
Proposed

	<b>FY 2016 Actual</b>	<b>Approved Budget FY 2017</b>	<b>Proposed Budget FY 2018</b>	<b>FY17 - FY18 Increase (Decrease)</b>	<b>Percent Change</b>
Local Share from State Aid (Note 1)	\$ 1,546,253	\$ 1,516,253	\$ 1,618,253	\$ 102,000	
Local Direct Contributions (Note 1)					
Alexandria	37,145	37,846	38,378		
Arlington	55,567	57,038	55,451		
City of Fairfax	4,692	4,855	4,841		
Fairfax County	168,142	170,160	173,721		
Falls Church	2,436	2,336	2,270		
Loudoun	16,265	12,012	9,586		
Total Local Direct	284,247	284,247	284,247	-	
Total Contributions	1,830,500	1,800,500	1,902,500	102,000	5.7%
Interest and Other Revenue	1,775	1,500	2,000	500	33.3%
Project Chargebacks (Note 2):					
Transform 66 Multimodal	-	164,100	183,300	19,200	11.7%
VRE / Other	80,000	80,000	80,000	-	0.0%
Project Grant Billings (Note 3)	32,172	40,000	40,000	-	0.0%
Appropriated Surplus (Note 4)	(51,718)	213,000	130,000	(83,000)	-39.0%
Total Revenue	<u>\$ 1,892,729</u>	<u>\$ 2,299,100</u>	<u>\$ 2,337,800</u>	<u>\$ 38,700</u>	<u>1.7%</u>

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

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION  
SCHEDULE OF FISCAL YEAR 2018 BUDGETED EXPENDITURES**

Proposed

	<b>FY 2016 Actual</b>	<b>Approved Budget FY 2017</b>	<b>Proposed Budget FY 2018</b>	<b>FY17 - FY18 Increase (Decrease)</b>	<b>Percent Change</b>
<u>Personnel Costs</u>					
Salaries and Wages (Note 5)	\$ 1,128,824	\$ 1,302,000	\$ 1,340,500	\$ 38,500	3.0%
Fellow Program (Note 5)	40,007	50,000	50,000	-	0.0%
Total Personnel Costs	1,168,831	1,352,000	1,390,500	38,500	2.8%
<u>Benefits</u>					
Employer's Contributions					
FICA and Medicare (Note 6))	76,622	90,300	93,500	3,200	3.5%
Group Health Insurance (Note 7)	66,385	139,500	130,700	(8,800)	-6.3%
Retirement (Note 8)	99,697	145,000	123,500	(21,500)	-14.8%
Workers & Unemployment Comp.	3,692	4,900	4,900	-	0.0%
Life Insurance	3,126	5,300	5,100	(200)	-3.8%
Long Term Disability Insurance	5,106	6,400	6,500	100	1.6%
Total Benefit Costs	254,628	391,400	364,200	(27,200)	-6.9%
<u>Administrative Costs</u>					
Commissioners Per Diem (Note 9)	11,046	9,800	12,800	3,000	30.6%
<b>Rents:</b>	<b>219,078</b>	<b>239,600</b>	<b>246,000</b>	<b>6,400</b>	<b>2.7%</b>
Office Rent (Note 10)	206,124	223,400	229,700	6,300	2.8%
Parking / Metrochek	12,954	16,200	16,300	100	0.6%
<b>Insurance:</b>	<b>5,699</b>	<b>5,800</b>	<b>6,800</b>	<b>1,000</b>	<b>17.2%</b>
Public Official Bonds	1,700	2,000	2,000	-	0.0%
Liability and Property (Note 11)	3,999	3,800	4,800	1,000	26.3%
<b>Travel, Training and Development</b>	<b>28,129</b>	<b>29,300</b>	<b>30,300</b>	<b>1,000</b>	<b>3.4%</b>
Conferences / Prof. Devel (Note 12)	12,326	17,000	17,000	-	0.0%
Non-Local Travel	2,309	2,300	2,500	200	8.7%
Local Travel, Meetings (Note 13)	13,494	10,000	10,800	800	8.0%
<b>Communication:</b>	<b>9,321</b>	<b>15,700</b>	<b>13,000</b>	<b>(2,700)</b>	<b>-17.2%</b>
Postage (Note 14)	1,604	2,000	1,700	(300)	-15.0%
Telephone and Data (Note 15)	7,717	13,700	11,300	(2,400)	-17.5%
<b>Publications &amp; Supplies</b>	<b>15,955</b>	<b>11,600</b>	<b>12,500</b>	<b>900</b>	<b>7.8%</b>
Office Supplies (Note 16)	4,050	2,500	2,700	200	8.0%
Duplication and Printing (Note 17)	11,329	8,600	9,300	700	8.1%
Public Information	576	500	500	-	0.0%
<b>Operations:</b>	<b>33,704</b>	<b>22,900</b>	<b>45,500</b>	<b>22,600</b>	<b>98.7%</b>
Furn.and Equip. (Capital) (Note 18)	25,467	11,500	11,000	(500)	-4.3%
Repairs and Maintenance	270	1,000	1,000	-	0.0%
Computer Operations (Note 19)	7,967	10,400	33,500	23,100	222.1%
<b>Other General and Administrative</b>	<b>8,726</b>	<b>9,000</b>	<b>8,600</b>	<b>(400)</b>	<b>-4.4%</b>
Memberships	1,201	1,800	1,400	(400)	-22.2%
Fees and Miscellaneous	6,161	5,600	5,600	-	0.0%
Advertising (Note 20)	1,364	1,600	1,600	-	0.0%
Total Administrative Costs	331,658	343,700	375,500	31,800	9.3%
<u>Contracting Services and Other</u>					
Auditing (Note 21)	13,500	22,000	22,600	600	2.7%
Contract Services & Support (Note 22)	89,112	155,000	150,000	(5,000)	-3.2%
Legal (Note 23)	35,000	35,000	35,000	-	0.0%
Total Contract Services	137,612	212,000	207,600	(4,400)	-2.1%
Total Operating Program	<u>\$ 1,892,729</u>	<u>\$ 2,299,100</u>	<u>\$ 2,337,800</u>	<u>\$ 38,700</u>	<u>1.7%</u>



# **NORTHERN VIRGINIA TRANSPORTATION COMMISSION**

## **Notes to Fiscal Year 2018 Proposed Budget**

### **1. Revenue: Jurisdictional Contributions**

#### **Revenue from Local Direct Contributions**

Each NVTC jurisdiction is assigned a share of the local portion of NVTC's administrative budget based on its share of revenue received by NVTC on behalf of jurisdictions from all sources in the previous year. This procedure is required by state statute and results in changes in contributions from one year to another that vary for each jurisdiction depending on relative shares of revenue received. The allocation in this FY 18 budget is based on the FY 16 Subsidy Allocation Model.

#### **Revenue from State Assistance**

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

### **2. Revenue: Project Chargebacks**

This category consists primarily of charges for NVTC staff support for VRE and reimbursed from VRE's budget, and reimbursable expenses related to the administration of the Transform 66 Multimodal Project.

### **3. Revenue: Project Grant Billings**

The FY 18 budget assumes a grant from DRPT's Intern Program that provides funding at 80 percent of payroll and related costs of NVTC's Transit Fellows program.

### **4. Revenue: Appropriated Surplus**

Included as a source of revenue in the FY 18 budget is a projected excess accumulated surplus that is available to offset the proposed operating budget expenses, which is the result of prior year favorable budget variances. This available surplus is in excess of the Commission's anticipated minimum operating requirements.

# **NORTHERN VIRGINIA TRANSPORTATION COMMISSION**

## **Notes to Fiscal Year 2018 Proposed Budget**

### **5. Personnel Costs**

#### **Salaries and Wages**

The FY 18 budget includes a \$38,500, or 3.0% increase in compensation from the FY 17 approved budget. The budget holds staff levels constant with the FY 16 and FY 17 approved budgets, and assumes performance-based pay increases up to 3%.

#### **Fellows Program**

The proposed budget will continue the NVTC Fellows Program, which began in FY 15, by building NVTC's technical capacity and to strengthen its ties with members of the research network. As in other years, NVTC anticipates applying for a DRPT Intern Program grant in FY 18, which covers 80% of the costs of the Fellows Program.

The Fellows Program provides a cost efficient and flexible way to employ new graduates and mid-career professional to complete specific short-term projects over a one- to six-month period. While the primary purpose is to provide high-priority technical expertise for specific projects and products, it has also served as a valuable recruitment tool and created opportunities to connect with university programs within Virginia and nationally.

### **6. FICA and Medicare**

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

### **7. Group Health Insurance**

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

### **8. Retirement**

The budgeted amount of employer pension contributions for the NVTC Target Benefit Pension Plan is based on actuarial formulas using budgeted staff and salary levels for FY18. Because the formulas take into account factors in addition to payroll costs, such as years to retirement and investment return, changes in budgeted contributions do not necessarily change directly with budgeted payroll. The decrease in the FY 18 budget is due in part to recent staff turnover.

# **NORTHERN VIRGINIA TRANSPORTATION COMMISSION**

## **Notes to Fiscal Year 2018 Proposed Budget**

### **9. Commissioners' Per Diem**

The FY 18 budget is based upon the FY 16 actual expenditures, plus per diem payments to the Commonwealth's representative to NVTC which became effective July 1, 2016. Commissioners, other than senators and delegates, are paid at the statutory rate of \$50.

### **10. Office Rent**

The administrative office lease was renewed during FY 11 for the period January 2011 through May 2021. Rent expense included in the FY 18 budget is based upon the fixed costs of the lease, with a provision for increases in pass-through expenses and real estate taxes.

### **11. Insurance: Liability and Property**

The FY 18 budget includes an estimate for increased insurance coverage for Cybersecurity threats. This coverage was recommended by NVTC' auditors as part of their reporting on the FY 15 annual audit.

### **12. Conference / Professional Development**

Included in this line for FY 18 are the estimated registration, travel and lodging costs for conferences, professional development, in-house training, and accreditation. Unlike the member jurisdictions, NVTC does not have access to in-house training. The budget assumes NVTC staff will participate in the Governor's Transportation Conference and the Virginia Transit Association Conference, and represent the region in conferences hosted by a variety of organizations. NVTC seeks to minimize travel expenditures through shared rides and locally-sponsored events, and minimize registration fees by participating in panels at conferences.

### **13. Local Travel, NVTC and Other Meetings**

This line includes the costs of NVTC Commission meetings, hosting regional meetings, and the costs of NVTC staff traveling to meetings elsewhere in the region. The cost for membership in Zip Car and Capital Bikeshare is included in this line.

### **14. Postage**

This item is based on an average of prior years' actual costs.

### **15. Telephone and Data**

This line includes the fixed contracted cost for phone and data service at NVTC's office, and mobile and data service for staff. While the FY 17 budget included a provision for mobile services for all staff, the FY 18 budget is based on projected usage.

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**Notes to Fiscal Year 2018 Proposed Budget**

**16. Office Supplies**

The FY 18 budget for this item is based on the average of prior years' actual costs.

**17. Duplication and Printing**

During FY 16, NVTC negotiated a five-year copier lease and service contract. The FY18 budget is based on these agreements and projected usage levels. The cost of paper and staples, which are not included in the contract, have been budgeted based upon prior year costs.

**18. Furniture and Equipment**

This budget category provides for the replacement and acquisition of office furniture and equipment, including computer hardware.

**19. Computer Operating Expense**

Computer operating expenses include outside network consulting and services, software licensing fees, software upgrades and supplies, web hosting fees, hosted email, and a provision for disaster recovery efforts. The FY 18 budget is based on an average of prior year actual costs, with a small provision for disaster recovery costs. The FY 18 budget also includes funding to replace NVTC's outdated financial accounting system. For budgeting purposes, the cost is based on systems used by regional entities similar to NVTC.

**20. Advertising (Personnel/Procurement)**

The FY 18 budget includes a provision for personnel and procurement advertising. An average of prior year costs was used to develop the budgeted amount as this category fluctuates from year to year based on needs.

**21. Auditing**

NVTC entered into a three-year contract for auditing services beginning with the audit of FY 15, with two, two-year options. The FY18 budget is based on the costs included in this contract.

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**Notes to Fiscal Year 2018 Proposed Budget**

**22. Contract Services and Support**

The FY 18 budget includes a provision for research and technical support efforts, specialized analysis, related publications, and a provision for contracted human resource support. Also included in this category is a provision for non-payroll costs for the Transform 66 project, such as advertising, outreach and support for public meetings. An equal amount of revenue is included in the budget to cover these costs. NVTC's state liaison activities contract is also funded in this line item. Whenever possible, NVTC intends to leverage other funding sources and utilize contracts of other agencies in an effort to reduce costs.

**23. Legal**

In FY 15, the Commission appointed Arlington's County Counsel as Counsel to NVTC. Appointed Counsel has provided essential services in matters internal to the commission and in relation to the Commission's roles and responsibilities with regard to WMATA. In addition, Counsel has provided advice, drafting, and training with respect to compliance with Virginia FOIA and Open Meetings Act requirements, as well as review of contracts, agreements and board resolutions. NVTC's Counsel also serves as counsel for VRE.

## Agenda Item #6: Department of Rail and Public Transportation



**TO:** Chairman Fiset and NVTC Commissioners

**FROM:** Kate Mattice

**DATE:** December 21, 2016

**SUBJECT:** Department of Rail and Public Transportation (DRPT)

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### A. DRPT Report

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

### B. I-395 Transit/TDM Study Final Report

Todd Horsley of DRPT and Tom Harrington of Cambridge Systematics, Inc. will give a presentation on the [I-95/I-395 Transit/TDM Study](#) Final Report. The product of this study is a master list of transit and TDM projects that will 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.

### C. Metro Safety Commission

The Commission adopted [Resolution #2324 solidifying Commission support of the MSC](#) at the December meeting. Director Mitchell will provide an update on the status of the Metro Safety Commission (MSC) legislation, including the recent action taken by the District of Columbia. Because the Metrorail system operates in the District of Columbia, Maryland and Virginia, each jurisdiction must to pass identical legislation in order to establish the MSC. The District of Columbia will be the first jurisdiction to take action followed by the General Assemblies of Maryland and Virginia during their 2017 Sessions.

Currently, the Federal Transit Administration (FTA) has a temporary role of safety oversight of WMATA until a certified State Safety Oversight Agency – the MSC – is established and certified by the FTA. The U.S. Secretary of Transportation informed Maryland, Virginia and the District of Columbia that if the MSC is not certified by February 9, 2017, FTA is prepared to withhold a percentage of federal transit funds. The potential withholding of Section 5307 funds would affect all urban transit agencies across the Commonwealth, not just in the District-Maryland-Virginia area.

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## 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 Fiset and NVTC Commissioners

FROM: Jennifer Mitchell, Director

DATE: December 20, 2016

SUBJECT: DRPT Update

### General Update

DRPT's FY18 grant application process opened on December 1, 2016 and closes on February 1, 2017. DRPT's Program Application Guidance was updated for FY18 and is available at <https://olga.drpt.virginia.gov/Documents/forms/FY%202018%20Grant%20Application%20Guidance.pdf>. Transit Development Plan (TDP) update letters are due from all state funded transit systems on January 15, 2017. The financial plans for capital and operations submitted in the TDP update letters will need to be consistent with FY 18 state grant applications. Transit agencies that are in the process of a full update of their TDP are not required to submit update letters.

The Commonwealth Transportation Board hosted the NOVA Fall Transportation Meeting and a public hearing for the Atlantic Gateway projects on Wednesday, December 14, 2016 at the VDOT NOVA District Office. A total of 57 people attended both meetings, and 10 verbal and 2 written comments were received. Information on the Atlantic Gateway projects is available at [www.atlanticgateway.net](http://www.atlanticgateway.net). Comments on Atlantic Gateway can be submitted via e-mail at [meetingcomments@VDOT.Virginia.gov](mailto:meetingcomments@VDOT.Virginia.gov) until December 22.

DRPT is pleased to announce that it has hired two new Transit Project Managers in its Northern Virginia office. Ciara Williams joined DRPT on December 12, 2016. Ciara comes to DRPT from the Fairfax County Department of Transportation (FCDOT) where she served as a Transportation Planner. Prior to FCDOT Ciara was employed as a Special Federal Programs Manager in VDOT's Local Assistance Division. Ciara will manage DRPT's state grants with the City of Fairfax (the CUE), the City of Falls Church, Loudoun County, PRTC, VRE and WinTran (Winchester). Clinton Edwards will start work at DRPT on January 10, 2017. Clinton comes to DRPT from the Greater Richmond Transit Company (GRTC) where he was a Transit Analyst. Clinton also served as an Operations Assistant with Blacksburg Transit early in his career. Clinton will manage DRPT's state grants with the City of Alexandria, the Alexandria Transit Company (DASH), Arlington County, Fairfax County and NVTC and he will also assist with WMATA.

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In addition, Gabe Ortiz joined DRPT as a Mobility Manager in the Northern Virginia office on December 12, 2016. Mr. Ortiz came to DRPT from the City of Alexandria where he had served as the Transportation Demand Management (TDM) Coordinator since 2009. All three new DRPT employees will be located at the DRPT offices within the VDOT NOVA District Office at 4975 Alliance Drive in Fairfax.

### **Transit Capital Project Revenue Advisory Board (RAB)**

The Commonwealth Transportation Board (CTB) received an update on the activities of the RAB at its workshop on December 6, 2016. A proposed approach for prioritization was presented that would split project types into State of Good Repair (SGR) and major expansion. Major expansion projects would be measured on criteria similar to Smart Scale and weighting could be considered. Major expansion projects would also be ranked. SGR projects would be evaluated and ranked under a different methodology. The CTB also heard three funding scenarios: a base case that considers investment consistent with the Six Year Improvement Program (SYIP), an SGR only scenario which assumes that capital funding would only be applied to SGR projects, and an additional investment scenario that considers additional expansion projects and a 5% contingency on project costs. All scenarios, including funding only SGR needs, show a deficit. Based on current revenue assumptions and committed needs (base case), a \$178M annual funding gap is anticipated in FY27.

All RAB meetings have been live streamed and materials are available on the DRPT website at <http://www.drpt.virginia.gov/transit/major-transit-initiatives/transit-capital-project-revenue-advisory-board-hb-1359/meetings-and-agendas-2016/>. An interim report will be submitted to the General Assembly by January 1, 2017, and the final report is due on August 1, 2017.

### **I-66 Corridor Improvements**

At its regular meeting on December 7, 2016 the CTB endorsed the VDOT Commissioner's finding of public interest for the Transform 66: Outside the Beltway project and also approved the revised Memorandum of Understanding with NVTC for the Transform 66: Inside the Beltway project. At its workshop on December 6, Transportation Secretary Aubrey Layne presented the CTB with information that the selected Public Private Partnership (P3) vendor selected saved the Commonwealth \$300 to \$600 million in up front public funding, provided \$800 million in transit funding, and provided an additional \$200 to \$500 million in future funds for corridor improvements compared to the original process analyzed in 2015. The savings and additional funding were achieved by reforming the P3 process and maintaining the option for a state funded public option throughout the entire process. The selected P3 will return \$300 million to the Smart Scale High Priority Project Program and another \$300 million to the Northern Virginia Transportation Authority that was previously allocated to the project.

Design public hearings for the I-66 Inside the Beltway widening were held on December 5 at Washington-Lee High School in Arlington and December 8 at Mary Ellen Henderson Middle School in Falls Church. A total of 79 people attended the hearings, and 5 verbal and 15 written comments were received.

The Environmental Assessment (EA) for the I-66 Inside the Beltway widening was published on November 17 and is available at [http://inside.transform66.org/learn\\_more/documents.asp](http://inside.transform66.org/learn_more/documents.asp). Print

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copies are available for review at the VDOT NOVA District Office, the Arlington Central Library, and the Mary Riley Styles Public Library in Falls Church. Comments can be submitted in writing to VDOT through January 30, 2017.

### **I-395 Express Lanes**

On December 6, 2016 DRPT gave a presentation at the CTB workshop on the I-95/395 Transit and Transportation Demand Management (TDM) study. A similar presentation will be given at the NVTC Meeting on January 5, 2017.

DRPT has received the final report for the I-95/395 Transit/TDM study and it will be posted on DRPT's website at <http://www.drpt.virginia.gov/transit/major-transit-initiatives/> and VDOT's project page at [http://www.virginiadot.org/projects/northernvirginia/395\\_express.asp](http://www.virginiadot.org/projects/northernvirginia/395_express.asp).

### **Smart Scale**

Smart Scale funding for FY18 will increase from \$700 million to over \$1.1 billion as a result of the Transform 66: Outside the Beltway P3 described above and the cancellation of the Virginia Beach Light Rail extension. A total of 436 projects have been submitted requesting \$9.25 billion in Smart Scale funding. A total of 31 projects to date have been screened out of the evaluation process. A total of \$700-\$750 million is estimated to be available for High Priority Projects and \$82.5-\$92.5 million available for the NOVA District.

Smart Scale validation by VDOT and DRPT is continuing. Round 2 applications can be found at: [http://www.virginiadot.org/projects/resources/SYIP/2016/fall/All\\_Submitted\\_Applications.pdf](http://www.virginiadot.org/projects/resources/SYIP/2016/fall/All_Submitted_Applications.pdf). The project website also includes a search by location feature for FY18 applications that can be found at: <http://vasmartscale.org/projects/default.asp#Search>. Project scores and the base funding scenario are anticipated to be released in January, 2017. Projects recommended for funding will be included in the FY 18-23 SYIP to be approved in June 2017.

### **DC2RVA**

DRPT staff presented a series of recommendations to the CTB on proposed station locations and track alignments along the 123-mile rail corridor currently being evaluated for future higher speed rail service between Richmond and Washington, D.C. In Northern Virginia, staff recommendations include additional track on segments between Occoquan and Franconia, from Franconia to Alexandria through Fairfax County, and in Arlington County on the approach to the Long Bridge over the Potomac River. Many of the Northern Virginia proposed recommendations are also part of Virginia's Atlantic Gateway initiative and will improve VRE operations.

The CTB will consider these recommendations, as well as forthcoming input from the Federal Railroad Administration on the Draft Environmental Impact Statement (DEIS) and a 60 day public comment period following, before voting on its final Commonwealth-wide recommendations for DC2RVA.

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## RESOLUTION #2324

**SUBJECT:** Support of the Washington Metropolitan Area Transit Authority Metro Safety Commission (MSC)

**WHEREAS:** NVTC's strategic goals include the promotion of safe, reliable, and financially sound performance of WMATA's Metrorail system;

**WHEREAS:** NVTC's 2017 Federal and State Legislative and Policy Agenda supports the establishment of the MSC as a means to enhance the safety and security of riders in the region;

**WHEREAS:** Title 49 Chapter 53 of United States Code contains federal statutory requirements for public transportation safety programs and State Safety Oversight Agencies (SSOAs) that require heavy rail systems to have a legally and financially independent safety oversight agency;

**WHEREAS:** The Federal Transit Administration (FTA) determined that WMATA's SSOA, the Tri-State Oversight Committee (TOC), does not possess adequate enforcement authority necessary to meet certification requirements for SSOAs;

**WHEREAS:** On October 15, 2016, the FTA assumed temporary federal oversight of WMATA's State Safety Oversight program until a SSOA is established and certified to meet federal safety requirements;

**WHEREAS:** If the U.S. Secretary of Transportation determines that a State Safety Oversight program is not being carried out in accordance with federal law, FTA may withhold Section 5307 funding to transit agencies in the state;


**WHEREAS:** Due to the unique multi-state nature of the WMATA Metrorail system, the MSC must be established through an interstate compact, which will require that identical legislation be passed in the District of Columbia, Maryland and Virginia; and

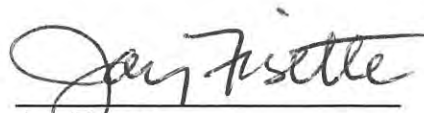
**WHEREAS:** In February 2016, United States Secretary of Transportation Anthony Foxx informed the District of Columbia, Maryland and Virginia that if the MSC is not established and certified by February 9, 2017, the FTA is prepared to begin withholding Section 5307 funds until the MSC is certified as the SSOA for WMATA.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission hereby urges the Commonwealth to work collaboratively with the District of Columbia and Maryland to establish the MSC as WMATA's SSOA.

**BE IT FURTHER RESOLVED** that NVTC encourages the Commonwealth to act expeditiously in order to minimize disruptions to transit operations statewide and prevent the withholding of Section 5307 funds.

Approved this 1<sup>st</sup> day of December 2016.

  
Paul C. Smedberg  
Secretary-Treasurer

  
Jay Fisetle  
Chairman

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**TO:** Chairman Fiset and NVTC Commissioners

**FROM:** Kate Mattice, Andrew D'huyvetter and Jen Deci

**DATE:** December 21, 2016

**SUBJECT:** Washington Metropolitan Area Transit Authority (WMATA)

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*This report has been reorganized to reflect the structure of the WMATA Board of Directors and WMATA Committees. Please send any feedback on this format to NVTC staff.*

**ACTION ITEM: Authorize the Chairman or His Designee to Provide Testimony to WMATA on the FY2018 Budget**

The Commission will be asked to approve testimony regarding the FY2018 WMATA Budget. NVTC staff is working with jurisdictional staff on proposed areas of concern and will provide a staff draft to the Commissioners in advance of the January 5, 2017 meeting. NVTC has scheduled two public outreach events for the NVTC WMATA Board members to share their perspectives on progress at WMATA and to discuss the FY2018 Budget.

- January 25, 2017, 7:00-9:00 P.M. Greater Reston Chamber of Commerce, 1886 Metro Center Drive, Suite 230, Reston, VA 20190
- January 30, 2017, 7:00-9:00 P.M. Durant Arts Center, 1605 Cameron Street, Alexandria, VA 22314

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

**A. Board of Directors**

- [Authorization to Hold a Public Hearing on the Proposed FY2018 Operating Budget and FY2018-2023 Capital Improvement Program](#)

On December 1<sup>st</sup>, the Finance Committee approved the request to hold Public Hearings on the FY2018 budget with amendments. Amendments included additional Metrobus routes to consider for elimination or service reduction and modification to certain fares or fees. The final hearing dockets included all the proposed fare increases, service changes, and capital investment program for FY2018. On December 15<sup>th</sup>, the Board of Directors voted to authorize the Finance Committee's [recommendation](#) with no additional amendments.

As presented in November, the [GM's proposed budget](#) included eight Virginia Metrobus routes that could be considered for elimination. At the December 1<sup>st</sup> Finance Committee meeting, Board members from DC, Maryland, and Virginia made several amendments to

the docket which were [approved on December 15<sup>th</sup>](#). For Virginia, these amendments included elimination or service modifications to the 28X, REX, 7X, 5A, 16X, 16G, 16H, 26A, and 16K serving Arlington County, the City of Falls Church, Fairfax County, City of Alexandria, and Loudoun County. These potential service cuts will be evaluated by jurisdictional and WMATA staff, analyzed for Title VI civil rights impacts, and considered in the public outreach process. A final decision on potential service cuts will be made in conjunction with the final FY2018 budget adopted by the Board.

WMATA will hold a public hearing in late January or early February 2017 on the proposed fare increases and service changes in the FY2018 operating budget. WMATA staff will also develop and implement an outreach program to invite additional public input. The Board will consider all findings from the public hearing and public outreach prior to adopting the FY2018 operating budget and FY2018-2023 CIP. The [full FY2018 proposed budget document](#) was posted on December 15, 2016.

The [December 1, 2016 NVTC WMATA report contains additional background](#) on the proposed FY2018 Operating Budget and the [Finance Committee](#) report contains additional information on the Proposed FY2018 Capital Budget and FY2018-2023 CIP.

- *Proposed Changes to Metrorail Service Hours, Preventive Maintenance Plan and Overnight Maintenance Window*

On December 15<sup>th</sup>, the Board of Directors voted to approve the Customer Service, Operations, and Security Committee's recommendations on [proposed Metrorail service hours](#) and a Metrobus Lifeline Network Access Service Plan. The new service hours (Scenario C in Table 1) will go into effect on July 1, 2017 and will sunset after 2 years. Unless any further action is taken by the Board, the service hours will return to "pre-SafeTrack" levels on July 1, 2019. Staff will produce quarterly reports on the preventative maintenance program and a progress report in May 2018.

**Table 1: Proposed Metrorail Service Hours**

	<b>Scenario A</b>	<b>Scenario B</b>	<b>Approved Scenario C</b>	<b>Scenario D</b>
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

The [December 1, 2016 NVTC WMATA report contains additional background](#) on the proposed changes to Metrorail service hours.

- *SelectPass Fare Product*

The Finance Committee approved the equity analysis, approved [SelectPass](#) as a permanent fare product, and authorized staff to make conforming changes to the Tariff to make the Select Pass a permanent fare product. SelectPass is a customizable, unlimited monthly pass product that began as a pilot in April 2016.



## B. Committee Reports

### 1. Finance Committee

#### ▪ FY2018 Operating Budget Work Session

The Finance Committee held the first of three budget workshops on the FY2018 operating budget. This workshop covered ridership and revenue. WMATA Board members submitted questions to staff on a wide range of topics. Staff answered these questions in a [report attachment](#).

**Figure 1: Jurisdictional Contributions in the Proposed FY2018 Operating Budget**

	<b>FY2016 Budget</b>	<b>FY2017 Budget</b>	<b>FY2018 Proposed</b>	<b>Change (‘17 – ‘18)</b>	<b>%</b>
<b>District of Columbia</b>	<b>\$322.9</b>	<b>\$323.1</b>	<b>\$370.3</b>	<b>\$47.1</b>	<b>15%</b>
Montgomery County	144.1	145.0	168.1	23.1	16%
Prince George’s County	185.2	185.9	207.3	21.4	11%
<b>Maryland Subtotal</b>	<b>329.2</b>	<b>330.9</b>	<b>375.4</b>	<b>44.5</b>	<b>13%</b>
City of Alexandria	33.8	33.0	39.5	6.5	20%
Arlington County	58.2	56.6	68.4	11.9	21%
City of Fairfax	1.8	1.8	2.2	0.4	20%
Fairfax County	118.1	118.7	138.6	19.9	17%
City of Falls Church	2.3	2.4	2.7	0.2	10%
<b>Virginia Subtotal</b>	<b>214.4</b>	<b>212.5</b>	<b>251.4</b>	<b>38.9</b>	<b>18%</b>
<b>TOTAL</b>	<b>\$866.5</b>	<b>\$866.5</b>	<b>\$997.0</b>	<b>\$130.5</b>	<b>15%</b>

Source: WMATA Proposed [FY2018 Operating Budget Presentation](#)

The next two budget workshops are scheduled for January 12, 2017 (Personnel Expenses) and January 26, 2017 (Non-Personnel Expenses).

#### ▪ GM/CEO Proposed FY2018 Capital Budget and FY2018-2023 Capital Improvement Program

WMATA Staff presented the GM/CEO proposed [FY2018 Capital Budget and FY2018-2023 CIP](#) to the Finance Committee as an information item on December 1<sup>st</sup>. The FY2018 capital budget is \$1.25 billion and approximately 85 percent of this is from projects that are already underway. Public hearings will be held on the capital budget which is planned to be adopted in March 2017.

The FY2018-2023 CIP is \$7.2 billion and focuses on safety, state of good repair, and reliability. It focuses priorities on the acquisition of new 7000 series railcars, construction of infrastructure to support radio and wireless communications, replacement of old buses and paratransit vehicles, rehabilitation and maintenance of existing railcars, continued investment in rail and bus system infrastructure, and reinvestment in rail stations. Figure 2 shows the expenditure by investment category by year, Figure 3 displays the proposed funding source, and Figure 4 shows the proposed jurisdictional contributions.

The CIP assumes federal grant funding (including PRIIA) at current levels and also includes the establishment of a development and evaluation (D&E) program for major capital needs. Overall, WMATA's rate of capital program investment continues to improve.

**Figure 2: FY2018-FY2023 Proposed Capital Investment (in millions)**

Investment Category	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	6 Year
Railcars	\$523	\$517	\$557	\$502	\$228	\$208	\$2,535
Rail Systems	\$117	\$189	\$167	\$128	\$134	\$122	\$858
Track & Structures	\$113	\$122	\$119	\$122	\$133	\$161	\$770
Stations & Passenger Facilities	\$207	\$292	\$258	\$244	\$224	\$200	\$1,425
Bus & Paratransit Vehicles	\$225	\$125	\$201	\$252	\$248	\$219	\$1,270
Business Support	\$65	\$53	\$52	\$52	\$52	\$53	\$326
<b>TOTAL</b>	<b>\$1,250</b>	<b>\$1,298</b>	<b>\$1,353</b>	<b>\$1,300</b>	<b>\$1,019</b>	<b>\$963</b>	<b>\$7,183</b>

[Source: WMATA FY2018-2023 CIP Presentation](#)

**Figure 3: FY2018-FY2023 Proposed Funding Sources (in millions)**

Funding Source	FY2018*	FY2019	FY2020	FY2021	FY2022	FY2023	6 Year
Federal Grants	\$460	\$461	\$458	\$459	\$459	\$459	\$2,757
State & Local	\$361	\$571	\$646	\$646	\$521	\$495	\$3,240
Long Term Debt	\$441	\$222	\$212	\$124	--	--	\$1,000
MWAA	\$118	\$33	\$32	\$69	\$35	\$5	\$293
Other	\$6	\$8	\$1	--	--	--	\$15
Jurisdictional Projects	\$14	\$3	\$3	\$3	\$3	\$3	\$29
<b>Total Funding</b>	<b>\$1,400</b>	<b>\$1,298</b>	<b>\$1,353</b>	<b>\$1,300</b>	<b>\$1,019</b>	<b>\$963</b>	<b>\$7,333</b>

\*Funding plan includes \$150 million in FY2018 to repay short-term debt projected to be used in FY2017

[Source: WMATA FY2018-2023 CIP Presentation](#)

**Figure 4: FY2018-2023 Proposed Jurisdictional Contributions & Long Term Debt (in millions)**

Jurisdiction	FY2018*	FY2019	FY2020	FY2021	FY2022	FY2023	6 Year
District of Columbia	\$282	\$283	\$306	\$274	\$185	\$175	\$1,505
Maryland	\$283	\$274	\$297	\$266	\$179	\$170	\$1,469
City of Alexandria	\$37	\$31	\$34	\$30	\$18	\$17	\$167
Arlington County	\$58	\$56	\$62	\$54	\$32	\$30	\$292
City of Fairfax	\$2	\$2	\$2	\$2	\$1	\$1	\$9
Fairfax County	\$101	\$99	\$109	\$96	\$58	\$55	\$518
City of Falls Church	\$2	\$2	\$2	\$2	\$1	\$1	\$9
Commonwealth of Virginia	\$50	\$50	\$50	\$50	\$50	\$50	\$300
<b>Virginia Subtotal</b>	<b>\$250</b>	<b>\$239</b>	<b>\$258</b>	<b>\$233</b>	<b>\$160</b>	<b>\$153</b>	<b>\$1,296</b>
<b>Total Contribution</b>	<b>\$815</b>	<b>\$796</b>	<b>\$861</b>	<b>\$773</b>	<b>\$524</b>	<b>\$498</b>	<b>\$4,269</b>

\*Funding plan includes \$150 million in FY2018 to repay short-term debt projected to be used in FY2017

Source: [WMATA FY2018-2023 CIP Presentation](#)

## **2. Customer Service, Operations, and Security Committee**

The Committee [received a security report](#) from the Metro Transit Police Department (MTPD) on Part 1 crime data of January through September from CY2015 to CY2016. The Committee also received a briefing on [WMATA's program to improve train reliability](#) for customers. WMATA has implemented a multi-pronged approach to improving train reliability by changing the overall composition of the fleet to introduce the 7000 series railcars and retire the oldest and least reliable railcars, maintenance campaigns to catch up on needed repairs, and improvements to the quality of railcar maintenance in order to sustain railcar reliability improvements.

## **3. Capital Program, Planning, and Real Estate Committee**

- *Capital Needs Inventory Phase I Key Findings: 10-Year Capital Needs Inventory and Prioritization*

The [CNI \(Capital Needs Inventory\)](#) provides an unconstrained, prioritized list of investment needs over 10 years. The list of needs advances or sustains a State of Good Repair (SGR), satisfies regulatory compliance, and includes limited but critical system enhancements. The CNI identifies more than \$25 billion in capital needs in the next 10 years to achieve a SGR, meet regulatory compliance, modernize technology, and address critically needed system growth. A draft copy of the [full report](#) is posted online.

- *WMATA's Office Space Needs*

WMATA provided [an update on its effort to comprehensively assess and determine future office space needs, costs and location options](#). WMATA currently occupies 912,275 square feet in the region. WMATA's office space goals are to achieve lower annual operating costs and improve intra-departmental communication and efficiency, and to improve employee safety and workplace satisfaction. A major consideration of this project is the anticipated capital costs associated with the Jackson Graham Building (JGB) as it approaches the end of its useful life.

#### **4. Audits and Investigation Committee and Pension Sub-Committee**

On December 1, 2016, the Audits Committee received a presentation from staff on [progress to complete the FTA's Financial Management Oversight Testing and Validation Plan](#). It is anticipated that FTA will make a decision about the removal of ECHO restriction for all grants awarded after July 1, 2015 by the end of calendar year 2016.

#### **5. Safety Committee and SafeTrack**

On December 15, 2016, the Safety Committee [received the final investigation report](#) and follow up actions on the interlocking derailment near East Falls Church Metro Station on July 29, 2016.

[SafeTrack Surge #11](#), single-tracking on the Orange and Silver lines between East Falls Church and West Falls Church, was completed on December 21, 2016. There will not be any SafeTrack activity in January 2017 and SafeTrack is anticipated to resume in February 2017. Four additional surges are scheduled in 2017 with three of the four occurring on the Blue or Yellow lines in Virginia. Northern Virginia stakeholders continue to participate in weekly SafeTrack coordination calls hosted by NVTC.

#### **C. Other WMATA News**

On November 30, 2016, WMATA announced a new plan, "[Back2Good](#)," that lays out the next steps for the organization to move beyond track work and to get trains running safely and reliably. The effort focuses on reducing delays and offloads from track defects and railcar failures, retiring the 1000 series railcars before December 2017, and reducing delays due to train car issues by 25 percent in 2017. The initiative also includes a customer-focused assessment of service quality to measure the systems performance.

On November 28, 2016, the Chief Financial Officer of the District of Columbia sent Mayor Bowser [a letter detailing the costs of the WMATA FY2018 Capital Budget and FY2018-2023 CIP and anticipated funding gap to the District](#).

## D. Virginia Ridership and Parking Facility Utilization

WMATA Virginia Ridership October 2015 – 2016			
	October 2015	October 2016	Percent Change
Metrorail			
Total	9,290,695	7,946,376	-14.5%
Weekday Average	312,526	287,722	-10.5%
Metrobus			
Total	1,833,994	1,699,100	-7.4%
Weekday Average	73,427	68,975	-6.1%
MetroAccess			
Total	28,566	29,263	+2.4%

WMATA Virginia Parking Facility Usage October 2015 – 2016				
Station/Lot	October 2015	Y-T-D FY16	October 2016	Y-T-D FY17
Huntington	72%	70%	74%	65%
West Falls Church	58%	56%	76%	54%
Dunn Loring	81%	78%	32%	52%
Vienna	83%	82%	45%	58%
Franconia	71%	70%	61%	51%
Van Dorn	110%	110%	108%	95%
East Falls Church	119%	122%	121%	115%
Wiehle-Reston East	92%	90%	94%	81%
Northern Virginia Total	78%	76%	64%	61%

## E. Schedule of Upcoming Board Decisions

Key Issues	Meeting	Date
FY2018 Budget Work Session – Personnel Expenses (I)	Finance Committee	January 12, 2017
FY2018 Budget Work Session – Non-personnel expenses (I)	Finance Committee	January 26, 2017

Anticipated Information (I) and Action (A) Items	WMATA Board Date Target
FY2018 Budget Hearings	TBD January and February 2017
Capital Funding Agreement (A)	March 2017
FY2018 Budget Approval (A)	April-May 2017

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GOVERNMENT OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE CHIEF FINANCIAL OFFICER



**Jeffrey S. DeWitt**  
Chief Financial Officer

November 28, 2016

The Honorable Muriel Bowser  
Mayor of the District of Columbia  
1350 Pennsylvania Avenue, N.W., Suite 306  
Washington, DC 20004

**Re: Impact of Updated Financial Plan and Proposed Capital Improvement Plan  
Information from WMATA on the District's FY 2018 Budget Formulation**

Dear Mayor Bowser:

Last week, the Office of the Chief Financial Officer ("OCFO") received a more detailed financial plan forecast, for Fiscal Years 2018 through 2020, from the Washington Metropolitan Area Transit Authority ("WMATA"). We also received today the proposed capital improvement program that will be presented to the WMATA finance committee on December 1, 2016. Due to the magnitude of these costs as we have analyzed them, and their significant impact on the District, I wanted to alert you immediately as we work with you and your staff to develop the upcoming FY 2018 budget.

I have also copied the Council on this letter so they are also aware of this issue.

***WMATA FY 2018-20 Financial Plan:***

As you are aware, WMATA's General Manager has proposed an FY 2018 operating budget that is \$290 million above FY 2017, with the total local jurisdiction subsidy increase of \$130.4 million, 15% over the FY 2017 level. The remainder of the increase is covered by proposed rider fee increases, service and staff reductions, and increased use of federal funds for maintenance. The District's share of the \$130.4 million is \$47.2 million. The District's current financial plan includes a \$10.9 million increase for FY 2018, resulting in a shortfall of \$37.3 million.

WMATA is requesting an increase of 15% for FY 2018, and projecting increases of 7% and 10% for FY 2019 and FY 2020, respectively. However, in the District's plan, we budgeted a more normal growth rate of 3% to 4% annually; therefore, the funding gap increases each year. The increased gap between the District's financial plan and WMATA's request is \$37.3 in FY 2018, \$47.5 in FY 2019 and \$75.9 in FY 2020 for a three year cumulative gap of \$160.8 million. It is important to note that the other two jurisdictions – Maryland and Virginia – face similar gaps between current funding levels for WMATA and WMATA's requested funding level increases.

On the capital budget, or capital improvement program (“CIP”) side, the General Manager has proposed a significantly increased capital plan that addresses WMATA’s six year capital needs. The anticipated additional CIP costs are for the same period covered in the operating forecast and are \$159.2 million higher than budgeted for FY 2018, \$155.8 million higher for FY 2019 and \$179.6 million higher for FY 2020, for a cumulative capital funding gap of \$494.6 million. Below are summary tables of the anticipated operating and capital funding gaps.

Operating Budget				
	FY 2018 *	FY 2019	FY 2020	Total - FY 2018 to FY 2020
WMATA Budget Outlook - District's Share	370,300	390,200	428,600	1,189,100
District's WMATA Budget - Local Budget	332,978	342,667	352,647	1,028,292
<b>Anticipated Operating Gap</b>	<b>\$ (37,322)</b>	<b>\$ (47,533)</b>	<b>\$ (75,953)</b>	<b>\$ (160,808)</b>
* Assumes FY 2018 budget as proposed by the General Manager which includes fare increases, staffing reductions, the use of federal funds for maintenance, and ridership decreases.				

Capital Improvements Program (CIP) **				
	FY 2018	FY 2019	FY 2020	Total - FY 2018 to FY 2020
Total Proposed WMATA CIP	\$1,400,000	\$1,298,000	\$1,353,000	\$4,051,000
District Share Anticipated CIP	282,000	283,000	306,000	871,000
Current Approved Capital Funding for WMATA	122,846	127,218	126,365	376,429
<b>Anticipated Capital Funding Gap</b>	<b>\$ (159,154)</b>	<b>\$ (155,782)</b>	<b>\$ (179,635)</b>	<b>\$ (494,571)</b>
** Based on the "GM/CEO Proposed FY 2018 Capital Budget and FY 2018-2023 Capital Improvement Program (CIP)" submitted to the Finance Committee for their December 1, 2016 meeting. The plan is limited to 3 years to be consistent with the proposed operating budget plan.				

The current WMATA capital funding agreement between the District, Maryland and Virginia expires in June of 2017 and its renewal will require extensive discussion from all WMATA compact members on WMATA’s needs, its ability to deliver projects, and the funding capacities of each jurisdiction and the federal government. The OCFO will work with DDOT and your budget staff to review in detail this greatly increased capital request.



The information provided by WMATA in their operating forecast and their proposed CIP is consistent with the Metro funding needs analysis that my office provided to you and the other jurisdictions in recent months. That analysis was developed in May of this year. Since that time, ridership has declined and SafeTrack costs have increased above the original estimates.

Once the FY 2018 operating budget for WMATA is approved and the proposed capital improvement plan has been reviewed and approved, the OCFO will update its long-range capital planning model to reflect the revised contributions from the District and the other jurisdictions. The District's current estimated three-year \$160.8 million operating gap and \$494.6 million capital gap underscores the importance, and urgency, for the District and the region to aggressively pursue solutions for WMATA that may include a dedicated funding source and federal funding.

If you have any questions, please feel free to contact me at (202) 727-2476.

Sincerely,



Jeffrey S. DeWitt

cc: Councilmember Phil Mendelson (Chairman)  
Councilmember Anita Bonds (At-Large)  
Councilmember David Grosso (At-Large)  
Councilmember Elissa Silverman (At-Large)  
Councilmember Robert White (At-Large)  
Councilmember Brianne Nadeau (Ward 1)  
Councilmember Jack Evans (Ward 2)  
Councilmember Mary Cheh (Ward 3)  
Councilmember Brandon Todd (Ward 4)  
Councilmember Kenyan McDuffie (Ward 5)  
Councilmember Charles Allen (Ward 6)  
Councilmember Yvette Alexander (Ward 7)  
Councilmember LaRuby May (Ward 8)  
Rashad Young, City Administrator  
John Falcicchio, Chief of Staff to the Mayor  
Matthew Brown, Budget Director  
Jennifer Budoff, Budget Director, Council of the District of Columbia  
Beverly Perry, Senior Advisor to the Mayor  
Angell Jacobs, Deputy CFO and Chief of Staff, OCFO  
Gordon McDonald, Deputy CFO, Office of Budget and Planning, OCFO

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**TO:** Chairman Fiset and NVTC Commissioners

**FROM:** Kate Mattice and Rhonda Gilchrest

**DATE:** December 21, 2016

**SUBJECT:** Virginia Railway Express (VRE)

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### A. VRE CEO Report and Minutes

At the January meeting, Mr. Allen will update the Commission on VRE activities. The [VRE CEO December 2016 Report](#) is attached. The Minutes of the December 16, 2017 Operations Board Meeting will be provided at the January 5<sup>th</sup> meeting.

### B. ACTION ITEM: Approve [Resolution #2331](#): Revised FY2017 and Recommended FY2018 VRE Operating and Capital Budgets

The VRE Operations Board adopted the revised [FY2017 VRE Operating and Capital Budget and the recommended FY2018 VRE Operating and Capital Budget](#) and referred them to the Commissions for their consideration and subsequent referral to the jurisdictions for their formal review and adoption. [Resolution #2331](#) will also authorize the VRE CEO to solicit comment through public hearings on the recommended fare increase; to authorize the Executive Directors of NVTC and PRTC to take the necessary actions to apply for federal and state grant funding; and to authorize the VRE CEO to execute funding agreements with DRPT for improvements at Quantico, Brooke and Leeland stations; and to submit grant requests to the Northern Virginia Transportation Authority. The [Executive Summary](#) gives concise information on the budget and the [VRE memorandum provided to the Operations Board](#) provides more details as well.

The recommended VRE FY2018 Operating and Capital Budget totals \$133.4 million. The budget includes a three percent fare increase and projected average daily ridership of 18,200 passengers, which results in a total of \$39.8 million in fare revenue. The FY2018 operating budget expenses of \$84.98 million exceed the prior year amount by \$2.5 million or three percent, a result of increased departmental expenses including one-time costs and a more appropriate budgeted contingency.

The jurisdictional subsidy of \$17,250,240 is unchanged from the prior fiscal year. Every October a Master Agreement Survey of VRE riders is done to calculate the subsidy allocation by jurisdiction. The projected FY2018 jurisdictional subsidy, which reflects the most recent ridership survey results, is as follows:

Jurisdiction	FY 2017	FY 2018	Change	
	Subsidy	Subsidy	Net +/-	% Change
Fairfax County	5,160,910	6,099,300	938,391	18.18%
Prince William County	5,968,406	5,363,372	(605,034)	-10.14%
Stafford County	2,647,222	2,344,514	(302,708)	-11.43%
Spotsylvania County	1,382,749	1,520,191	137,442	9.94%
Manassas	749,371	684,586	(64,785)	-8.65%
Manassas Park	511,777	474,718	(37,059)	-7.24%
Fredericksburg	483,524	417,278	(66,246)	-13.70%
Arlington	205,692	205,692	0	0.00%
Alexandria	140,589	140,589	0	0.00%
	17,250,240	17,250,240	(0)	0.00%

### C. 2017 VRE Operations Board Officers

At its December 16<sup>th</sup> meeting, the VRE Operations Board selected the following officers for 2017. Installation of the new officers will take place at the January 27, 2017 VRE Operations Board meeting.

Chairman: Paul Smedberg (NVTC)  
Vice-Chairman: Maureen Caddigan (PRTC)  
Secretary: Katie Cristol (NVTC)  
Treasurer: Paul Milde (PRTC)  
Immediate Past Chair: Gary Skinner (PRTC)

According to VRE By-Laws, each of the Commissions shall provide two officers from among its Operations Board members. The offices of Chairman and Vice-Chairman shall not be held at the same time by members representing the same jurisdiction or the same appointing Commission and the office of Chairman shall be rotated each year between the two Commissions.

# CEO REPORT

DECEMBER 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.





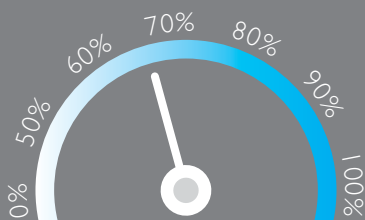
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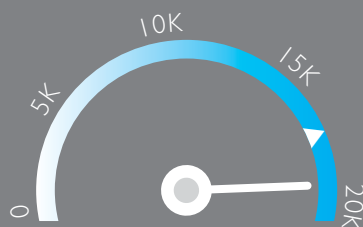
Virginia Railway Express | 1500 King Street, Suite 202 | Alexandria, VA 22314 | 703.684.1001 | [www.vre.org](http://www.vre.org)

# SUCCESS AT A GLANCE



## PARKING UTILIZATION

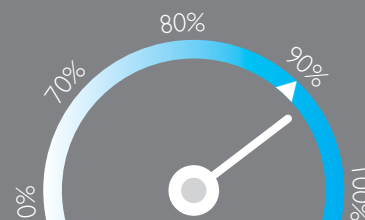
The total number of parking spaces used in the VRE system during the month, divided by the total number of parking spaces available.



## 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

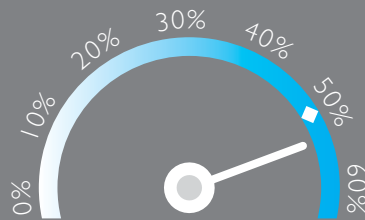
Percentage of trains that arrive at their destination within five minutes of the schedule.

▲ 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.

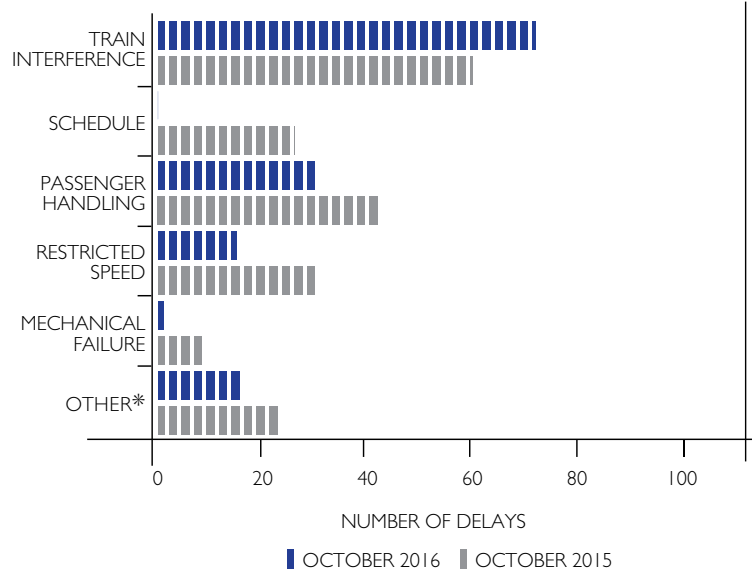


# ON-TIME PERFORMANCE

## OUR RECORD

	October 2016	September 2016	October 2015
Manassas Line	93%	94%	90%
Fredericksburg Line	90%	85%	89%
<b>System Wide</b>	<b>91%</b>	<b>89%</b>	<b>90%</b>

## REASONS FOR DELAYS



VRE operated 640 trains in October with 54 trains arriving over five minutes late to their final destinations. There were 24 late trains on the Manassas Line and 30 late trains on the Fredericksburg Line resulting in 91% on-time rate for our trains in October.

VRE achieved its 90% on-time goal in October. Some of the delays were attributed to ongoing rail infrastructure improvements, particularly along the Fredericksburg line. Within the system, general congestion is having a compounded effect on on-time performance, as minor issues lead to longer delays on multiple trains. Infrastructure improvements along both of lines are expected to reduce congestion and improve performance and operational flexibility in the long term.

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

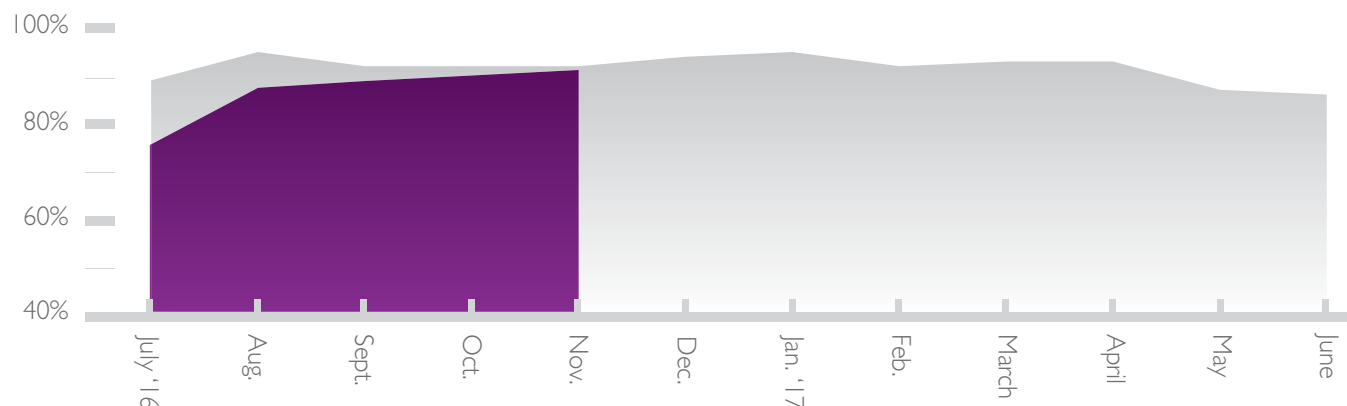
## LATE TRAINS

	System Wide			Fredericksburg Line			Manassas Line		
	Aug.	Sep.	Oct.	Aug.	Sep.	Oct.	Aug.	Sep.	Oct.
Total late trains	90	70	54	75	50	30	15	20	24
Average minutes late	15	19	24	16	22	28	10	9	19
Number over 30 minutes	7	14	15	7	14	5	0	0	10
Heat restriction days / total days	9/23	1/21	0/20	—	—	—	—	—	—

# ON-TIME PERFORMANCE

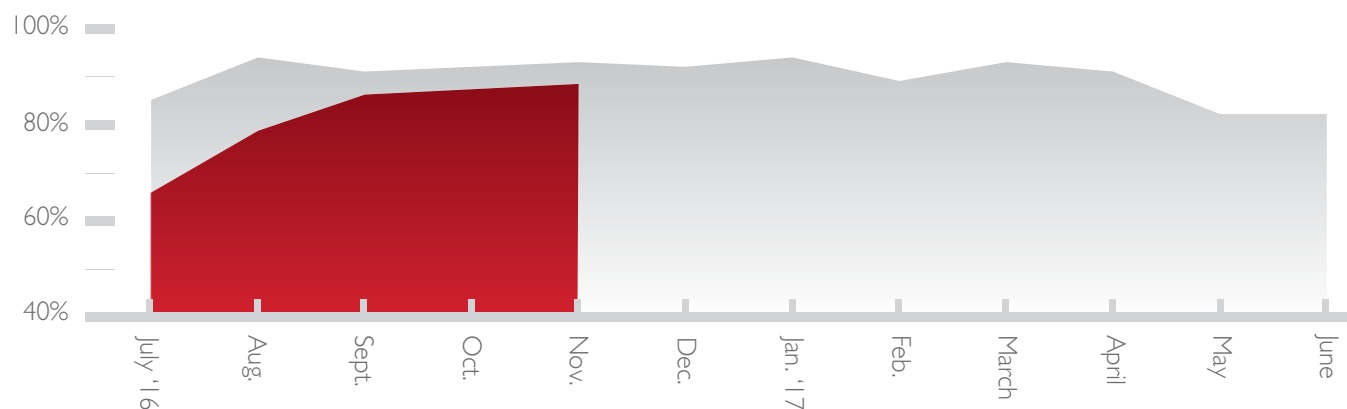
## VRE SYSTEM

**BOTH LINES** ■ Current Stats ■ 3-Year Rolling Average

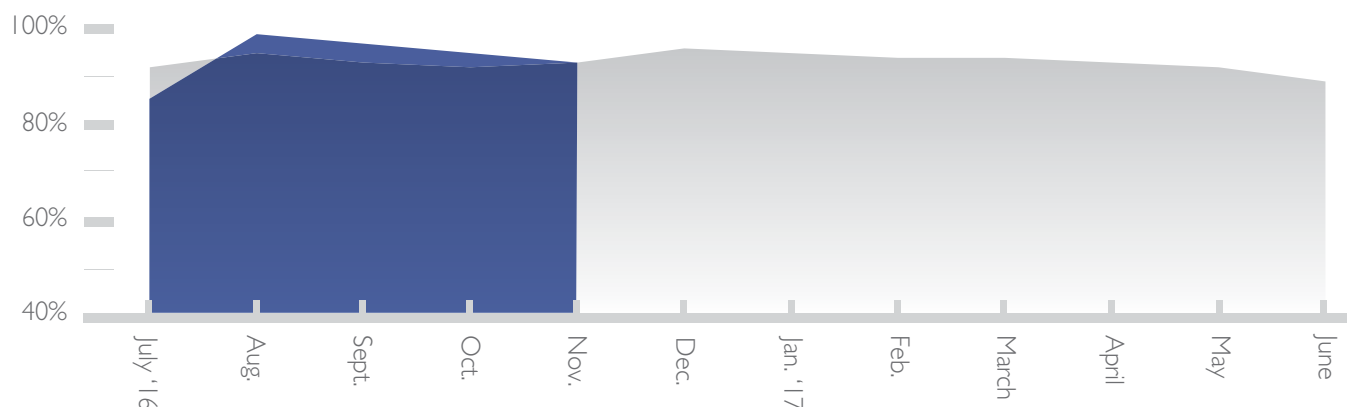


## ON-TIME PERFORMANCE BY LINE

**FREDERICKSBURG LINE** ■ Current Stats ■ 3-Year Rolling Average



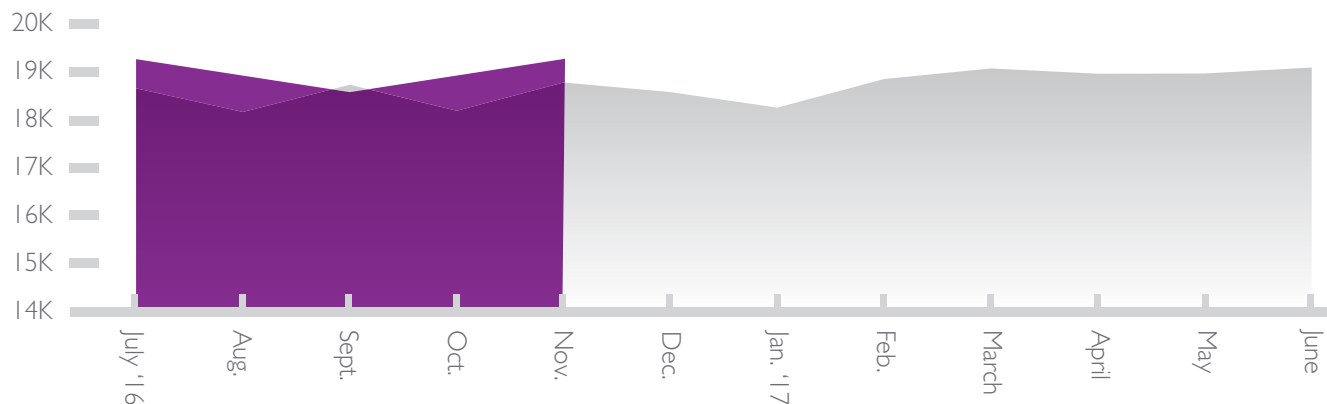
**MANASSAS LINE** ■ Current Stats ■ 3-Year Rolling Average



# AVERAGE DAILY RIDERSHIP

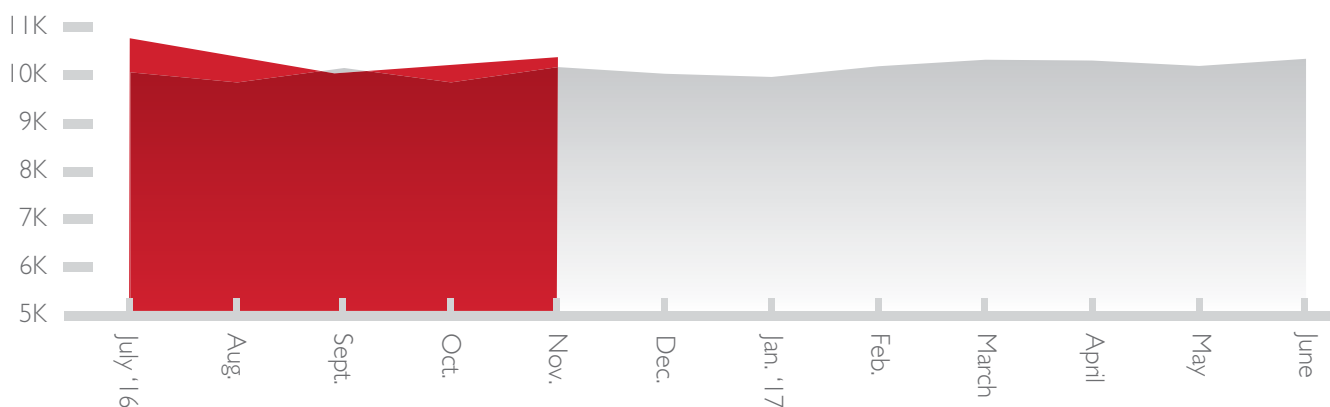
## VRE SYSTEM

**BOTH LINES** ■ Current Stats ■ 3-Year Rolling Average

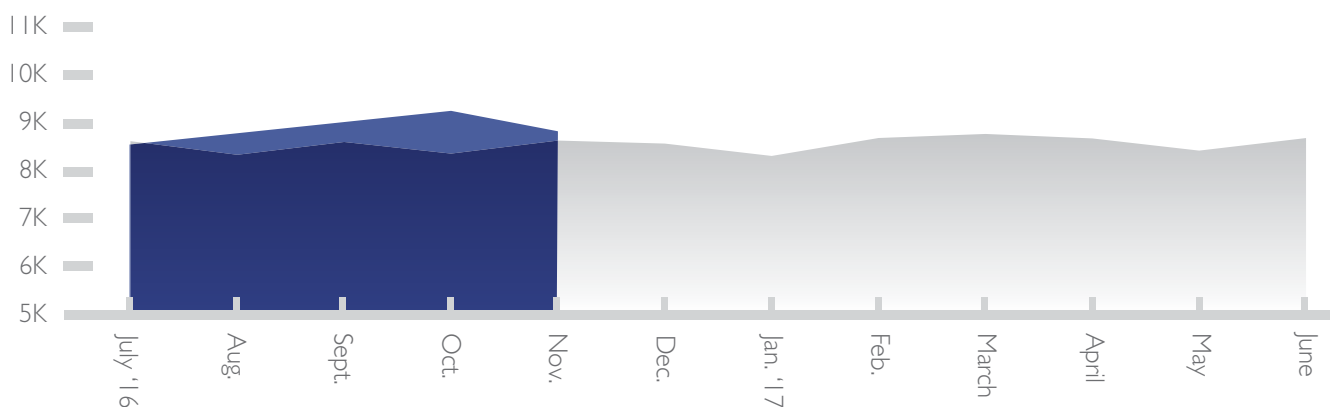


## AVERAGE DAILY RIDERSHIP BY LINE

**FREDERICKSBURG LINE** ■ Current Stats ■ 3-Year Rolling Average



**MANASSAS LINE** ■ Current Stats ■ 3-Year Rolling Average



## RIDERSHIP UPDATES

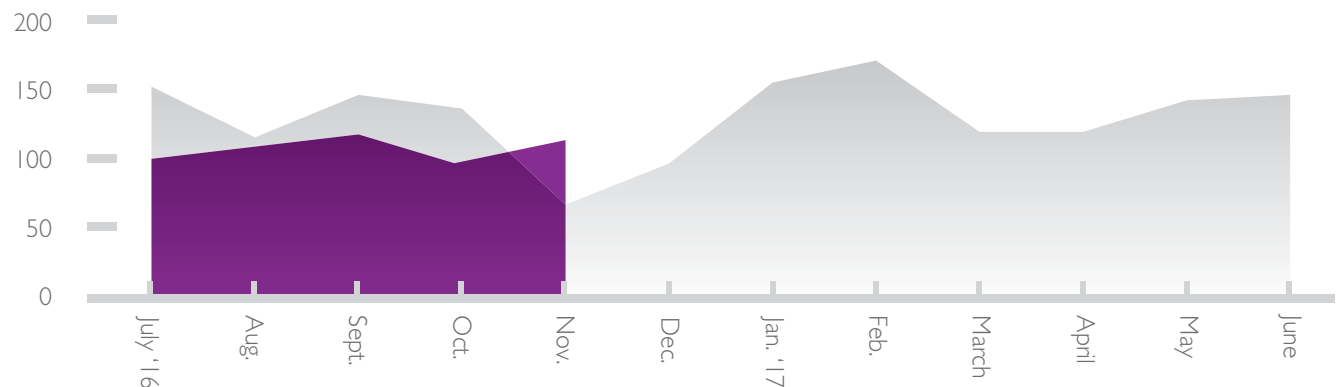
October average daily ridership was almost 19,400 rides which is a small increase over September (19,200), and a significant increase over last October (18,400). The significant increase over last year's average may be attributed to WMATA's SafeTrack program where regular Metro riders tried VRE as an alternative and some of those riders have elected to stay. With the beginning of SafeTrack #11 in November along our Manassas line, we should continue to see higher averages compared to last year, but will likely experience a decrease in ridership over the next month or two due to the holidays and vacations.

October 2016      October 2015

Monthly Ridership	387,546	385,592
Average Daily Ridership	19,377	18,362
Full Service Days	20	21
"S" Service Days	0	0

## SUMMONSES ISSUED

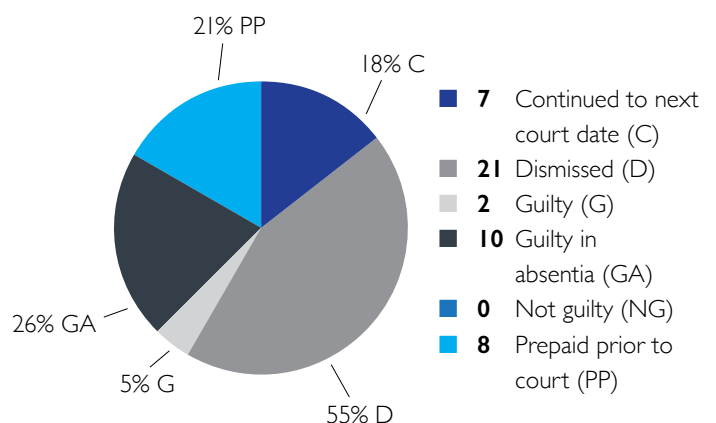
BOTH LINES    ■ Current Stats    ■ FY 2016



## SUMMONSES WAIVED

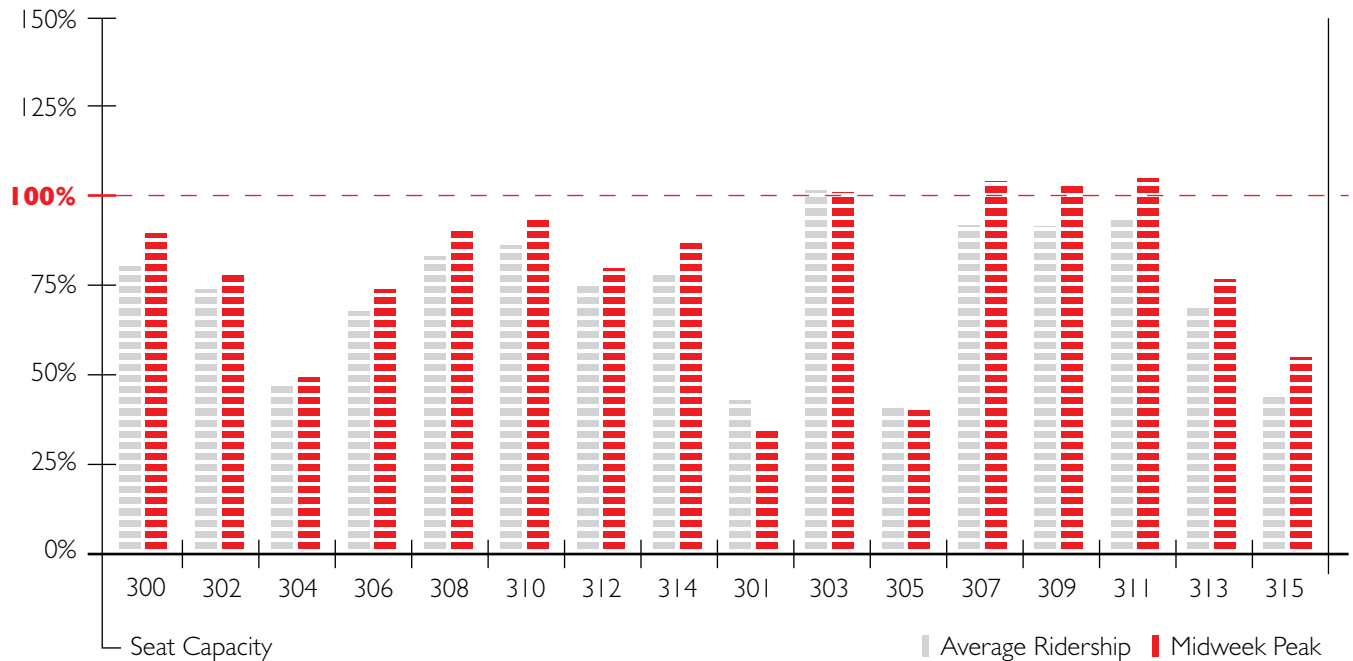
Reason for Dismissal	Occurrences
Passenger showed proof of a monthly ticket	35
One-time courtesy	20
Per the request of the conductor	3
Defective ticket	0
Per Ops Manager	0
Unique circumstances	0
Insufficient processing time	0
Insufficient information	10
Lost and found ticket	0
Other	1
<b>Total Waived</b>	<b>69</b>

## MONTHLY SUMMONSES COURT ACTION

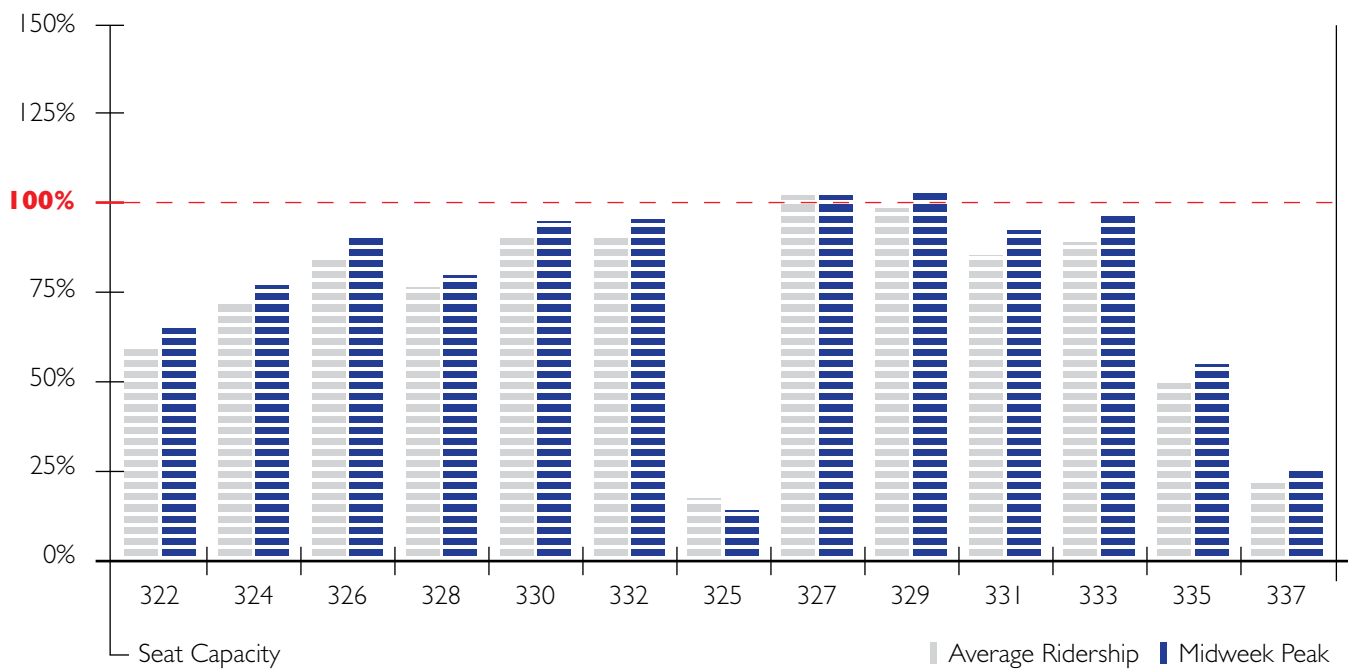


# TRAIN UTILIZATION

## FREDERICKSBURG LINE

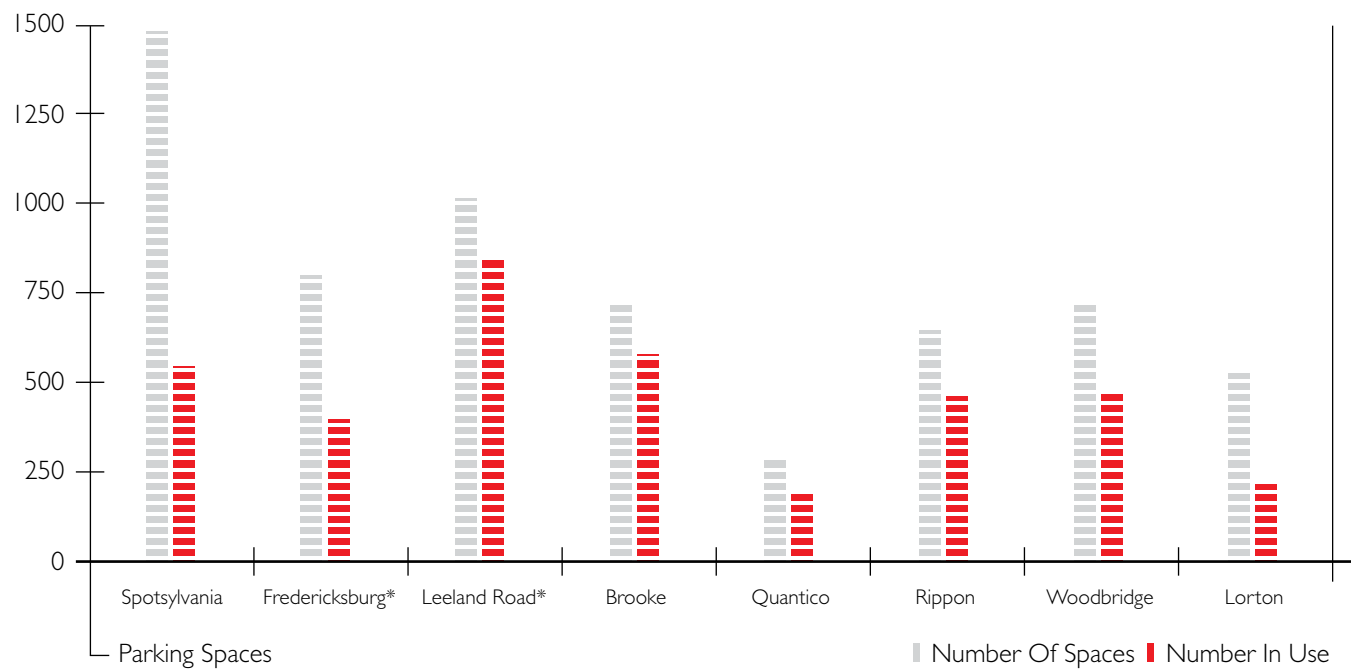


## MANASSAS LINE



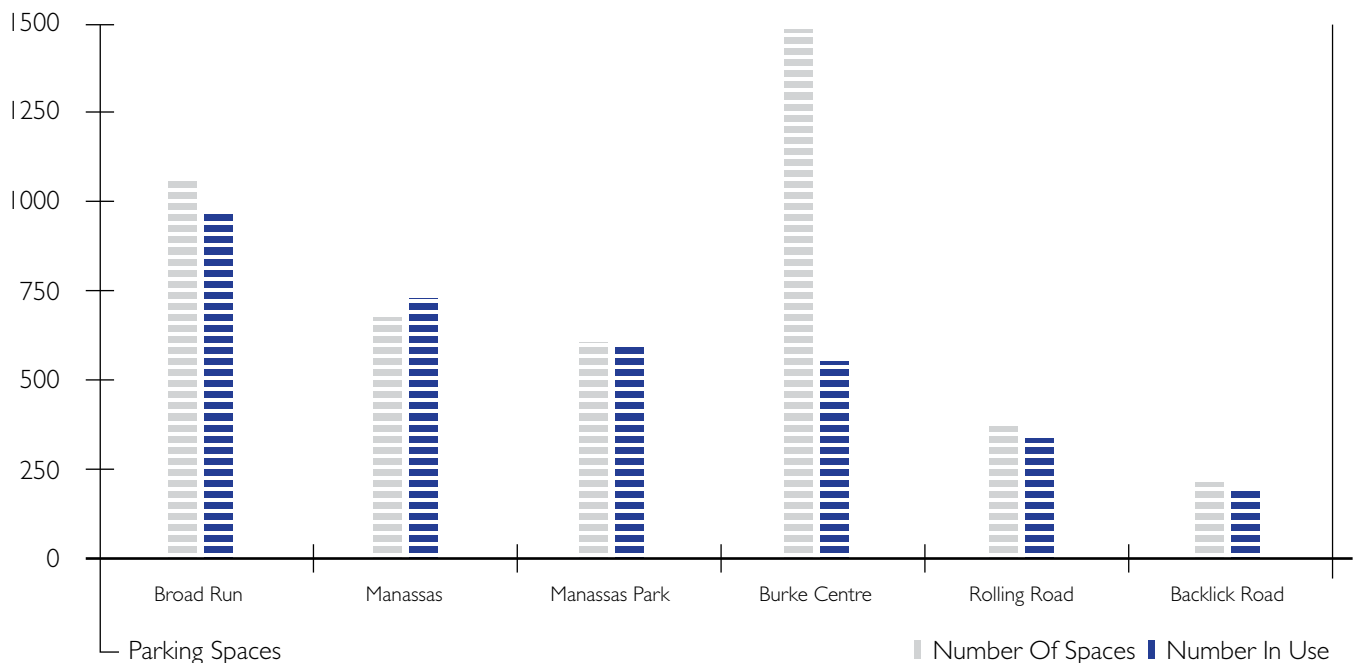
# PARKING UTILIZATION

## FREDERICKSBURG LINE



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

## MANASSAS LINE



# OCTOBER 2016 FINANCIAL REPORT

A copy of the October 2016 Operating Budget Report is below.

Fare income through the first four months of FY 2017 was \$1,167,218 above the budget – a favorable variance of 9.0%. Revenue through the fourth month of FY 2017 is up 14.4% compared to the same period in FY 2016. Revenue for the period was impacted by ridership increases related to WMATA Safe-Track activities.

The operating ratio is 56%. Our budgeted goal ratio for FY2017 is 50%.

A summary of the financial results (unaudited) follows.

## FY 2017 OPERATING BUDGET REPORT MONTH ENDED OCTOBER 31, 2016

	CURR. MO. ACTUAL	CURR. MO. BUDGET	YTD ACTUAL	YTD BUDGET	YTD \$ VARIANCE	YTD % VARIANCE	TOTAL FY17 BUDGET
<b>OPERATING REVENUE (\$)</b>							
Passenger Ticket Revenue	3,510,146	3,103,586	14,202,278	13,035,060	1,167,218	9%	38,950,000
Other Operating Revenue	54,460	15,936	128,637	66,932	61,705	92.2%	200,000
<b>Subtotal Operating Revenue</b>	<b>3,564,606</b>	<b>3,119,522</b>	<b>14,330,915</b>	<b>13,101,992</b>	<b>1,228,923</b>	<b>9.4%</b>	<b>39,150,000</b>
Jurisdict. Subsidy (1)	-	-	8,798,262	8,798,262	-	0.0%	13,002,382
Federal/State/Other	2,389,196	2,491,849	10,160,265	9,977,830	182,435	1.8%	29,929,051
Jurisdict. Subsidy Appn. from Res.	-	-	-	-	-	0.0%	377,000
Interest Income	12,539	1,992	42,949	8,367	34,582	413%	25,000
<b>Total Operating Revenue</b>	<b>5,966,341</b>	<b>5,613,363</b>	<b>33,332,391</b>	<b>31,886,451</b>	<b>1,445,940</b>	<b>4.5%</b>	<b>82,483,433</b>
<b>OPERATING EXPENSES (\$)</b>							
Deptml. Operating Expenses	5,487,865	6,070,895	20,125,185	21,686,278	1,694,724	6.2%	75,756,564
Debt Service	559,956	559,572	1,679,899	1,678,718	(1,554)		6,714,870
Other Non-Deptml. Expenses	-	-	-	-	-		12,000
<b>Total Operating Expenses</b>	<b>6,047,811</b>	<b>6,181,069</b>	<b>27,852,894</b>	<b>29,546,064</b>	<b>1,693,170</b>	<b>5.7%</b>	<b>82,483,433</b>
<b>NET INC. (LOSS) FROM OPS (\$)</b>	<b>(81,470)</b>	<b>(567,706)</b>	<b>5,479,497</b>	<b>2,340,387</b>	<b>3,139,110</b>	<b>-</b>	<b>-</b>
<b>CALCULATED OPERATING RATIO</b>	<b>-</b>	<b>-</b>	<b>56%</b>	<b>48%</b>	<b>-</b>	<b>Goal</b>	<b>50%</b>

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



*\*AS OF NOVEMBER 4, 2016*

VRE's presence at Clifton Day on October 9, 2016 provided an opportunity for the public to learn more about VRE service and the GHX Extension study.

## L'ENFANT (NORTH) STORAGE TRACK

VRE and CSX Transportation (CSXT) are working together to prepare a section of track North of L'Enfant Station for additional train storage. CSXT added a stub-end storage track just north of the VRE L'Enfant Station several years ago. To prepare the track for storage capability, CSXT is installing powered switches and signaling at both ends of the track, while VRE is constructing the appliances needed to supply power to a VRE train laying over on the track during the midday. In September, Pepco completed the installation of the conduit necessary to provide power to the CSX signals and VRE switchgear.

The next step is for Pepco to install the appropriate cable to complete their work. This work has been on hold until DDOT inspects and approves the Pepco work and authorizes them to continue with the cable installation.

After the testing and inspection of Pepco's work, CSXT will install signal and switch reconfigurations. 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

Earlier this summer, CSXT modified their main line tracks south of the VRE L'Enfant Station to operate taller "double-stack" freight trains. A temporary track was installed during construction to provide an extra track to maintain operations. With the clearance project nearly complete, CSXT and VRE have agreed to leave the temporary track in place and convert it into 1,350 feet of midday storage for VRE trains, or as a lay-off track for emergencies. VRE will be able to store up to two trainsets midday on the storage track.



CSX completed its track work in October, and VRE has tasked a General Engineering Consultant for Design Services: Track, Structures, and Signals, with the design of wayside power appliances for trains during layover. The design is underway; 90 percent plans were submitted in October, and are currently being reviewed by VRE and CSXT. Coordination with Pepco continues as well. 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 in November 2016, with wayside power available after the first of the new year.

## 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, and the construction of a pedestrian bridge. The project is being developed in conjunction with the DRPT-CSXT Arkendale to Powell's Creek Third Track Project.

It will take 18-24 months to construct retaining walls, track, and the station elements. The projected in-service date for all of the improvements is mid-2018.



An aerial view of Quantico today showing CSXT's contractors trailers in the west-side parking lots along with a temporary platform and preliminary grading work on that side.

## 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. In August, the contractor cleared the trees to prepare for the Fiber Optic Relocation, which consists of utility location and construction layout staking. With the availability of CSXT Flaggers on September 19, the Fiber Optic Relocation was able to begin on September 22 and was completed in October. VRE issued a Notice to Proceed (NTP) to the platform extension contractor on November 2.

## “PENTA-PLATFORMS” STATION IMPROVEMENTS

The Penta-Platforms Project will add capacity to the CSXT RF&P Subdivision by extending platforms and/or adding second platforms at five VRE 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 in August. NTP was issued August 4, 2016. 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 are secured and field activities are scheduled, a comprehensive kick off meeting for all five stations to include contractors and major stakeholders is planned for November. Meanwhile, semi-weekly calls among the key parties continue to coordinate engineering and planning efforts. Engineering coordination includes in-person workshops where needed, the first of which occurred in August 2016.



Slope stabilization work proceeds for the new third track near Cherry Hill, immediately south of the new Potomac Shores site.

## ARKENDALE TO POWELL'S CREEK

### THIRD TRACK PROJECT

VRE and DRPT are collaborating on the installation of 9 miles of new third track between Arkendale and Powell's Creek on the CSX RF&P Subdivision. 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.

## LONG BRIDGE FEASIBILITY AND ENVIRONMENTAL STUDIES

The Long Bridge across the Potomac River is a major railroad bottleneck for the Eastern Seaboard and is the primary constraint limiting VRE's ability to operate more trains. The purpose of this project is to provide additional railroad capacity across the Potomac River.

VRE is currently collaborating with the District Department of Transportation (DDOT), DRPT, the Federal Railroad Administration (FRA) and CSXT, the bridge owner, on development activities to potentially expand the crossing.

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 Notice to Proceed (NTP) is expected in January 2017. VRE will provide support to tasks related to environmental and engineering assessments along with service planning scenarios to create a strong foundation for the upcoming EIS effort.

## ROLLING ROAD PLATFORM EXTENSION

This project focuses on extending the existing platform at Rolling Road Station in Fairfax County to accommodate longer trains and provide associated canopy modifications. 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.

## MIDDAY STORAGE FACILITY

VRE must replace current train storage space leased from Amtrak at Ivy City Coach Yard, as the lease agreement will expire in the near future. Opportunities for midday storage of VRE rolling stock in the District of Columbia are presently limited. 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. VRE has identified a tract of land adjacent to the Ivy City Yard along New York Avenue as a potential site for acquisition to replace the current storage.

VRE continues to collaborate with key stakeholders to advance and coordinate the design of the facility. These include Amtrak, DDOT, the Office of the Deputy Mayor for Economic Development for the District of Columbia and the FTA. In addition, bi-weekly coordination meetings with the contractor have begun to further refine initial project start-up activities, including project management tasks, stakeholder engagement, and real estate acquisition strategies to support project development.

## GAINESVILLE HAYMARKET EXTENSION

The Gainesville Haymarket Extension (GHX) Study is analyzing several options to expand capacity at the end of the Manassas line, including a potential 11-mile expansion of VRE service through Gainesville and to the general vicinity of the town of Haymarket. Analysis continues to refine ridership projections, cost estimates, and develop conceptual engineering plans for the associated extension elements, including stations, parking, track infrastructure, and other system capacity improvements.

Public Outreach for the project continues to provide information and obtain feedback from local communities. A recent outreach effort took place on October 9, 2016 at the Town of Clifton's annual Clifton Day. VRE Staff was present to answer questions and provide information to the public about the extension and its benefits and advantages for current and potential riders. Current riders who stopped by the VRE table primarily use the Fairfax County VRE stations and expressed support for expanded VRE service. Current and potential riders from Prince William County, Manassas and Manassas Park also supported more frequent service as well as an extension or expansion via a relocated Broad Run station.



The public has expressed great interest in the Gainesville Haymarket Extension. Here, a VRE Staff member explains the advantages of the extension to a community member at the town of Clifton's annual Clifton Day.

## MANASSAS PARK STATION PARKING EXPANSION

VRE is in the process of developing a new parking structure at the Manassas Park Station. The VRE Manassas Park station parking lot is typically full before the last train leaves the station in the morning, and additional parking is necessary to meet the needs of riders. Due to lack of space in the existing 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 expected to worsen as ridership at this station is projected to grow with new development near the station and enhanced VRE service on the Manassas Line. VRE is currently working to identify the best solution to solve these issues.

The Operations Board approved the award of Engineering and Environmental Services in June 2016. Since project kick-off in July, a field survey has been conducted, and collaboration has begun among VRE staff, Manassas Park Governing Body, and the Northern Virginia Transportation Authority (NVTA). The project team evaluated data to present the most valuable options for the proposed parking facility with regards to size and location, vehicle and pedestrian mobility, and potential funding. A site evaluation workshop with VRE staff and City Council was held on Oct 11, 2016. Public outreach on the preferred site was conducted, including a Town Hall meeting held at the Manassas Park City Hall on November 1, 2016. It consisted of an Open House followed by the City Council Meeting for public comments. This forum allowed participants to learn about the potential options for the parking expansion, pose questions to city and VRE staff, and express their input and concerns.



VRE CEO Doug Allen and the City of Manassas Park Governing Body participate in workshop for the Manassas Park Station Parking Expansion.



On November 1, 2016, VRE Staff and Manassas Park City Council participated in an Open House to engage the public and gain input for the Manassas Park Station Parking Expansion.



# FACILITIES UPDATE

**The following is a status update of VRE facilities projects:**

## **Completed projects:**

1. Modernization of east elevator at Franconia-Springfield Station
2. Correction of canopy drainage problem at Crystal City Station
3. Replacement of ground power switchgear contactor at Crossroads Yard

## **Projects scheduled to be completed this quarter:**

1. Replacement of broken glass panes at Woodbridge Station west elevator/ stair tower (pending delivery of glass panels)
2. Canopy roof and gutter replacement at Leeland Road Station (contingent upon CSX flagman availability)
3. Replacement of broken glass pane at Fredericksburg Station (Work initiated by City of Fredericksburg. Pending delivery of glass panel.)
4. Resealing of waiting room floor at Spotsylvania Station
5. Installation of pathfinder signs for Spotsylvania Station
6. Periodic testing of ground power switchgear at Crossroads and Broad Run Yards
7. Installation of monitoring wells on two outfall drainage pipes at Broad Run Yard to allow for accurate discharge sampling for VPDES General Permit compliance (pending DEQ approval)

## **Projects scheduled to be initiated this quarter:**

1. Replacement of platform lighting at L'Enfant Station
2. Repairs to fascia and soffit at Woodbridge Station east building
3. Replacement of name/address Braille signage at all stations
4. Installation of inter-track warning signs at various stations
5. Replacement of tactile warning strips at various stations

## **Ongoing projects:**

1. Development of design of platform concrete rehabilitation at Fredericksburg Station
2. Elevator modernization project, underway at Franconia-Springfield Station and Rippon Station.
3. Design of emergency generator at Woodbridge Station west elevator/stair tower
4. Assisting with coordination of Featherstone Wildlife Refuge access stair and ramp construction at Rippon Station
5. Installation of utility power status remote monitoring at various stations
6. Renovations of Alexandria Headquarters communications and server rooms



East elevator at Franconia-Springfield Station



IT Equipment in New Server Room at Alexandria Headquarters

# UPCOMING PROCUREMENTS

- Graphic Design Services
- 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
- Information Technology Services
- Program Management Services
- Purchase of Replacement Railcar Batteries

# PROJECTS PROGRESS REPORT

AS OF NOVEMBER 4, 2016

## PASSENGER FACILITIES

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

\* \$2,181,630 authorization divided across five “Penta-Platform” program stations

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, and is anticipated to be completed in December 2016.
10,021,865	10,021,865	–	2,450,624	1,873,690	51%	3rd QTR 2017	●	60% Comments under review.
7,000,000	7,000,000	–	467,500	–	5%	3rd QTR 2017	●	Design work has begun and will be completed in January 2017.
2,400,000	400,000	2,000,000	–	–	5%	3rd QTR 2017	●	Design work on East Platform only. West Platform elevation funded.
13,000,000	13,000,000	–	–	–	5%	2nd QTR 2020	●	NTP issued August 4, 2016. Basis of Design proceeding as part of Penta-Platform program.
2,500,000	2,500,000	–	–	410,351	16%	3rd QTR 2018	●	Fiber Optic relocation completed week of October 14, 2016. Proceeding with Pre-construction.
16,140,000	16,140,000	–	–	–	5%	2nd QTR 2020	●	NTP issued August 4, 2016. Basis of Design proceeding as part of Penta-Platform program.
16,633,535	16,633,535	–	–	–	5%	4th QTR 2021	●	NTP issued August 4, 2016. Basis of Design proceeding as part of Penta-Platform program.
No costs for VRE. Station being developed by private developer					25%	4th QTR 2017	■	On hold pending resolution of Arkendale to Powell's Creek Third Track Project issues.
9,500,000	9,500,000	–	–	–	10%	4th QTR 2018	■	On hold pending resolution of Arkendale to Powell's Creek Third Track Project issues.
14,650,000	9,264,300	5,385,700	–	–	5%	4th QTR 2021	●	NTP issued August 4, 2016. Basis of Design proceeding as part of Penta-Platform program.
14,000,000	9,264,300	4,735,700	–	–	5%	4th QTR 2021	●	NTP issued August 4, 2016. Basis of Design proceeding as part of Penta-Platform program.
3,422,500	3,422,500	–	3,901,886	3,620,313	99%	4th QTR 2016	●	Project complete. Proceeding with close-out.
19,600,000	2,500,000	17,100,000	182,142	134,282	10%	2nd QTR 2018	●	NTP issued in July, 2016. Work sessions and ridership studies continue.
2,000,000	2,000,000	–	442,900	27,551	8%	3rd QTR 2020	●	Basis of Design Report under review.
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: <div> <span>◆</span> Completed    <span>●</span> Underway    <span>■</span> On Hold  <span>◆</span> Part of the "Penta-Platform" program </div>			

## TRACK AND INFRASTRUCTURE

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

## MAINTENANCE AND STORAGE FACILITIES

<b>Broad Run Yard Train Wash</b>	New train wash facility to be added to the Broad Run MSF.	◆	◆	◆	N/A		◆	■
<b>L'Enfant North Storage Track Wayside Power</b>	Conversion of existing siding into a midday train storage track.	◆	◆	◆	N/A		◆	●
<b>L'Enfant North Storage Track Wayside Power</b>	Conversion of CSXT Temporary Track to VRE Storage Track (1,350 feet) and Associated Signal Work and Wayside Power.	◆	◆	◆	N/A		◆	●
<b>Lifecycle Overhaul and Upgrade Facility</b>	New LOU facility to be added to the Crossroads MSF.	◆	◆	◆	N/A		◆	■
<b>Crossroads Maintenance and Storage Facility Land Acquisition</b>	Acquisition of 16.5 acres of land, construction of two storage tracks and stormwater retention and new access road.	◆	N/A	N/A	●		N/A	N/A

## ROLLING STOCK

<b>Passenger Railcar Procurement</b>	Acquisition of 29 new railcars (15 received • 14 being built).	◆	N/A	N/A	N/A		◆	●
<b>Positive Train Control</b>	Implement Positive Train Control for all VRE locomotives and control cars.	◆	N/A	N/A	N/A		◆	●

## PLANNING, COMMUNICATIONS AND IT

<b>Gainesville-Haymarket Extension</b>	NEPA and PE for an 11-mile extension of VRE service over the NS B-Line to I-66 near Haymarket.	◆	●	●	—	—	—	
<b>Mobile Ticketing</b>	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	25,613,038	98%	4th QTR 2016	●	Project complete. Close-out pending.
2,494,711	307,513	2,187,198	307,513	174,875	55%	TBD	■	Design 90% complete; on hold pending FTA review.
4,283,618	4,283,618	—	4,207,057	1,354,750	80%	1st QTR 2017	●	Power construction 90% complete. Pepco work will be followed by CSX signal installation.
3,965,000	3,965,000	—	2,937,000	1,012,658	5%	1st QTR 2017	●	90% plans were submitted in October and are under review by VRE and CSXT.
35,100,000	22,500,000	—	3,146,000	2,060,826	60%	1st QTR 2018	●	Design 100% complete. On hold pending county zoning action.
2,950,000	2,950,000	—	2,950,000	76,768	75%	2nd QTR 2017	●	Completed cultural resources report. Submission of CE to FTA and county zoning action pending.
88,800,000	88,800,000	—	2,883,272	68,482	10%	4th QTR 2017	●	Developing design options and CE. Identifying real estate requirements and acquisition strategy.
75,264,693	75,264,693	—	72,296,772	36,994,353	49%	4th QTR 2018	●	8 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	7,121,194	80%	4th QTR 2018	●	Onboard installations ongoing.
617,791,163	5,885,163	611,906,000	4,865,112	2,108,091	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	1,575,307	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 #2331

**SUBJECT:** Adoption and Referral of the Revised FY2017 and Recommended FY2018 VRE Operating and Capital Budgets to the Jurisdictions

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

**WHEREAS:** The VRE Chief Executive Officer has provided the VRE Operations Board with the FY2018 Operating and Capital Budget within the guidelines developed in concert with the jurisdictional chief administration officers;

**WHEREAS:** The FY2018 Budget proposes a three percent fare increase effective the first week of July 2017, with the start of the FY2018 Budget;

**WHEREAS:** VRE staff recommends this increase be accomplished through an across the board increase in fares with no change or modification to the current ticket discount structure;

**WHEREAS:** the FY2018 Budget proposes an increase to the amount charged to VRE passengers for Amtrak Step-Up tickets from \$5 to \$7, effective the first week of July 2017, with the start of the FY2018 Budget;

**WHEREAS:** The FY2018 Budget proposes no increase to the total jurisdictional subsidy;

**WHEREAS:** VRE staff recommends a budget built on an average daily ridership of 18,200 and 32 trains; and

**WHEREAS:** The VRE Operations Board recommends the following action.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission hereby adopts the FY2018 VRE Operating and Capital Budget in the following amounts and forwards this budget to the local jurisdictions for inclusion in their budgets and appropriations in accordance with the Master Agreement:

Operating Budget	\$ 84,981,231
Capital Budget	<u>\$ 48,422,591</u>
Total Operating and Capital	\$133,403,822

**BE IT FURTHER RESOLVED** that NVTC adopts the amended FY2017 Operating and Capital Budget in the following amounts:

Operating Budget	\$ 83,879,147
Capital Budget	<u>\$ 61,191,609</u>
Total Operating and Capital	\$145,070,756

**BE IT FURTHER RESOLVED** that NVTC authorizes the VRE Chief Executive Officer to solicit comment through public hearings in Washington, DC, Crystal City, Burke, Woodbridge, Manassas, Stafford and Fredericksburg related to a proposed three percent fare increase, an increase to the cost of Step-Up tickets, and subsequent amendments to VRE's Tariff.

**BE IT FURTHER RESOLVED** that NVTC authorizes the Executive Directors of both the Potomac and Rappahannock Transportation Commission and the Northern Virginia Transportation Commission to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and grant applications for FY2017 and FY2018.

**BE IT FURTHER RESOLVED** that NVTC authorizes its Executive Director to submit to the Commonwealth the approved budget as part of the FY2018 state aid grant applications.

**BE IT FURTHER RESOLVED** that NVTC authorizes the VRE Chief Executive Officer to execute an Intercity Passenger Rail Operating and Capital (IPROC) funding agreement with the Virginia Department of Rail and Public Transportation in the amount of \$13,622,204 for Quantico Station Improvements and to execute any needed amendments to that agreement, including the acceptance of additional grant funds.

**BE IT FURTHER RESOLVED** that NVTC authorizes the VRE Chief Executive Officer to execute Rail Enhancement Fund (REF) funding agreements with the Virginia Department of Rail and Public Transportation in the total amount of \$18,003,600 for Brooke and Leeland Station Improvements and to execute any needed amendments to those agreements, including the acceptance of additional grant funds.

**BE IT FURTHER RESOLVED** that NVTC authorizes the VRE Chief Executive Officer to submit appropriate projects to the Northern Virginia Transportation Authority or other funding authorities on behalf of the Commissions.

Approved this 5<sup>th</sup> day of January 2017.

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Chairman

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Secretary-Treasurer

# Executive Summary CAO Task Force Review/Recommendations FY 18 VRE Preliminary Budget as of 11-28-2016

December 7, 2016

## CAO Task Force Recommendations

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- Supports the proposed 3% fare increase. The last fare increase was 4% in FY 16. Historically, from FY 2000 through FY 2018 VRE fares have increased at a rate of 2.9% per year.
- Supports the proposed \$2 increase in VRE Amtrak step-up charges from \$5 to \$7 per ride.
- The six year CIP and summary pages as currently presented is unconstrained containing funded and unfunded amounts for all projects identified in the 2040 system plan. Similar to the Constrained Long Range Plan developed by the Transportation Planning Board, the CAO Task Force recommends that VRE develop, as a separate document, a CIP that has financial constraints. The constrained CIP would only include projects that the jurisdictions can afford to build, operate and maintain and for which funding is available and committed or reasonably anticipated to be available. As such this document would not be a comprehensive list of projects, but rather a realistic picture of what VRE member jurisdictions expect to be able to afford.
- The current practice of presenting the CIP in November to VRE's Capital Committee allows insufficient time for jurisdictional staff to adequately review of the material provided. The CAO Task Force recommends that draft CIP materials be provided to jurisdictional staff on or before November 1<sup>st</sup> to allow adequate time for review. The CAO Task Force notes that VRE staffing resources devoted to the creation and development of the CIP has been augmented in recent years.

# VRE FY 18 Proposed Budget

- Total Enterprise Budget (Operating/Non-Operating/Capital) \$133,403,822 an increase of \$2,891,946 or 2.2% over the FY 17 adopted amount of \$130,511,876
  - ◆ FY 18 Operating Expenses (excludes non-operating costs such as debt service, operating reserve and capital items) totals \$78,230,361 an increase of \$2,473,797 or 3.3% over the FY 17 adopted amount of \$75,756,564
  - ◆ FY 18 Non-Operating Expenses totals \$6,750,870 an increase of \$24,000 or (0.3%) over the FY 17 adopted amount of \$6,726,870
  - ◆ FY 18 Capital budget totals \$48,422,591 an increase of \$394,148 or 0.8% over the FY 17 adopted amount of \$48,028,443
    - Includes \$10.5 million in CMAQ/REF funded projects

Date: 12/8/2016

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# VRE Expenditure Budget

Operating/Non-Operating Expenses:	FY2017 Operating Adopted	FY2018 Operating Proposed	Change	Percent Change
Non-Departmental Operating	4,728,794	5,395,008	666,214	14%
Executive Management	1,139,500	1,452,300	312,800	27%
Chief of Staff	535,500	1,175,500	640,000	120%
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	1,069,250	289,100	37%
Project Implementation	809,100	945,200	136,100	17%
Rail Operations	1,910,500	1,886,000	(24,500)	-1%
Information Technology	2,237,000	2,316,333	79,333	4%
Facilities Maintenance	4,536,650	4,590,950	54,300	1%
Mechanical Operations	10,908,500	10,723,400	(185,100)	-2%
System Safety & Security	1,031,500	1,256,500	225,000	22%
PRTC	104,000	104,000	-	0%
NVTC	80,000	90,000	10,000	13%
Train Operations	15,463,003	15,416,000	(47,003)	0%
Maintenance of Equipment	5,608,166	6,360,500	752,334	13%
Amtrak	4,615,000	4,407,000	(208,000)	-5%
Amtrak Access Fees	6,340,000	6,600,000	260,000	4%
Norfolk Southern Access Fees	3,450,000	2,940,000	(510,000)	-15%
CSX Access Fees	7,030,000	7,300,000	270,000	4%
<b>Total Operating/Non-Operating Expenses</b>	<b>75,718,564</b>	<b>78,216,361</b>	<b>2,497,798</b>	<b>3.30%</b>

- One time funding in FY 17 of \$295K removed from Information Technology budget
- One time funding in FY 17 of \$82K removed from System Safety & Security budget

Date: 12/8/2016

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## FY 18 Budget - Expenditures

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- Major expenditure increases over the FY 17 adopted operating budget include:

◆ Maintenance of Equipment (Keolis)	\$1.1M
◆ Positive Train Control	\$660K
◆ Contingency Reserve (1.87%)	\$642K
◆ Salaries & Benefits	\$325K
→ 2% placeholder Merit/COLA in FY 18 - \$137K	
◆ Terminal Access Fee (Amtrak)	\$260K
◆ Consulting	\$211K
◆ Legal Fees	\$200K
◆ Right of Way Access – CSX	\$200K
◆ Train Operations (Keolis)	\$163K
◆ Yard Security	\$155K

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Date: 12/8/2016

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## FY 18 Budget - Expenditures

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- Use of FY 16 Surplus for FY 18 Operating - \$955K – One time costs

◆ Project Development – Consulting –National Transit Database and Transit Development Plan Update - \$400K
◆ Executive Management – Legal Fees - \$200K
◆ Information Technology – Computer Equipment - \$150K
◆ Facilities Maintenance – Repairs & Maintenance – Station Painting - \$110K
◆ System Safety & Security – Coverage for Construction Sites - \$95K

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Date: 12/8/2016

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# FY 18 Budget – Reductions

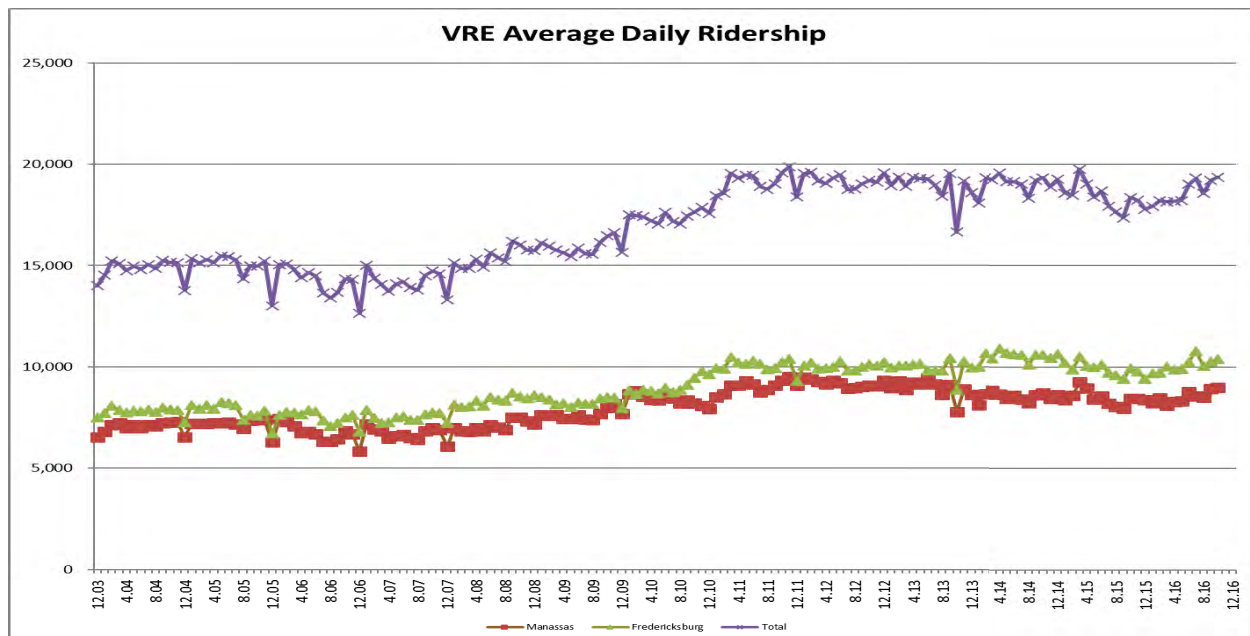
## ☐ Reductions in Expenditures from FY 17 Adopted

◆ Repairs and Maintenance – Railcars	(\$803K)
◆ Right of way Access – Norfolk Southern	(\$470K)
◆ Management Services (Keolis)	(\$253K)
◆ Repairs & Maintenance – Snow removal	(\$150K)
◆ Contingency – Mobilization – Keolis	(\$125K)
◆ Maintenance of Equipment – Labor – Amtrak	(\$108K)

Date: 12/8/2016

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# Historical VRE Ridership



Date: 12/8/2016

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# Ridership

- Ridership is up considerably (7.6%) from same period in FY 16 but up only modestly (1.1%) compared with the same period in FY 15:
  - ◆ Motor fuel prices have continue to remain low
  - ◆ Transit benefit was increased from \$130 to \$255 per month in January 2016
  - ◆ SafeTrack initiative on MetroRail has benefited VRE where MetroRail lines parallel VRE service
    - How many riders remain after SafeTrack is completed remains an open question
  - ◆ Changes in Federal employment have continued to slow the local economy
    - Sequestration impacts – especially on consulting & professional services
    - Non-replacement of older federal workers as they retire
    - About 2/3<sup>rd</sup> of VRE's ridership are federal employees
  - ◆ Increase in Teleworking and Alternative Work Schedules
    - Ridership on Fridays experiences a significant drop
  - ◆ I-95 HOT lanes provide an additional alternative
  - ◆ Opening of an end of the line Spotsylvania station (mid-Nov 2015) produced only modest gains in Fredericksburg line ridership (2.1%) over the past year

Date: 12/8/2016

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# Ridership

- FY 18 preliminary estimate is 18,200 ADR or 4.55 million trips
- Estimate is down from FY 17 adopted of 19,100 or 4.8 million trips but in line with VRE actuals over the past five years

FY 13	FY 14	FY 15	FY 16	FY 17
Actual	Actual	Actual	Actual	Actual
4,643,898	4,547,911	4,618,169	4,438,792	

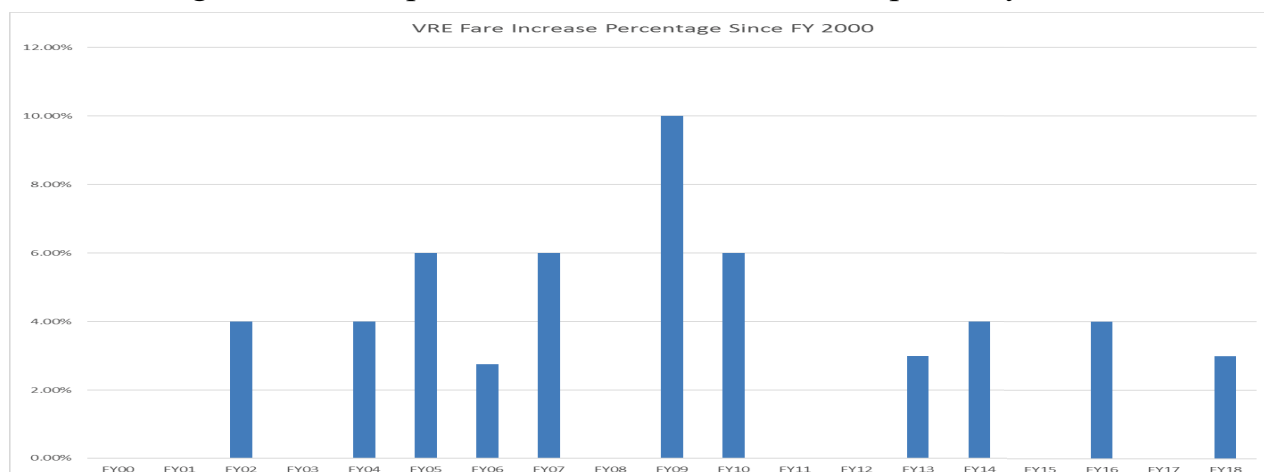
- Ridership through November is running about 1.1% ahead of FY 15 actuals or about 4.66 million trips
- Overall, it appears to be a reasonable estimate for FY 18

Date: 12/8/2016

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# Fare Increase

- 3% Fare increase proposed for FY 18 – results in additional \$1.1M in fare revenue
- Average annual compound increase is 2.9% over the past 19 years



Date: 12/8/2016

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# Increase in Amtrak Step Up Charge

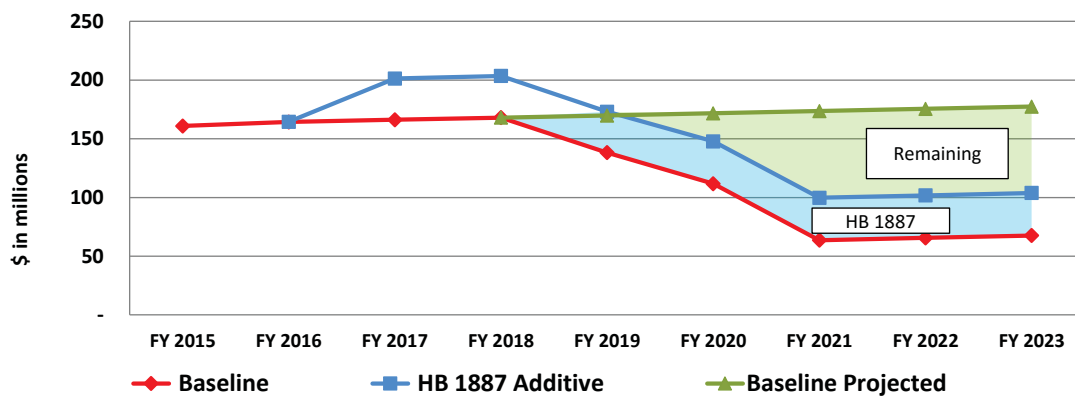
- Amtrak step up ticket for each rider increases from \$5 to \$7
- This is in response to a contractual increase in VRE's cost for each VRE rider on Amtrak trains from \$10 to \$12
- Step up charge revenue increases by \$58,800 to \$478,800 per year in FY 18
- Amtrak Step up cost decreases by \$19,000 to \$821,000 per year in FY 18
- Net savings due to fewer step up riders on Amtrak trains

Date: 12/8/2016

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# DRPT Transit Capital Revenues

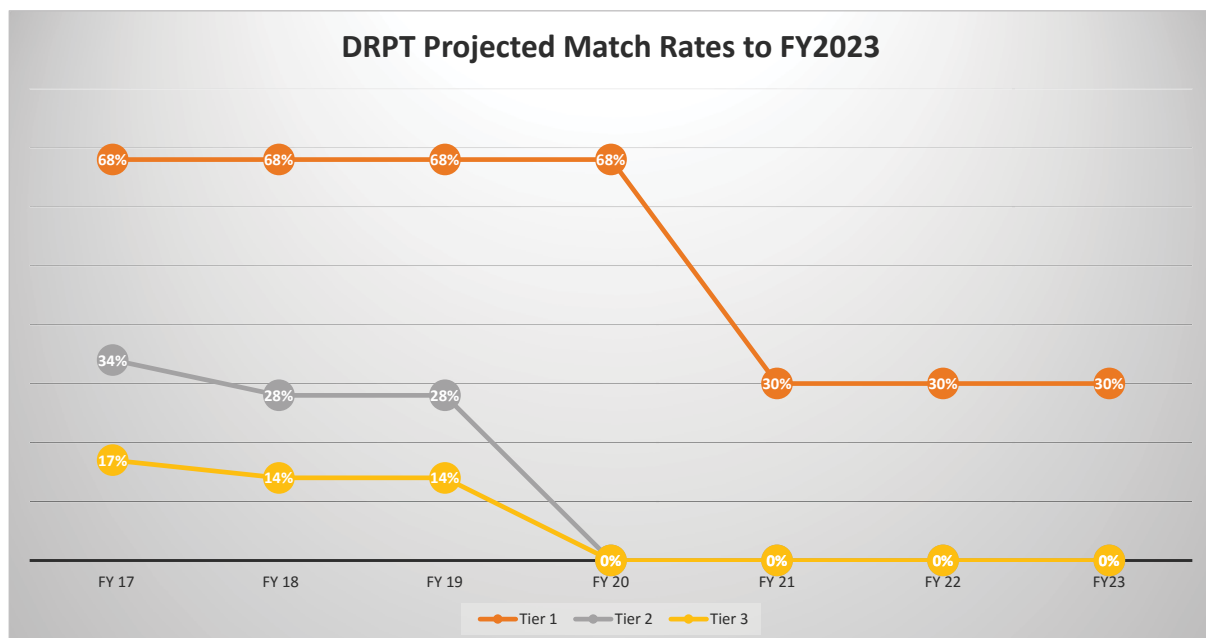
- DRPT is projecting a reduction in transit capital revenues due to the expiration of \$60M in annual capital project revenue bonds authority in FY 19 – will reduce state matching ratios on VRE capital projects by \$7.2 million in FY 19 CIP



Date: 12/8/2016

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# DRPT Projected Matching Ratios



Date: 12/8/2016

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# Railroad Access Fees

- ❑ Track leases are the largest expense in the VRE expenditure budget (\$16.8 Million)
- ❑ VRE has three multi-year agreements with DRPT for track leases but the only one that extends beyond FY 18 is Amtrak
- ❑ DRPT uses Flexible STP funds for Transit (which the state controls) for the federal share of VRE track lease funding
- ❑ Reduction in State Capital Matching ratios will increase local share

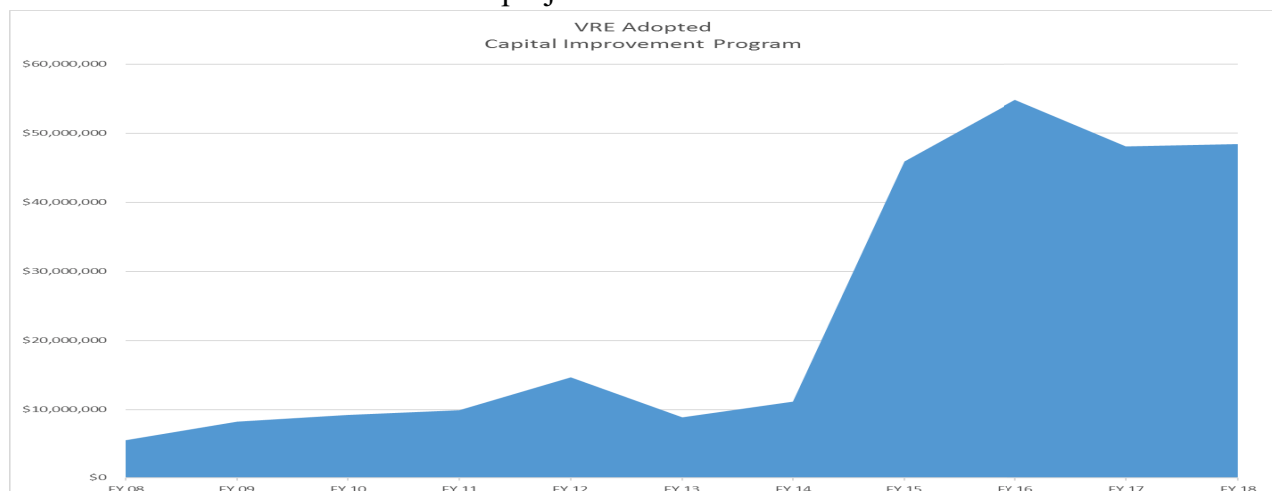
	FY 17 Adopted	FY 18 Projected	FY 19 Projected	FY 20 Projected	FY 21 Projected	FY 22 Projected	FY 23 Projected
# Trains	34	32	32	32	32	32	32
Cost	\$16,820,000	\$17,440,000	\$18,140,000	\$18,860,000	\$19,620,000	\$20,400,000	\$21,220,000
Federal Funds	\$8,410,000	\$8,720,000	\$9,070,000	\$9,430,000	\$9,810,000	\$10,200,000	\$10,610,000
State Funds	\$5,718,800	\$5,929,600	\$6,167,600	\$5,280,800	\$4,316,400	\$3,264,000	\$2,122,000
Local Funds	\$2,691,200	\$2,790,400	\$2,902,400	\$4,149,200	\$5,493,600	\$6,936,000	\$8,488,000
Federal %	50%	50%	50%	50%	50%	50%	52%
State %	34%	34%	34%	28%	22%	16%	10%
Local %	16%	16%	16%	22%	28%	34%	42%

Date: 12/8/2016

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# VRE Adopted CIP Historical

- ❑ VRE's CIP expanded dramatically under MAP 21 due to additional federal funding
- ❑ VRE also received favorable treatment under TSDAC where state match is determined based on the total project cost instead of the non-federal share



Date: 12/8/2016

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# FY 18 CIP

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□ FY 18 CIP funds the following \$48 million in projects:

- ◆ Equipment Storage Projects – \$17.6M
  - ◆ Broad Run Parking Improvements - \$5.2M (CMAQ)
  - ◆ Washington Union Station Improvements - \$5.0M
  - ◆ Equipment Asset Management Program - \$4.9M
  - ◆ Positive Train Control – \$3.6M
  - ◆ Capital Reserve Contribution - \$3.0M
  - ◆ Facilities Asset Management Program- \$2.8 M
  - ◆ Brooke Platforms - \$2.6M (REF)
  - ◆ Leeland Road Platforms - \$2.6M (REF)
  - ◆ Rippon Platforms - \$800K (CMAQ)
  - ◆ Security Cameras - \$386K
  - ◆ L’Enfant Station Improvements - \$250K – Capital Reserve
  - ◆ Fourth Track VA to LE - \$250K – Capital Reserve
  - ◆ Security Enhancements - \$105K
- 

Date: 12/8/2016

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# FY 18 CIP

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□ In FY 18 – a total of \$1.4 million in local monies (4.0%) leverages \$34.4 million in federal and state funding excluding:

- ◆ Brooke & Leeland 2ed platforms - \$5.8M – REF
  - ◆ Broad Run Parking Improvements - \$5.3M - CMAQ
  - ◆ Capital Reserve – \$3M - 100% locally funded
  - ◆ Rippon Platforms - \$800K – CMAQ
  - ◆ L’Enfant Station Improvements - \$250K – Use of Capital Reserve
  - ◆ Fourth Track VA to LE - \$250K – Use of Capital Reserve
- 

Date: 12/8/2016

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# FY 17 CIP – Capital Reserve

## □ Capital Reserve – Uncommitted Balance

- ◆ End of FY 13 - \$3.4 million
- ◆ End of FY 14 - \$8.6 million
- ◆ End of FY 15 - \$15.5 million
- ◆ End of FY 16 - \$21.993 million
- ◆ End of FY 17 - \$27.2 million
  - (includes \$4.75 million contribution from FY 2016 Surplus)
- ◆ End of FY 18 - \$29.7 million based on a \$3 million capital contribution and \$500K additional for L'Enfant station and 4<sup>th</sup> track projects
- ◆ Most of the capital reserve contributions from FY 08 through FY 16 have come from surplus funds

Date: 12/8/2016

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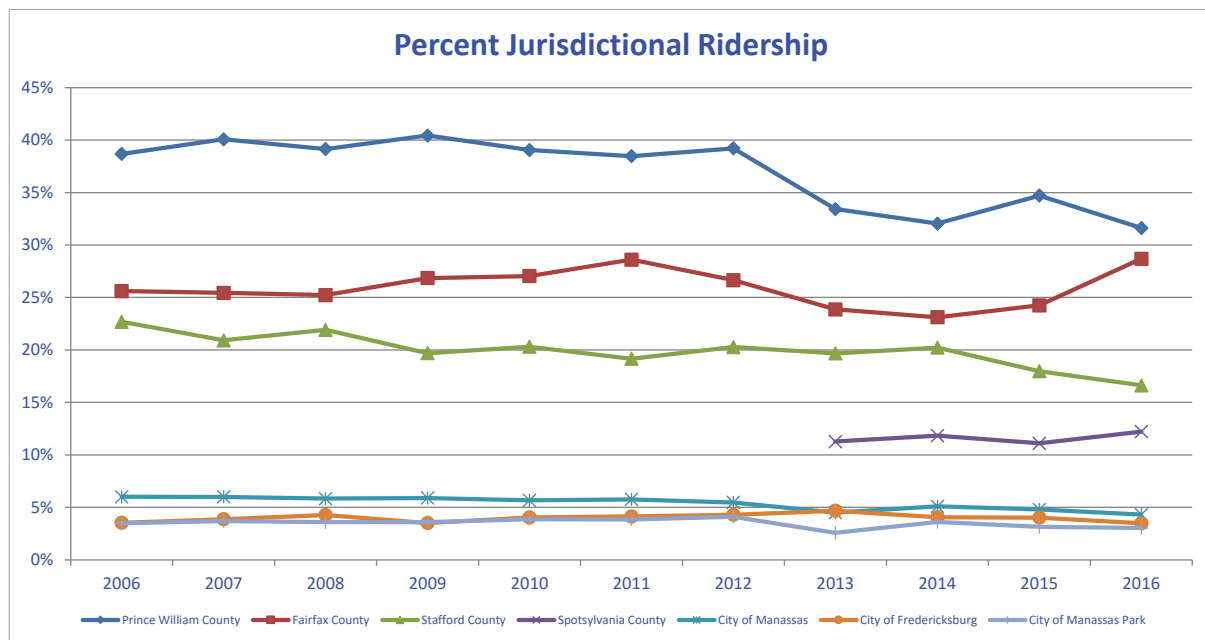
## Jurisdictional Subsidy

	Proposed FY 2018	Actual				
	Budget Based	FY2017	Net Change	Net Change	Percent of	Percent of
	on 10/5/16 Survey	Subsidy	\$	%	FY 18 Subsidy	FY 17 Subsidy
	=====	=====	=====	=====		
Alexandria	\$140,589	\$140,589	\$0	0.0%	0.8%	0.8%
Arlington	\$205,692	\$205,692	\$0	0.0%	1.2%	1.2%
Fairfax County	\$6,099,301	\$5,160,910	\$938,391	18.2%	35.4%	29.9%
Fredericksburg	\$417,278	\$483,524	(\$66,246)	-13.7%	2.4%	2.8%
Manassas	\$684,586	\$749,371	(\$64,785)	-8.6%	4.0%	4.3%
Manassas Park	\$474,718	\$511,777	(\$37,059)	-7.2%	2.8%	3.0%
Prince William County	\$5,363,372	\$5,968,406	(\$605,034)	-10.1%	31.1%	34.6%
Stafford County	\$2,344,514	\$2,647,222	(\$302,708)	-11.4%	13.6%	15.3%
Spotsylvania	\$1,520,191	\$1,382,749	\$137,442	9.9%	8.8%	8.0%
Total	\$17,250,240	\$17,250,240	(\$0)			

Date: 12/8/2016

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# Percent Jurisdictional Ridership



Date: 12/8/2016

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## PRTC Fuel Tax Estimates

- Total PRTC six year jurisdictional fuel tax revenue estimates (FY 17-FY 23) are approximately \$169K less than the previous six year projection done in November 2015
  - ◆ Total fuel tax revenue decrease is 0.01% from \$126.2 million to \$126 million
  - ◆ Gas prices projected to remain essentially flat
  - ◆ Consumption increases projected to be modest

Date: 12/8/2016

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# PRTC Fuel Tax Estimates

Updated Projections (with NYMEX pricing as of 11/23/16)								
	FY17	FY18	FY19	FY20	FY21	FY22	Total	FY23
	2.13216	2.1792	2.20992	2.22912	2.27136	2.30112		2.30112
Prince William	10,219,126	10,559,471	10,815,411	10,985,742	11,305,852	11,579,978	65,465,580	11,649,458
Stafford	3,113,932	3,217,641	3,295,629	3,347,532	3,445,075	3,528,605	19,948,414	3,549,777
Manassas	828,152	855,734	876,475	890,279	916,220	938,435	5,305,295	944,066
Manassas Park	590,132	609,787	624,567	634,403	652,889	668,719	3,780,497	672,731
Fredericksburg	1,380,910	1,426,901	1,461,486	1,484,502	1,527,759	1,564,802	8,846,360	1,574,191
Spotsylvania	3,538,827	3,656,687	3,745,317	3,804,302	3,915,154	4,010,083	22,670,370	4,034,143
<b>Total</b>	<b>19,671,079</b>	<b>20,326,221</b>	<b>20,818,885</b>	<b>21,146,760</b>	<b>21,762,949</b>	<b>22,290,622</b>	<b>126,016,516</b>	<b>22,424,366</b>
Projections Used in FY17 Budget (with NYMEX pricing as of 11/23/15)								
	FY17	FY18	FY19	FY20	FY21	FY22	Total	
	2.0832	2.13792	2.19648	2.28096	2.31264	2.31264		
Prince William	9,784,435	10,121,777	10,523,812	11,125,289	11,437,724	11,563,539	64,556,576	
Stafford	2,954,838	3,056,714	3,178,126	3,359,767	3,454,121	3,492,116	19,495,682	
Manassas	847,245	876,456	911,268	963,351	990,405	1,001,299	5,590,024	
Manassas Park	546,980	565,838	588,313	621,937	639,404	646,437	3,608,909	
Fredericksburg	1,319,636	1,365,134	1,419,357	1,500,479	1,542,617	1,559,586	8,706,809	
Spotsylvania	3,672,032	3,798,634	3,949,515	4,175,245	4,292,500	4,339,718	24,227,644	
<b>Total</b>	<b>19,125,166</b>	<b>19,784,553</b>	<b>20,570,391</b>	<b>21,746,068</b>	<b>22,356,771</b>	<b>22,602,695</b>	<b>126,185,644</b>	
Difference between Projections for FY17 Budget and as of November 2016								
Prince William	434,691	437,694	291,599	(139,547)	(131,872)	16,439	909,004	
Stafford	159,094	160,927	117,503	(12,235)	(9,046)	36,489	452,732	
Manassas	(19,093)	(20,722)	(34,793)	(73,072)	(74,185)	(62,864)	(284,729)	
Manassas Park	43,152	43,949	36,254	12,466	13,485	22,282	171,588	
Fredericksburg	61,274	61,767	42,129	(15,977)	(14,858)	5,216	139,551	
Spotsylvania	(133,205)	(141,947)	(204,198)	(370,943)	(377,346)	(329,635)	(1,557,274)	
<b>Total</b>	<b>545,913</b>	<b>541,668</b>	<b>248,494</b>	<b>(599,308)</b>	<b>(593,822)</b>	<b>(312,073)</b>	<b>(169,128)</b>	

Date: 12/8/2016





VIRGINIA RAILWAY EXPRESS  
OPERATIONS BOARD

**Agenda Item 9-F**  
**Action Item**

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

**From: Doug Allen**

**Date: December 16, 2016**

**Re: Referral of the Revised FY 2017 and Recommended FY 2018  
VRE Operating and Capital Budgets to the Commissions and  
Localities**

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**Recommendation:**

The VRE Operations Board is asked to adopt the revised FY 2017 VRE Operating and Capital Budget and the recommended FY 2018 VRE Operating and Capital Budget and refer them to the Commissions for their consideration and subsequent referral to the jurisdictions for their formal review and adoption; to authorize the VRE CEO to solicit comment through public hearings on the recommended fare increase; to recommend that the Commissions authorize the Executive Directors of NVTC and PRTC to take the necessary actions to apply for federal and state grant funding; and to recommend the Commissions authorize the VRE CEO to execute funding agreements with the Virginia Department of Rail and Public Transportation for improvements at Quantico, Brooke and Leeland stations and to submit grant requests to the Northern Virginia Transportation Authority.

**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 was initially prepared for review at the September VRE Operations Board meeting. Since that time, it has been discussed at subsequent meetings of the Operations Board, the Chief



Northern Virginia  
Transportation Commission  
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Virginia Railway Express  
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Alexandria, VA 22314  
703.684.1001  
VRE.org



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

Administrative Officer's (CAO) Taskforce, and the Capital Committee, which reviewed the capital program in November. The CAO Taskforce met on December 7th to present their final recommendations and discuss VRE responses to those recommendations.

### **Discussion:**

The Recommended FY 2018 Operating and Capital Budget totals \$133.4 million. The budget includes a 3% fare increase and projected average daily ridership of 18,200 passengers, which results in a total of \$39.8 million in fare revenue. The jurisdictional subsidy of \$17,250,240 is unchanged from the prior fiscal year.

The FY 2018 operating budget expenses of \$84.98 million exceed the prior year amount by \$2.5 million or 3%, a result of increased departmental expenses including one-time costs and a more appropriate budgeted contingency.

Other major assumptions in FY 2018 and significant changes compared to the prior fiscal year are provided in the FY 2018 Recommended Budget document. Public hearings in Washington, DC, Crystal City, Burke, Woodbridge, Manassas, Stafford and Fredericksburg will be held to solicit comment on the proposed 3% fare increase and subsequent amendments to VRE's Tariff. The chart below shows the increase for selected trips and ticket types. In addition to the increases shown below, the price of a Step-Up ticket to ride an Amtrak train will increase for passengers from \$5 to \$7, reflecting an increase in the cost paid by VRE to Amtrak.

	<b>FY 2017</b>	<b>FY 2018</b>	
<b>Description</b>	<b>Actual</b>	<b>Proposed</b>	<b>Increase</b>
<b>Monthly Pass ( examples to/from L'Enfant/Union )</b>			
Spotsylvania/Fredericksburg (Zone 9)	318.10	327.60	9.50
Broad Run/Quantico/Manassas/Manassas Park (Zone 6)	260.80	268.60	7.80
Franconia-Springfield/Backlick (Zone 3)	203.50	209.60	6.10
<b>Single Ride (examples to/from L'Enfant/Union)</b>			
Spotsylvania/Fredericksburg (Zone 9)	11.55	11.90	0.35
Broad Run/Quantico/Manassas/Manassas Park (Zone 6)	9.50	9.80	0.30
Franconia-Springfield/Backlick (Zone 3)	7.40	7.65	0.25

Every October a survey of VRE riders is done to calculate the subsidy allocation by jurisdiction. The projected FY 2018 jurisdictional subsidy, which reflects the most recent ridership survey results, is as follows:

Jurisdiction	FY 2017	FY 2018	Change	
	Subsidy	Subsidy	Net +/-	% Change
Fairfax County	5,160,910	6,099,300	938,391	18.18%
Prince William County	5,968,406	5,363,372	(605,034)	-10.14%
Stafford County	2,647,222	2,344,514	(302,708)	-11.43%
Spotsylvania County	1,382,749	1,520,191	137,442	9.94%
Manassas	749,371	684,586	(64,785)	-8.65%
Manassas Park	511,777	474,718	(37,059)	-7.24%
Fredericksburg	483,524	417,278	(66,246)	-13.70%
Arlington	205,692	205,692	0	0.00%
Alexandria	140,589	140,589	0	0.00%
	17,250,240	17,250,240	(0)	0.00%

## Six-Year Financial Forecast

The budget also includes a six-year financial forecast for the period FY 2018 through FY 2023, which includes a 3% fare increase in FY 2020 and FY 2022, in addition to the current year proposed increase. The six-year forecast assumes 3% subsidy increases in FY 2019, FY 2021 and FY 2023. The major issue in the current six-year financial forecast is the uncertainty about future State funding levels for capital projects and access fees.

## Capital Budget and CIP

The multi-year CIP includes both funded and unfunded projects. The funded projects include those that are funded through federal formula grants or State Mass Transit funds received annually by VRE; through already allocated funds from other programs, such as CMAQ or NVTa; or through other expected sources. The unfunded or partially funded projects are those that are pending a discretionary allocation by a funding authority or for which a funding source has not yet been identified.

The FY 2018 to FY 2023 CIP illustrates the funding challenges for VRE in the coming years, since currently identified funding falls short of the system's capital needs. Projects included in the CIP are prioritized with an emphasis on passenger safety, regulatory requirements, and maintaining current equipment and facilities in a state of good repair. However, the shortfall makes it difficult for VRE to adequately reinvest to maintain the system's reliability and safety, while also making enhancements, adding capacity to serve new ridership demands and adhering to commitments to participate in the expansion of the railroad infrastructure.

To fully fund the projects in the FY 2018 to FY 2023 CIP (including all costs to complete) would require approximately \$2.1 billion. Of this total, \$515 million has been allocated or is anticipated from ongoing formula funding sources. The remaining \$1.6 billion includes a number of projects which are eligible for funding from discretionary funding sources such as Virginia's SmartScale, federal Core Capacity or New Starts grants, or through the Northern Virginia Transportation Authority. The table below segregates certain special

projects (Long Bridge Expansion, Gainesville-Haymarket Extension and the contributions to the Capital Reserve) because they rely primarily on the contributions of other stakeholders or otherwise distort the comparison of funded to unfunded projects.

<b>Description</b>	<b>Total</b>	<b>Funded</b>	<b>Unfunded</b>	<b>Funded %</b>
CIP General Projects	1.0B	482M	553M	46.5%
CIP Special Projects (Other)	1.1B	33M	1.07M	3.0%
<b>Grand Total</b>	<b>2.1B</b>	<b>515M</b>	<b>1.62B</b>	<b>24.1%</b>

The total programmed capital projects for FY 2018 of \$48.4 million are in the categories listed below. The funding sources are shown as either Formula (federal formula funds with associated State and local match) or Discretionary (regional, State or federal funds distributed through a competitive process).

<b>Category</b>	<b>Amount</b>	<b>Formula</b>	<b>Discretionary</b>	<b>% of Total</b>
Asset Management	11.8M	11.8M	None	24.3%
Replacement	17.6M	17.6M	None	36.3%
Expansion	16.0M	5.5M	10.5M	33.1%
Other (Cap Reserve)	3.0M	N/A	N/A	6.2%
<b>Total</b>	<b>48.4M</b>	<b>34.9M</b>	<b>10.5M</b>	

The FY 2018 capital budget increased from the prior year by \$400K, which reflects a combination of higher expected federal formula funds and slightly lower amounts of CMAQ and REF discretionary funding. Full details on the FY 2018 projects and the six-year CIP are provided in the FY 2018 Recommended Budget document.

### **FY 2017 Amended Budget**

Proposed amendments to the FY 2017 budget reflect current projections for revenue and expenses. The net impact of all changes was an increase to contingency funds of \$337K. Detail on the major changes is provided on page 21 of the FY 2018 Recommended Budget document, which also includes the proposed FY 2017 Amended Budget.

The FY 2017 Amended Budget includes funding from the Rail Enhancement Fund (REF) for second platforms at the Brooke and Leeland stations and from the Intercity Passenger Rail Operating and Capital (IPROC) program for Quantico station improvements; funds in both instances are provided from the Virginia Department of Rail and Public Transportation. The attached resolution recommends the Commissions authorize the VRE Chief Executive Officer to sign the related grant agreements in the total amount of \$18,003,204 for the second platforms at Brooke and Leeland and \$13,622,204 for the Quantico station

improvements. (An authorization to sign the IPROC grant for Quantico was approved by the Commissions in September 2015 but since that time the grant amount was changed substantially, so it is again included here.)

**Virginia Railway Express  
Operations Board**

**Resolution  
9F-12-2016**

**Referral of the Revised FY 2017 and Recommended  
FY 2018 VRE Operating and Capital Budgets  
to the Commissions and Localities**

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

**WHEREAS**, the VRE Chief Executive Officer has provided the VRE Operations Board with the FY 2018 Operating and Capital Budget within the guidelines developed in concert with the jurisdictional chief administrative officers; and,

**WHEREAS**, the FY 2018 budget proposes a 3% fare increase effective the first week of July 2017, with the start of the FY 2018 budget; and,

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

**WHEREAS**, the FY 2018 budget proposes an increase to the amount charged to VRE passengers for Amtrak Step-Up tickets from \$5 to \$7, effective the first week of July 2017, with the start of the FY 2018 budget; and,

**WHEREAS**, the FY 2018 budget proposes no increase to the total jurisdictional subsidy; and,

**WHEREAS**, VRE staff recommends a budget built on an average daily ridership of 18,200 and 32 trains;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions adopt the FY 2018 VRE Operating and Capital Budget in the following amounts and forward this budget to the local jurisdictions for inclusion in their budgets and appropriations in accordance with the Master Agreement; and,

Operating Budget	\$ 84,981,231
Capital Budget	<u>48,422,591</u>
Total Operating and Capital	\$133,403,822

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions adopt the amended FY 2017 Operating and Capital Budget in the following amounts; and,

Operating Budget	\$ 83,879,147
Capital Budget	<u>61,191,609</u>
Total Operating and Capital	\$145,070,756

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to solicit comment through public hearings in Washington, DC, Crystal City, Burke, Woodbridge, Manassas, Stafford and Fredericksburg related to a proposed 3% fare increase, an increase to the cost of Step-Up tickets, and subsequent amendments to VRE's Tariff; and,

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Directors of both PRTC and NVTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and grant applications for FY 2017 and FY 2018; and,

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Director of NVTC to submit to the Commonwealth the approved budget as part of the FY 2018 state aid grant applications; and,

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer of VRE to execute an Intercity Passenger Rail Operating and Capital (IPROC) funding agreement with the Virginia Department of Rail and Public Transportation in the amount of \$13,622,204 for Quantico Station Improvements and to execute any needed amendments to that agreement, including the acceptance of additional grant funds, and,

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer of VRE to execute Rail Enhancement Fund (REF) funding agreements with the Virginia Department of Rail and Public Transportation in the total amount of \$18,003,600 for Brooke and Leeland Station Improvements and to execute any needed amendments to those agreements, including the acceptance of additional grant funds, and,

Resolution 9F-12-2016 continued

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer of VRE to submit appropriate projects to the Northern Virginia Transportation Authority or other funding authorities on behalf of the Commissions.

Approved this 16<sup>th</sup> day of December 2016.

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Gary Skinner  
Chairman

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Maureen Caddigan  
Secretary



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



**TO:** Chairman Fiset and NVTC Commissioners

**FROM:** Kate Mattice and Jen Deci

**DATE:** December 21, 2016

**SUBJECT:** Report of the Legislative and Policy Committee

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The chairs of the Legislative and Policy Committee will provide a summary of the Legislative and Policy Committee meeting that is scheduled for January 5<sup>th</sup>, prior to the NVTC Commission meeting. They will also provide an update on legislative and policy issues. The General Assembly convenes on January 11, 2017 for its 2017 Session.

NVTC and PRTC held a successful joint Legislative and Policy Briefing at the Springfield Hilton on December 12, 2017. The event was well attended by approximately 100 people, including several General Assembly members, legislative staff representing state and federal offices, jurisdictional staff, and other interested individuals.

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**TO:** Chairman Fiset and NVTC Commissioners

**FROM:** Kate Mattice

**DATE:** December 21, 2016

**SUBJECT:** Executive Director Report

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### **A. Executive Director Newsletter**

NVTC's [Executive Director Newsletter](#) 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 newsletter includes a look back at 2016 NVTC accomplishments, plus provides updates on Transform 66 Multimodal, SafeTrack, and NVTC's regional coordination of farebox technologies.

### **B. Financial Items for November 2016**

The [Financial Items for November 2016](#) are provided for your information.

### **C. Upcoming Commission Actions and 2017 Meeting Schedule**

The [Upcoming Commission Actions](#) and [2017 Meeting Schedule](#) are provided as information items. The Meeting Schedule has been updated to reflect the locations of the February 2, 2017 meeting in Richmond and the May 4, 2017 meeting in Tysons at the Northern Virginia Chamber of Commerce.

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With the help of several new programs, initiatives and staff members in 2016, NVTC continued to make its mark as the voice of transit in Northern Virginia. This past year was one of growth for NVTC, as we focused on making certain that Northern Virginians have a variety of safe, reliable transit options. Here are some highlights:

- NVTC kicked off its [Transform 66 Multimodal Project](#), a competitive grant program designed to move more people more reliably through the I-66 corridor. In May, the Commission awarded \$9.8 million to 10 projects, which will be operational by July 2017.
- The Commission, noting that transit is vital to the success of the planned I-395 HOT lanes, [passed a resolution in March](#) calling for an annual transit payment to support multimodal improvements along this busy corridor. The Commonwealth has since agreed to allocate \$15 million annually to transit in the I-95/I-395 corridor.
- NVTC responded quickly – coordinating with jurisdictions and emergency personnel – to WMATA’s SafeTrack maintenance effort, allowing local transit providers to rapidly deploy alternatives to Metrorail. This effort will continue into the new year.
- NVTC beefed up its emergency planning efforts, developing 18 station-specific plans to ensure the safe evacuation of Virginia’s Metrorail stations in an emergency. The remaining seven will be completed in 2017.
- The Commission, in July, endorsed the results of NVTC’s [Envision Route 7 study](#). Bus rapid transit emerged as the preferred mode for an 11-mile route between Spring Hill Metrorail Station in Tysons and Mark Center in Alexandria, with a connection to the East Falls Church Metrorail Station.
- NVTC elevated our online presence in 2016. Through both [Twitter](#) (@NoVaTransit) and [Facebook](#), NVTC can more effectively share information with the public and stay abreast of projects and activities in its jurisdictions.

None of this would have been possible without our valuable staff members, who are dedicated to NVTC’s mission and vision. Also key to NVTC’s effectiveness are our Commissioners, who bring their knowledge and expertise to the table and work to find common ground on the issues that come before us each month.

I know that 2017 will bring many challenges and opportunities but feel confident that NVTC has the people, skills and resources to continue its vital work and achieve its mission.

~ **Kate Mattice**  
**Executive Director**

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## Key Dates

Jan. 5	<a href="#">NVTC Monthly Meeting</a>
Jan. 11	<a href="#">General Assembly Convenes</a>
Jan. 12	<a href="#">NVTA Monthly Meeting</a>
Jan. 17-18	<a href="#">CTB Monthly Meeting</a>
Jan. 23	<a href="#">VTA Day at General Assembly</a>
Jan. 25	<a href="#">VA WMATA Board Member Forum in Reston</a>
Jan. 27	<a href="#">VRE Monthly Meeting</a>
Jan. 30	<a href="#">VA WMATA Board Member Forum in Alexandria</a>
Feb. 2	<a href="#">NVTC Monthly Meeting in Richmond, 4-6 p.m.</a>
Feb. 7	<a href="#">Crossover at General Assembly</a>
Feb. 25	<a href="#">General Assembly Adjourns</a>
Apr. 5	<a href="#">General Assembly Reconvenes</a>

## Transform 66 January Update

PRTC's OmniRide is the first grant recipient under the Transform 66 Multimodal Project to implement new bus service. Its [Gainesville to Pentagon commuter bus route](#), which originates at the Limestone Commuter lot, became operational on Dec. 12. PRTC offered free rides



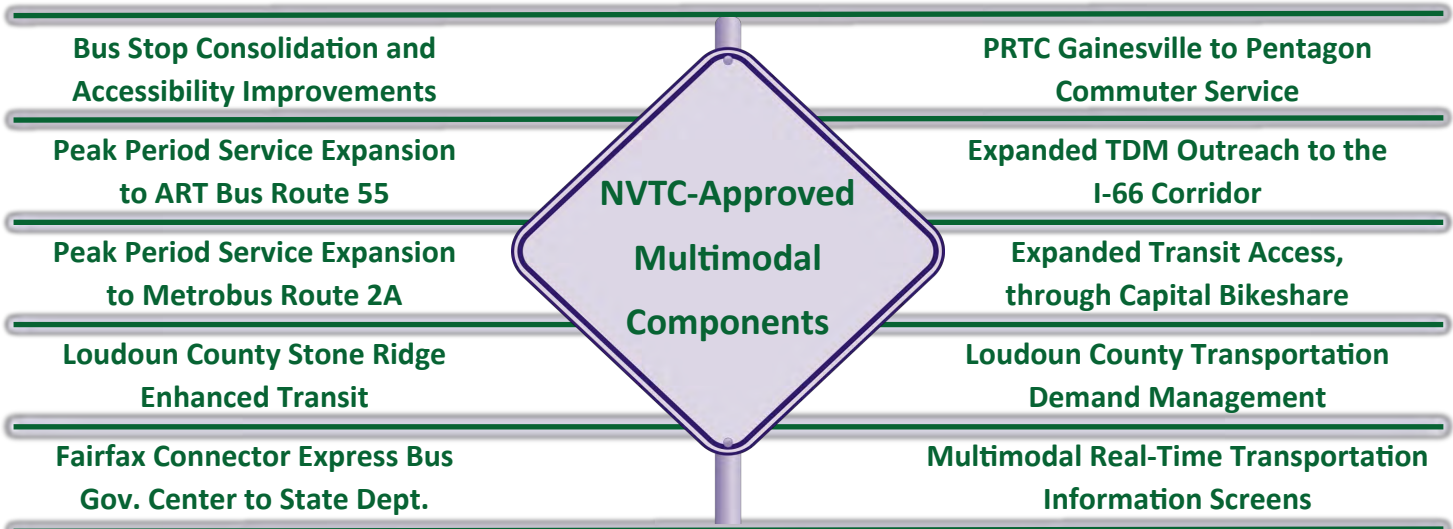
on opening day and carried 170 passengers. Ridership grew to 181 the next day. PRTC's Planning Department, which projected 186 daily riders for December 2016, expects average daily ridership to exceed 270 in 2017. The Gainesville to Pentagon service currently provides four morning and four evening trips.

NVTC shared [progress on its Multimodal Project](#) with the public during two VDOT public hearings in early December. The hearings — one in Arlington and one in

Falls Church — focused on the [widening of I-66 eastbound](#) from the Dulles Connector Road to Fairfax Drive.

Modifications to the Transform 66 Multimodal Memorandum of Agreement [received unanimous approval from the Commonwealth Transportation Board](#) on Dec. 7. The changes, which were approved by the Commission in September, remove references to the use of tolls for widening the facility, modifies language to enhance credit-worthiness of the toll revenues, clarifies the use of funds for transit operations, and addresses technical corrections.

Eight of the 10 Standard Component Agreements, which authorize funding and stipulate obligations under Transform 66 Multimodal, have been signed. The remaining agreements are awaiting jurisdictional review, approval by jurisdictional boards, or final execution.



NVTC's Transform 66 website is updated regularly. Visit [www.novatransit.org/i66multimodal](http://www.novatransit.org/i66multimodal) to learn more.

## NVTC Designing Transit Service Planning Tool

To assist the City of Fairfax with bus service planning, NVTC is developing a geographic information system-based tool that will serve as a prototype. This tool will allow the city to respond to changes in service, such as WMATA's proposed cuts to Metrobus routes, and create state-mandated transit development plans.

Utilizing in-house expertise to develop the tool, NVTC is now working with the city to validate land-use and employment data. The new planning tool is modeled on software developed at the Center for Urban Transportation Research at the University of Florida.

## WMATA Takes a SafeTrack Break, Prepares for Holidays & Inauguration

Track work on Metro's Orange and Silver lines wrapped up on Dec. 20, a day earlier than planned. Metro has delayed any further 24/7 work zones until at least February as the agency addresses a series of other issues in tunnels. The break in SafeTrack surges gives the transit agency time to plan for the Jan. 20 Presidential Inaugural, when it plans to open early, at 4 a.m., and provide near rush-hour service levels on all lines until 9 p.m.

Of WMATA's planned 15 surges, 11 have been completed. Three of the remaining four are in Virginia. Surge dates will be released in January.

[Metro recently announced extended holiday hours.](#)

On Christmas Eve, Christmas Day and Christmas Day Observed (Monday, Dec. 26), the Metrorail system will

open at 7 a.m. and close at midnight each day. Off-peak fares will be in effect all day, and parking will be free at all Metro-operated facilities. Metrobus will operate on a Saturday schedule on December 24 and on a Sunday schedule on December 25 and 26.

On New Year's Eve, the Metrorail system will open at 7 a.m. with special extended service on all lines until 3 a.m. The additional three hours of service – consistent with past years – is a special exception to the moratorium on extended hours during the year-long SafeTrack maintenance program. [Rides on Metrorail and Metrobus will be free of charge](#) from midnight New Year's Eve until Metro closes at 3 a.m. Jan 1, 2017. MillerCoors is underwriting the free rides, paying WMATA \$81,965 upfront.

### 2017 SafeTrack Surges (Dates To Be Determined)

Stations Affected	Lines Affected	Service Status
Braddock Road-Van Dorn St/Huntington	YL BL	Single tracking, weekend shutdowns
Rosslyn-Pentagon	BL	Line segment shutdown
Braddock Road-Van Dorn St/Huntington	YL BL	Single tracking, weekend shutdowns
Greenbelt-College Park	GL	Single tracking, weekend shutdowns

## Fare Box Update

### Driver Control Unit (DCU) Status

WMATA has reached agreement with Cubic to develop a software and hardware solution to address the immediate need for functional fare boxes. NVTC is coordinating with WMATA and its jurisdictions to ensure that the solutions meet local bus systems' needs. After



taking part in a design review meeting with Cubic and WMATA in early December, NVTC shared project details with jurisdictional representatives, who responded with questions and suggestions.

WMATA will perform initial testing in late 2017, and Fairfax and Loudoun counties have asked to participate. In addition to providing technical analysis to its regional partners, NVTC is providing budgetary guidance and exploring options for joint procurement.

### Off-board Fare Payment Status

NVTC continues to coordinate with the City of Alexandria and both Arlington and Fairfax counties to identify solutions and a path forward for implementing off-board fare payment on priority transit corridors. Off-board fare payment would be used on local systems, including the existing Metroway and future Route 1 bus rapid transit systems.



## NVTC & PRTC Share Legislative Agendas

Nearly 100 people attended the second annual NVTC/PRTC Legislative Briefing on Monday, taking away key insights into upcoming transit issues of critical importance to Northern Virginia. Deputy Transportation Secretary Nick Donohue provided an overview of the past year's successes and DRPT Director Jennifer

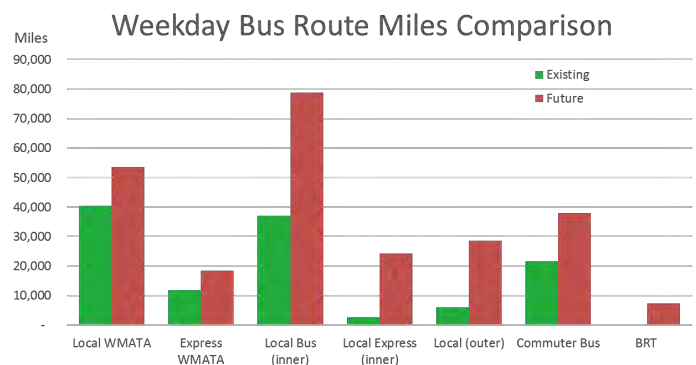
Mitchell addressed some of the challenges, particularly in regard to WMATA and state funding for transit, that lie ahead. WMATA GM Paul Wiedefeld and VRE CEO Doug Allen offered updates on their rail service and Betty Dean, from the Prince William Chamber of Commerce, spoke to the importance of bus to the region.



## Bus Demand to Grow throughout Northern Virginia

A preliminary look at future bus service in Northern Virginia shows growth of 25 percent, with bus rapid transit (BRT) leading the way. In preparing to undertake its regional bus analysis in 2017, NVTC staff looked at transit improvements contained in the region's Constrained Long Range Plan. An additional 7,200 revenue miles of daily weekday BRT service is planned, with much of it along Route 1 south of the City of Alexandria. While NVTC's inner jurisdictions will experience growth in premium bus service, the outer jurisdictions will see demand rise for local bus service,

particularly when the last six Silver Line Metrorail stations open in 2020.





## Virginia WMATA Board Members to Explore “Tough Choices” with Public

# Join Virginia’s WMATA Board Members for a Discussion of the Challenges & Opportunities in Getting Metro Back on Track

*The sessions, which are sponsored by the Northern Virginia Transportation Commission, are open to the public and accessible via Metrorail*

**Wednesday, January 25, 2017 at 7 p.m.**  
**Greater Reston Chamber of Commerce**  
**1886 Metro Center Drive, Suite 230**  
**Reston, Virginia**

**Monday, January 30, 2017 at 7 p.m.**  
**Durant Arts Center**  
**1605 Cameron Street**  
**Alexandria, Virginia**

*WMATA has put forward a number of “tough choices” in order to balance its budget — everything from increasing fares to eliminating bus routes to reducing train frequency. Hear from Virginia’s WMATA Board Members at these two forums about the decisions they face in representing the needs of the Commonwealth and its residents.*

## Around Town: Headlines about NVTC Jurisdictions & Partners



[Alexandria's Cameron and Prince streets to become "enhanced bicycle corridors"](#)

[Arlington offers qualified support of I-395 HOT lanes](#)

[How new technologies might complement Arlington’s transportation options](#)

[Rosslyn’s Central Place has a new tunnel just for buses](#)

[Adopt an ART bus stop](#)

[Arlington to buy Springfield site for bus heavy maintenance facility](#)

[Fairfax County officials break ground on new Herndon station parking garage](#)



[Loudoun developer wants to build residential now at Silver Line project. Here's why it can't.](#)

[FTA releases WMATA traction power electrification system report and issues special directive](#)

[Metro hires former Va. congressman to help in push for more federal dollars](#)

[See which Metro stations had the biggest ridership drops, gains in 10 years](#)

[Why Metrobus matters for a region full of bus systems](#)



## Virginia Railway Express



A day after touring construction of the Silver Line Phase 2, U.S. Senator Tim Kaine joined officials from VRE, DRPT, NVTC and PRTC for a ride along VRE's Fredericksburg Line and a tour of its Spotsylvania Station.

The senator's top priorities for next year include "transportation and infrastructure projects that will help create jobs and reduce traffic congestion in Virginia," according to his office. The visit gave VRE an opportunity to share its capital funding needs with Kaine and to discuss improvements needed to the Long Bridge, which crosses the Potomac between Arlington and the District of Columbia. There are some funds designated to rebuild the bridge in the \$165 million federal grant to Virginia's Atlantic Gateway Project.



## Transportation Planning Board



A new tool to support environmental justice analysis identifies areas with higher concentrations of low-income and minority individuals. Transportation Planning Board staff presented the methodology at the [TPB's Dec. 21 meeting](#). Under federal

law, the TPB must demonstrate that the region's major transportation investments will not have disproportionate negative impacts on vulnerable groups. The board will consider the proposed map of "Communities of Concern" at its meeting in January.



As 2016 comes to a close, [TPB is sharing its most popular and favorite articles](#), including one from TPB Chair Tim Lovain, who also serves as a NVTC Commissioner.

## Washington Metropolitan Area Transit Authority



A consortium of wireless carriers (AT&T, Sprint, T-Mobile and Verizon Wireless) in November [launched commercial wireless service in the first underground subway tunnel segments](#) on Metro's Blue, Orange and Silver lines between Potomac Avenue and the Stadium Armory tunnel portal. The segments run 1.1 miles in each direction. "Riders have told us they want the ability to maintain wireless communication at all times while riding Metro, and this project is responsive to their needs," said WMATA GM Paul Wiedefeld. Wireless service is also provided in all 50 underground Metrorail stations.

Marking his first year on the job, Wiedefeld laid out steps on Nov. 30 to get trains running safely and reliably. His [Back-2-Good plan](#) includes a



train reliability program that cuts rail car delays by first retiring the oldest (1000-series) and least reliable (4000-series) cars in the fleet by the end of 2017. Metro's success in ramping up new railcar deliveries in 2016 means the agency can convert all eight-car trains to new 7000 series railcars next year.

## Northern Virginia Transportation Alliance



Declaring "mission accomplished," the Dulles Corridor Rail Association (DCRA) has announced its intention to merge with the Northern Virginia Transportation Alliance. The merger will become official at [a Jan. 4 event](#) honoring the founding members of DCRA.



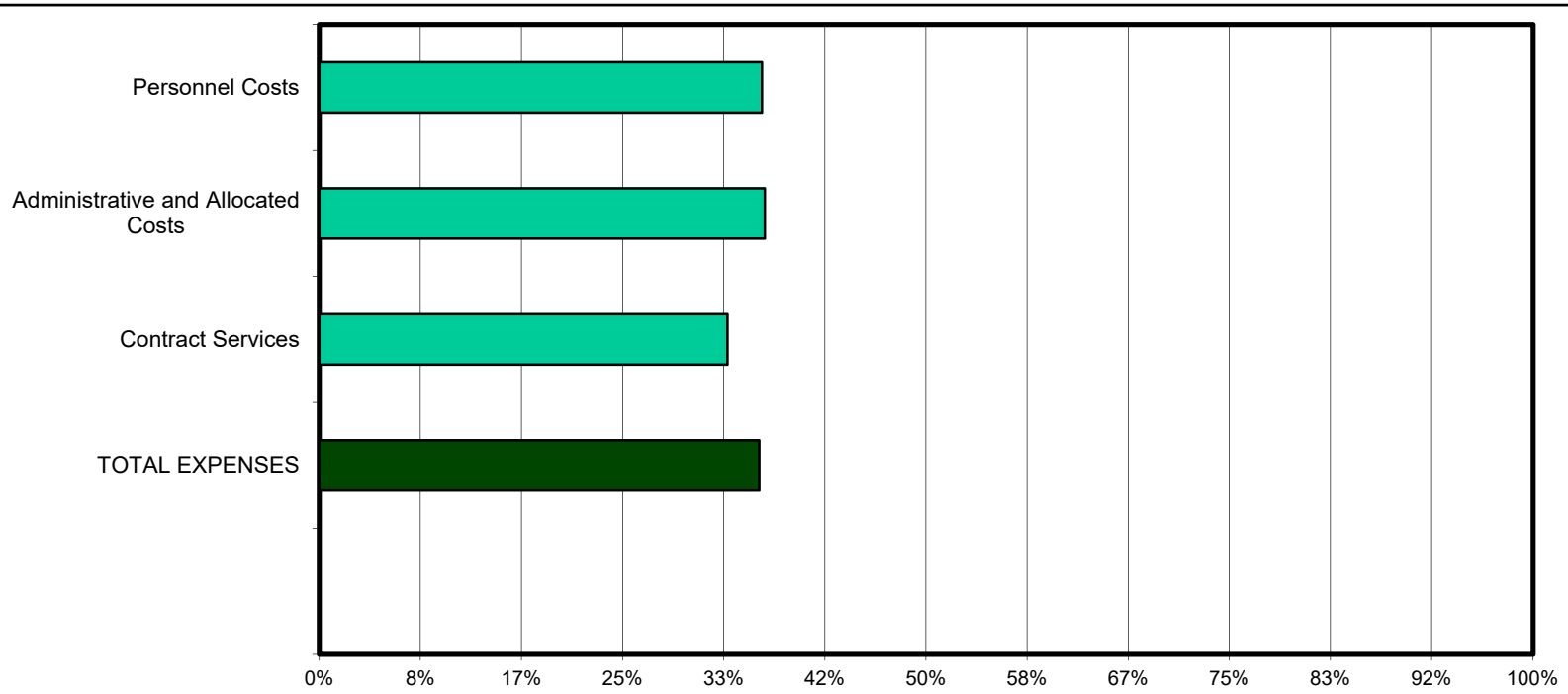
DCRA, which was formed in response to increased congestion in the Dulles corridor resulting from commercial and residential growth, served as a voice for those who view rail as an essential component of an integrated development program for the corridor.

[The Alliance is a business-citizen coalition](#) focused on championing highway and transit projects of greatest regional significance.

# Northern Virginia Transportation Commission

Financial Reports  
November, 2016

Percentage of FY 2017 NVTC Administrative Budget Used  
November 2016  
(Target 41.7% or less)



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

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**G&A BUDGET VARIANCE REPORT**  
November, 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	\$ 115,815.24	\$ 523,294.41	\$ 1,352,000.00	\$ 828,705.59	61.3%
Temporary Employee Services	-	-	-	-	
Total Personnel Costs	<u>115,815.24</u>	<u>523,294.41</u>	<u>1,352,000.00</u>	<u>828,705.59</u>	<u>61.3%</u>
<u>Benefits</u>					
Employer's Contributions:					
FICA	4,978.52	32,715.28	90,300.00	57,584.72	63.8%
Group Health Insurance	6,799.59	32,718.26	139,500.00	106,781.74	76.5%
Retirement	5,930.00	42,250.00	145,000.00	102,750.00	70.9%
Workmans & Unemployment Compensation	262.20	1,125.75	4,900.00	3,774.25	77.0%
Life Insurance	311.06	1,646.29	5,300.00	3,653.71	68.9%
Long Term Disability Insurance	432.28	2,249.72	6,400.00	4,150.28	64.8%
Total Benefit Costs	<u>18,713.65</u>	<u>112,705.30</u>	<u>391,400.00</u>	<u>278,694.70</u>	<u>71.2%</u>
<u>Administrative Costs</u>					
Commissioners Per Diem	950.00	4,500.00	9,800.00	5,300.00	54.1%
<i>Rents:</i>	<i>18,659.17</i>	<i>93,184.72</i>	<i>239,600.00</i>	<i>146,415.28</i>	<i>61.1%</i>
Office Rent	17,611.42	88,024.91	223,400.00	135,375.09	60.6%
Parking & Transit Benefits	1,047.75	5,159.81	16,200.00	11,040.19	68.1%
<i>Insurance:</i>	<i>1,144.70</i>	<i>2,987.35</i>	<i>5,800.00</i>	<i>2,812.65</i>	<i>48.5%</i>
Public Official Bonds	700.00	1,100.00	2,000.00	900.00	45.0%
Liability and Property	444.70	1,887.35	3,800.00	1,912.65	50.3%
<i>Travel:</i>	<i>688.76</i>	<i>9,966.13</i>	<i>29,300.00</i>	<i>19,333.87</i>	<i>66.0%</i>
Conference / Professional Development	-	6,808.34	17,000.00	10,191.66	60.0%
Non-Local Travel	151.70	979.46	2,300.00	1,320.54	57.4%
Local Travel, Meetings and Related Expenses	537.06	2,178.33	10,000.00	7,821.67	78.2%
<i>Communication:</i>	<i>1,443.09</i>	<i>4,611.01</i>	<i>15,700.00</i>	<i>11,088.99</i>	<i>70.6%</i>
Postage	-	710.00	2,000.00	1,290.00	64.5%
Telephone and Data	1,443.09	3,901.01	13,700.00	9,798.99	71.5%
<i>Publications &amp; Supplies</i>	<i>1,581.70</i>	<i>5,279.06</i>	<i>11,600.00</i>	<i>6,320.94</i>	<i>54.5%</i>
Office Supplies	-	1,156.32	2,500.00	1,343.68	53.7%
Duplication and Paper	1,081.70	3,375.94	8,600.00	5,224.06	60.7%
Public Information	500.00	746.80	500.00	(246.80)	-49.4%

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**G&A BUDGET VARIANCE REPORT**  
November, 2016

	<b><u>Current Month</u></b>	<b><u>Year To Date</u></b>	<b><u>Annual Budget</u></b>	<b><u>Balance Available</u></b>	<b><u>Balance %</u></b>
<i>Operations:</i>	1,183.37	3,010.93	22,900.00	19,889.07	86.9%
Furniture and Equipment (Capital)	-	40.00	11,500.00	11,460.00	99.7%
Repairs and Maintenance	-	66.00	1,000.00	934.00	93.4%
Computer Operations	1,183.37	2,904.93	10,400.00	7,495.07	72.1%
<i>Other General and Administrative:</i>	489.91	2,634.47	9,000.00	6,365.53	70.7%
Subscriptions	-	-	-	-	0.0%
Memberships	79.67	398.35	1,800.00	1,401.65	77.9%
Fees and Miscellaneous	410.24	2,236.12	5,600.00	3,363.88	60.1%
Advertising (Personnel/Procurement)	-	-	1,600.00	1,600.00	100.0%
Total Administrative Costs	<u>26,140.70</u>	<u>126,173.67</u>	<u>343,700.00</u>	<u>217,526.33</u>	<u>63.3%</u>
<u>Contracting Services</u>					
Auditing	-	17,500.00	22,000.00	4,500.00	20.5%
Contract Services and Support	9,594.11	39,216.10	155,000.00	115,783.90	74.7%
Legal	2,916.67	14,583.35	35,000.00	20,416.65	0.0%
Total Contract Services	<u>12,510.78</u>	<u>71,299.45</u>	<u>212,000.00</u>	<u>140,700.55</u>	<u>66.4%</u>
 Total Gross G&A Expenses	<u><u>\$ 173,180.37</u></u>	<u><u>\$ 833,472.83</u></u>	<u><u>\$ 2,299,100.00</u></u>	<u><u>\$ 1,465,627.17</u></u>	<u><u>63.7%</u></u>

**NVTC**  
**RECEIPTS and DISBURSEMENTS**  
**November, 2016**

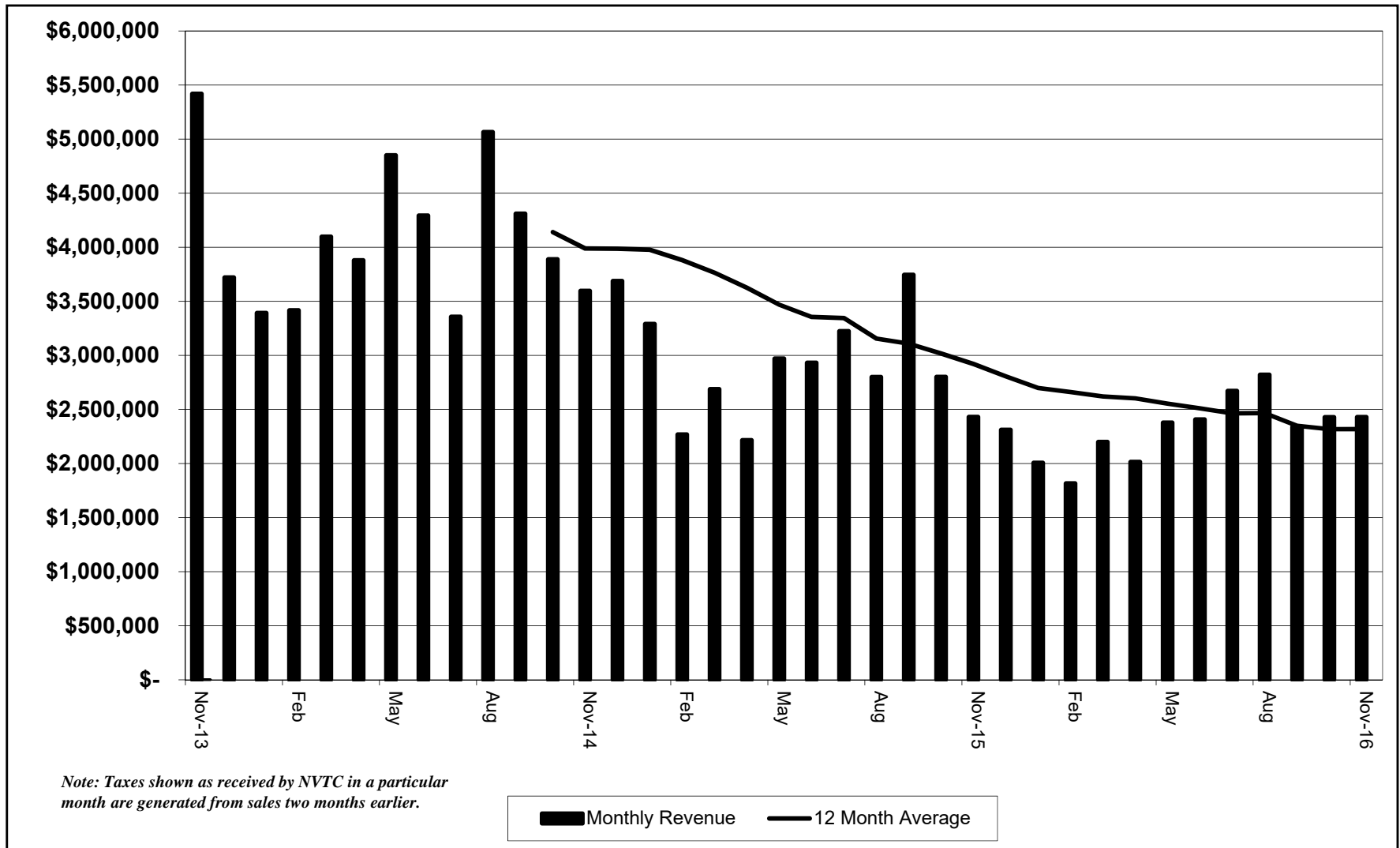
	Payer/ Payee	Purpose	Wells Fargo (Checking)	Wells Fargo (Savings)	VA LGIP	
Date					G&A / Project	Trusts
RECEIPTS						
3	DRPT	Operating assistance - Arlington				\$ 694,559.00
3	DRPT	Operating assistance - Alexandria				964,479.00
3	DRPT	Operating assistance - City of Fairfax				195,219.00
3	DRPT	Capital grant receipt - VRE			31,945.00	
4	DMV	Motor Vehicle Fuels Sales tax receipt				1,055.71
14	DRPT	Operating assistance - VRE			2,637,670.00	
14	DRPT	Operating assistance - WMATA				9,053,095.00
14	DRPT	Operating assistance - Fairfax				4,086,807.00
14	DRPT	Operating assistance - Arlington				694,559.00
14	DRPT	Operating assistance - Alexandria				964,479.00
14	DRPT	Operating assistance - City of Fairfax				195,219.00
15	DRPT	Capital grant receipt - VRE			10,509.00	
15	DRPT	Capital grant receipt			20,347.00	
17	FTA	Grant receipt			81,386.00	
19	VRE	Reimbursement for staff support		7,130.61		
21	DRPT	Capital grant receipt - VRE			310,786.00	
21	DRPT	Capital grant receipt				140,256.00
21	DRPT	Capital grant receipt - Arlington				25,055.00
22	DRPT	Capital grant receipt				2,537.00
23	DRPT	Capital grant receipt			3,884.00	
23	DRPT	Capital grant receipt - VRE			525,138.00	
30	DMV	Motor Vehicle Fuels Sales tax receipt				2,428,839.86
30	FTA	Grant receipt			15,375.00	
30	Banks	Interest earnings		0.62	84.78	74,068.10
			-	7,131.23	3,637,124.78	19,520,227.67
DISBURSEMENTS						
1-30	Various	G&A expenses	(194,516.14)			
3	VRE	Grant revenue			(31,945.00)	
14	VRE	Grant revenue			(2,637,670.00)	
15	VRE	Grant revenue			(10,509.00)	
16	Loudoun	Other capital				(7,737,371.27)
21	VRE	Grant revenue			(310,786.00)	
21	Falls Church	Costs incurred			(101,733.00)	
23	VRE	Grant revenue			(525,138.00)	
29	Stantec	Consulting - NTD project	(41,307.01)			
30	Alexandria	Costs incurred			(19,219.00)	
30	Banks	Service fees	(58.08)	(25.92)		
			(235,881.23)	(25.92)	(3,637,000.00)	(7,737,371.27)
TRANSFERS						
10	Transfer	From LGIP to checking	50,000.00		(50,000.00)	
28	Transfer	From LGIP to LGIP - FY17 G&A contribution			1,546,253.00	(1,546,253.00)
28	Transfer	From LGIP to LGIP - NTD project			41,307.01	(41,307.01)
28	Transfer	From LGIP to checking	200,000.00		(200,000.00)	
			250,000.00	-	1,337,560.01	(1,587,560.01)
NET INCREASE (DECREASE) FOR MONTH			\$ 14,118.77	\$ 7,105.31	\$ 1,337,684.79	\$ 10,195,296.39

**NVTC  
INVESTMENT REPORT  
November, 2016**

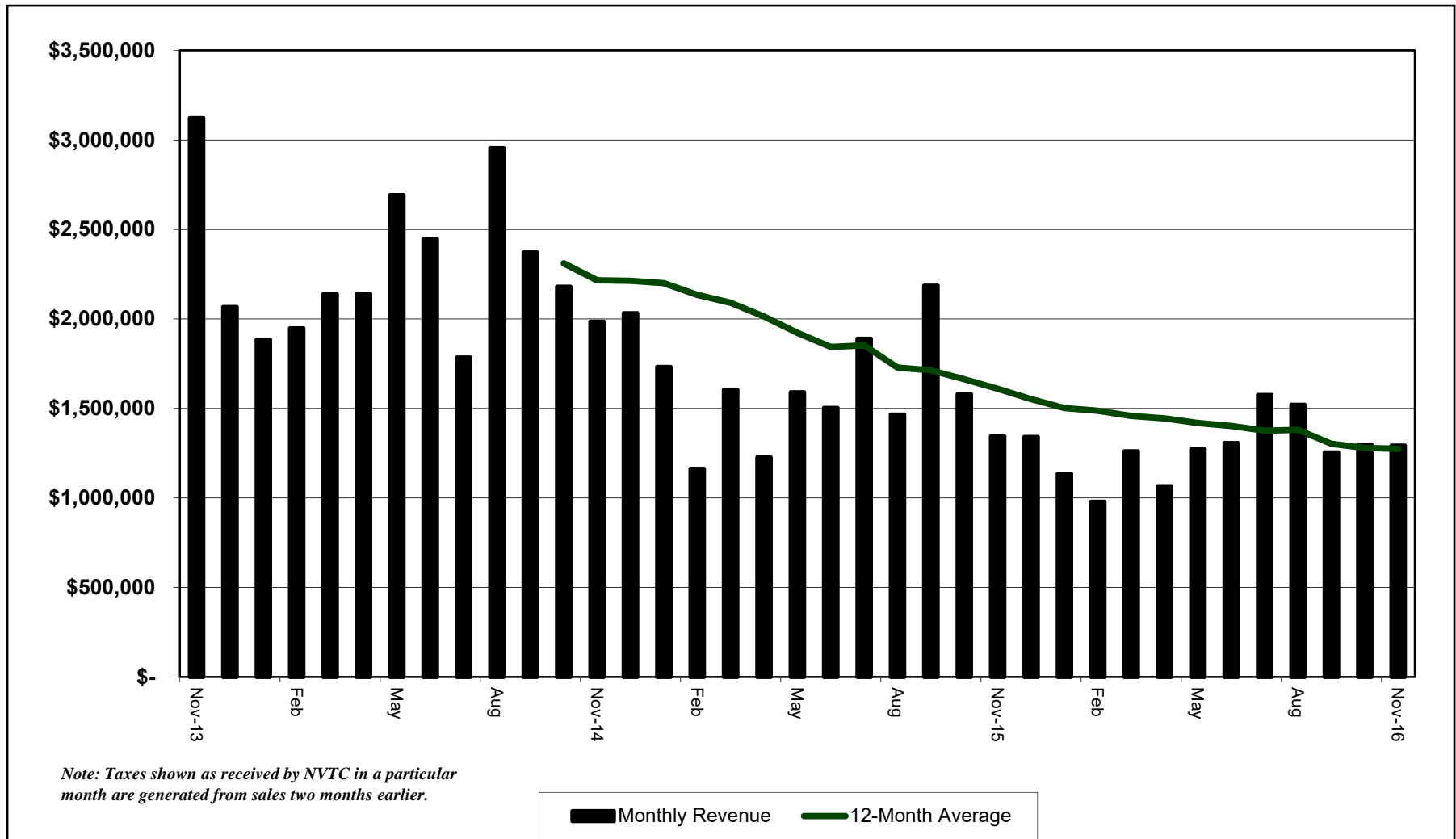
<b>Type</b>	<b>Rate</b>	<b>Balance 10/31/2016</b>	<b>Increase (Decrease)</b>	<b>Balance 11/30/2016</b>	<b>NVTC G&amp;A/Project</b>	<b>Jurisdictions Trust Fund</b>	<b>Loudoun Trust Fund</b>
<b><u>Cash Deposits</u></b>							
Wells Fargo: NVTC Checking	N/A	\$ 93,581.05	\$ 14,118.77	\$ 107,699.82	\$ 107,699.82	\$ -	\$ -
Wells Fargo: NVTC Savings	0.200%	35,621.09	7,105.31	42,726.40	42,726.40	-	-
<b><u>Investments - State Pool</u></b>							
Bank of America - LGIP	0.611%	138,291,202.67	11,532,981.18	149,824,183.85	1,362,036.79	129,068,985.76	19,393,161.30
		<u>\$ 138,420,404.81</u>	<u>\$ 11,644,629.49</u>	<u>\$ 149,974,610.07</u>	<u>\$ 1,512,463.01</u>	<u>\$ 129,068,985.76</u>	<u>\$ 19,393,161.30</u>



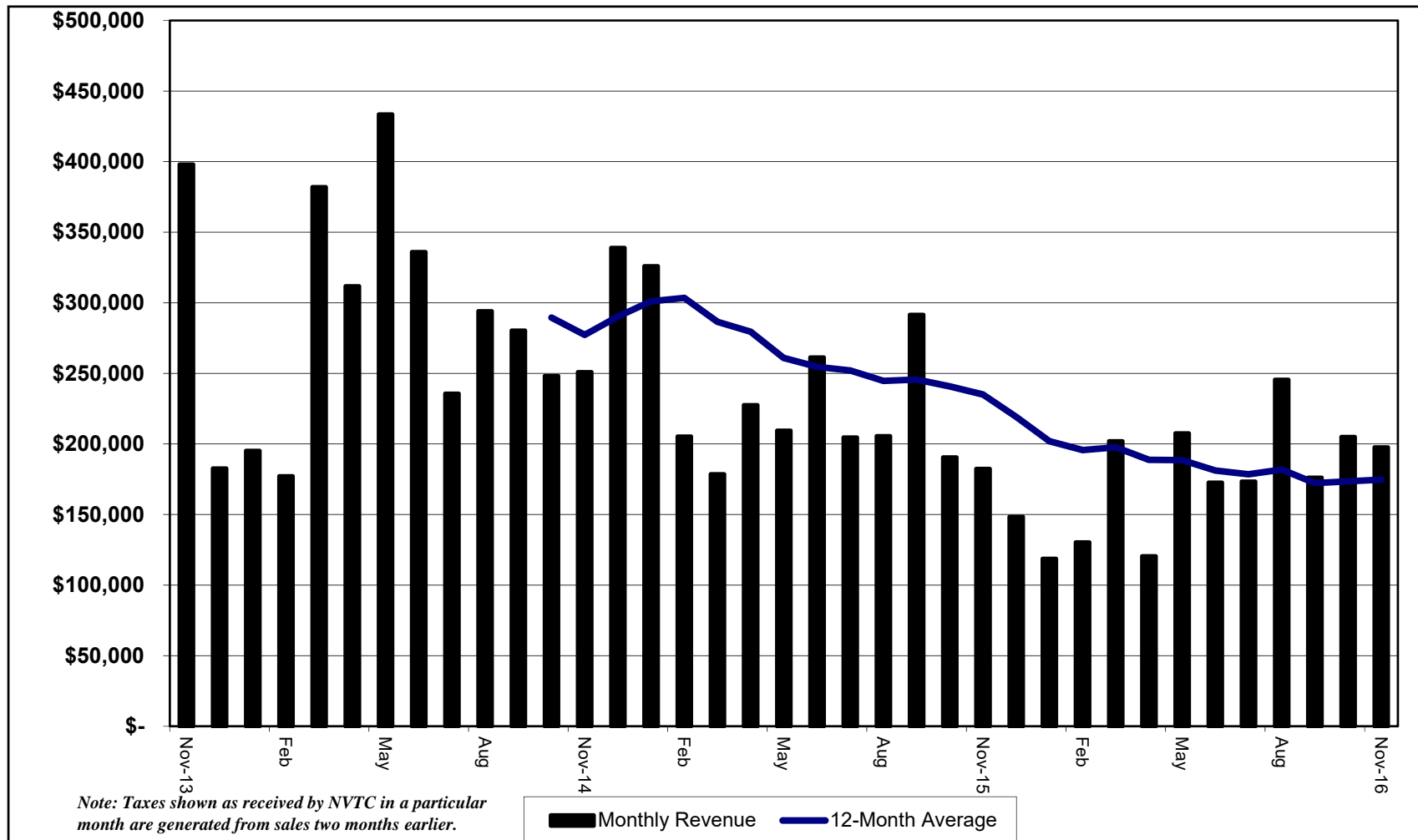
# NVTC MONTHLY GAS TAX REVENUE ALL JURISDICTIONS FISCAL YEARS 2014-2017



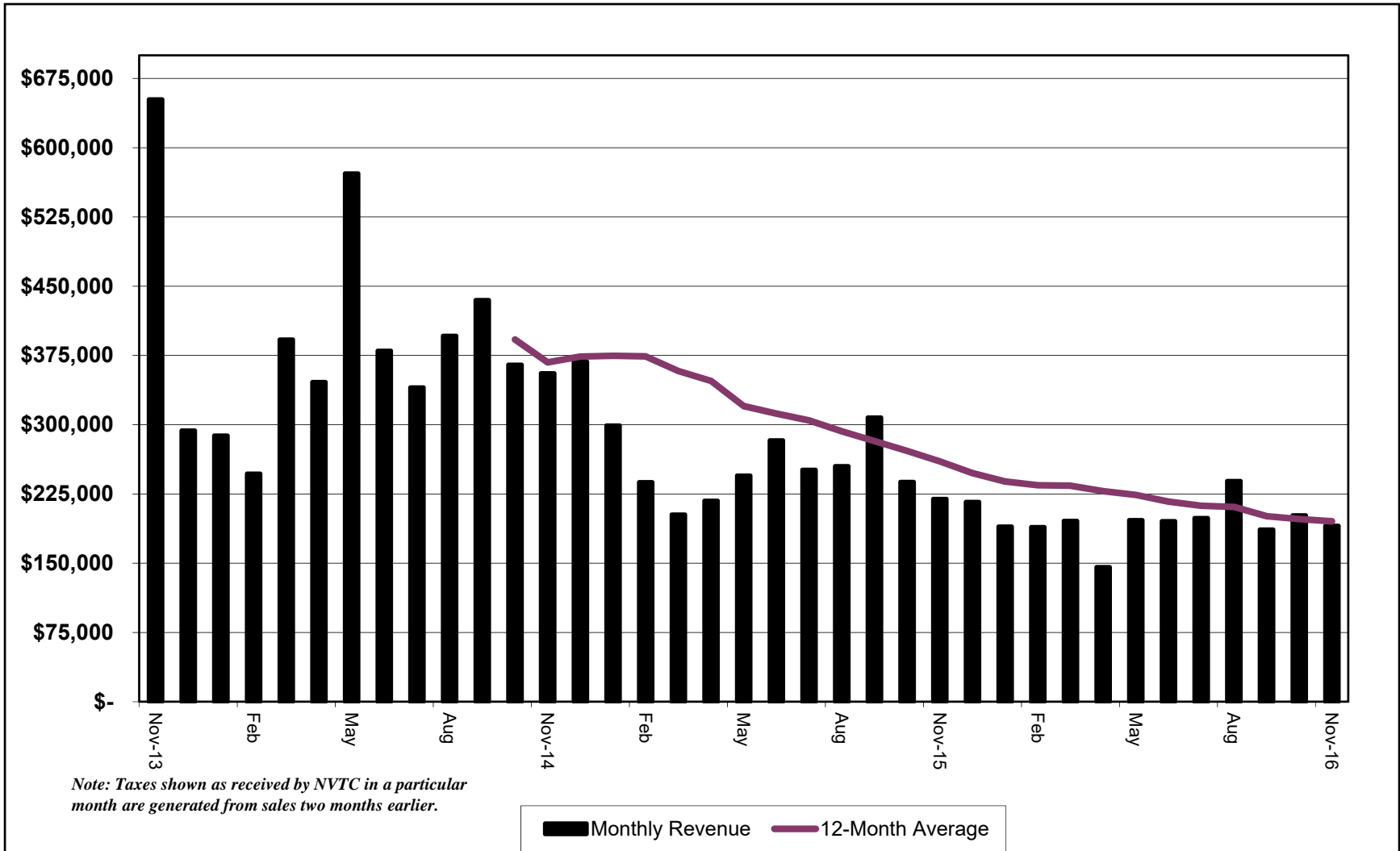
# NVTC MONTHLY GAS TAX REVENUE FAIRFAX COUNTY FISCAL YEARS 2014-2017



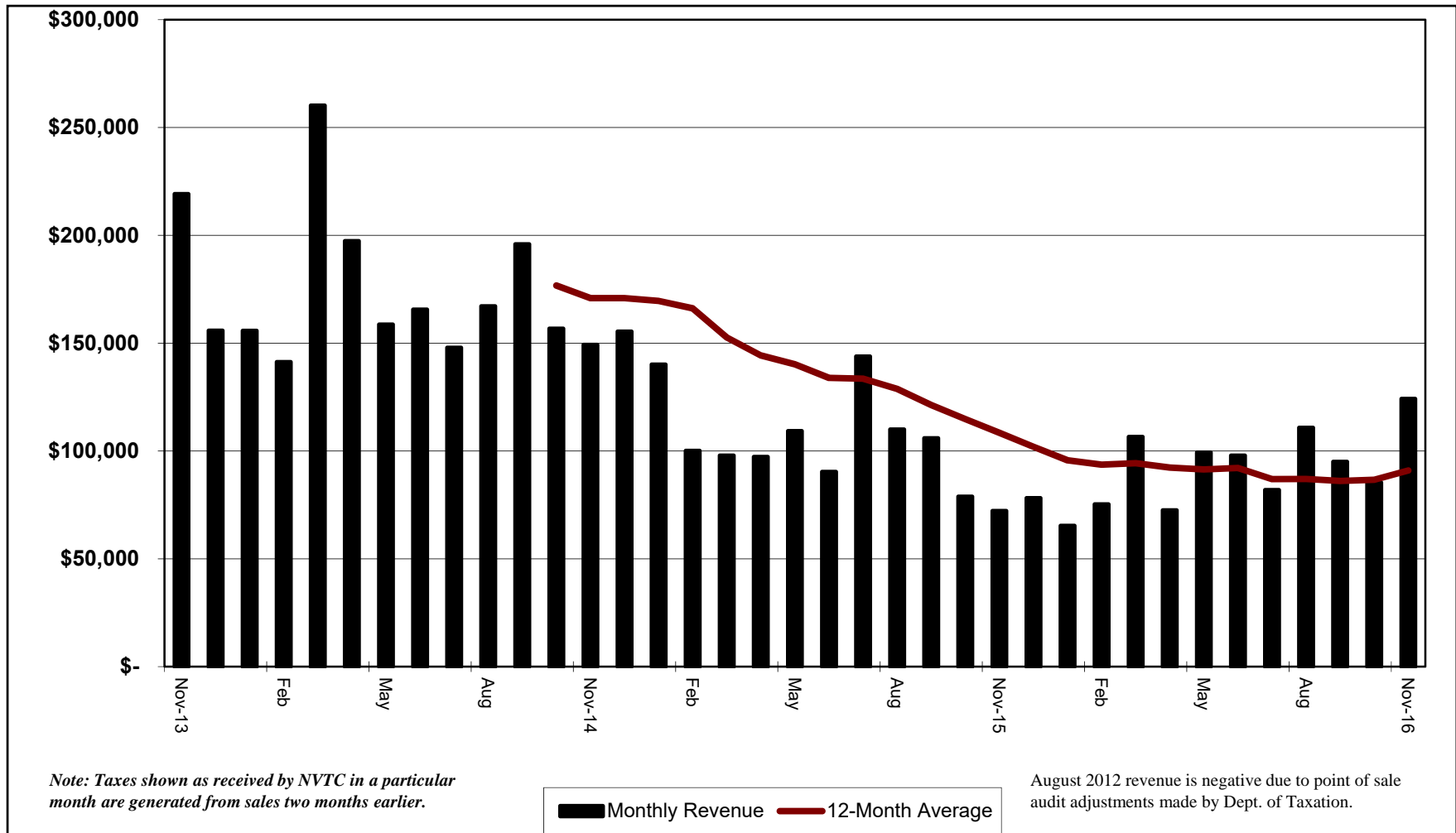
# NVTC MONTHLY GAS TAX REVENUE CITY OF ALEXANDRIA FISCAL YEARS 2014-2017



NVTC MONTHLY GAS TAX REVENUE  
ARLINGTON COUNTY  
FISCAL YEARS 2014-2017



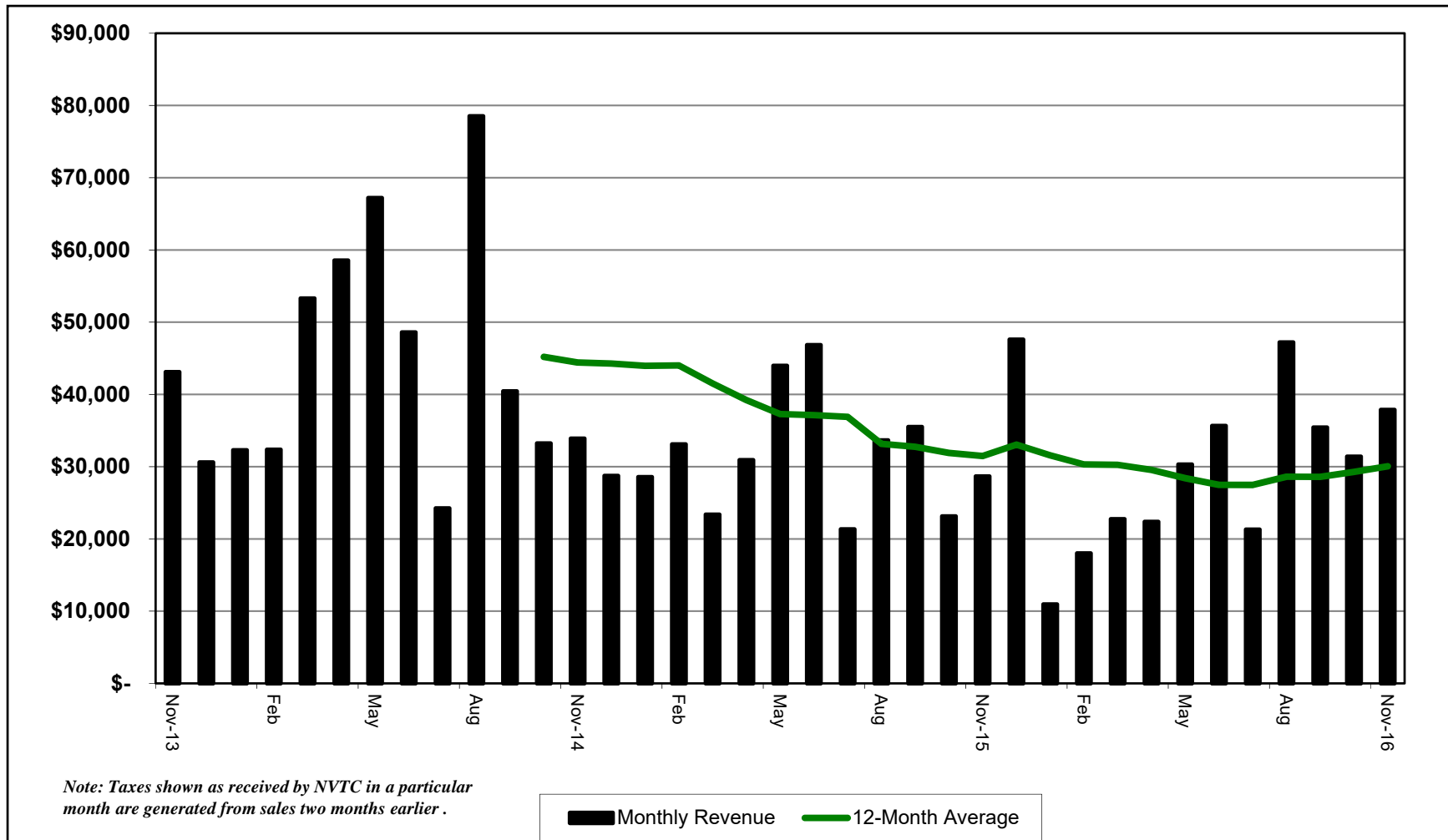
# NVTC MONTHLY GAS TAX REVENUE CITY OF FAIRFAX FISCAL YEARS 2014-2017



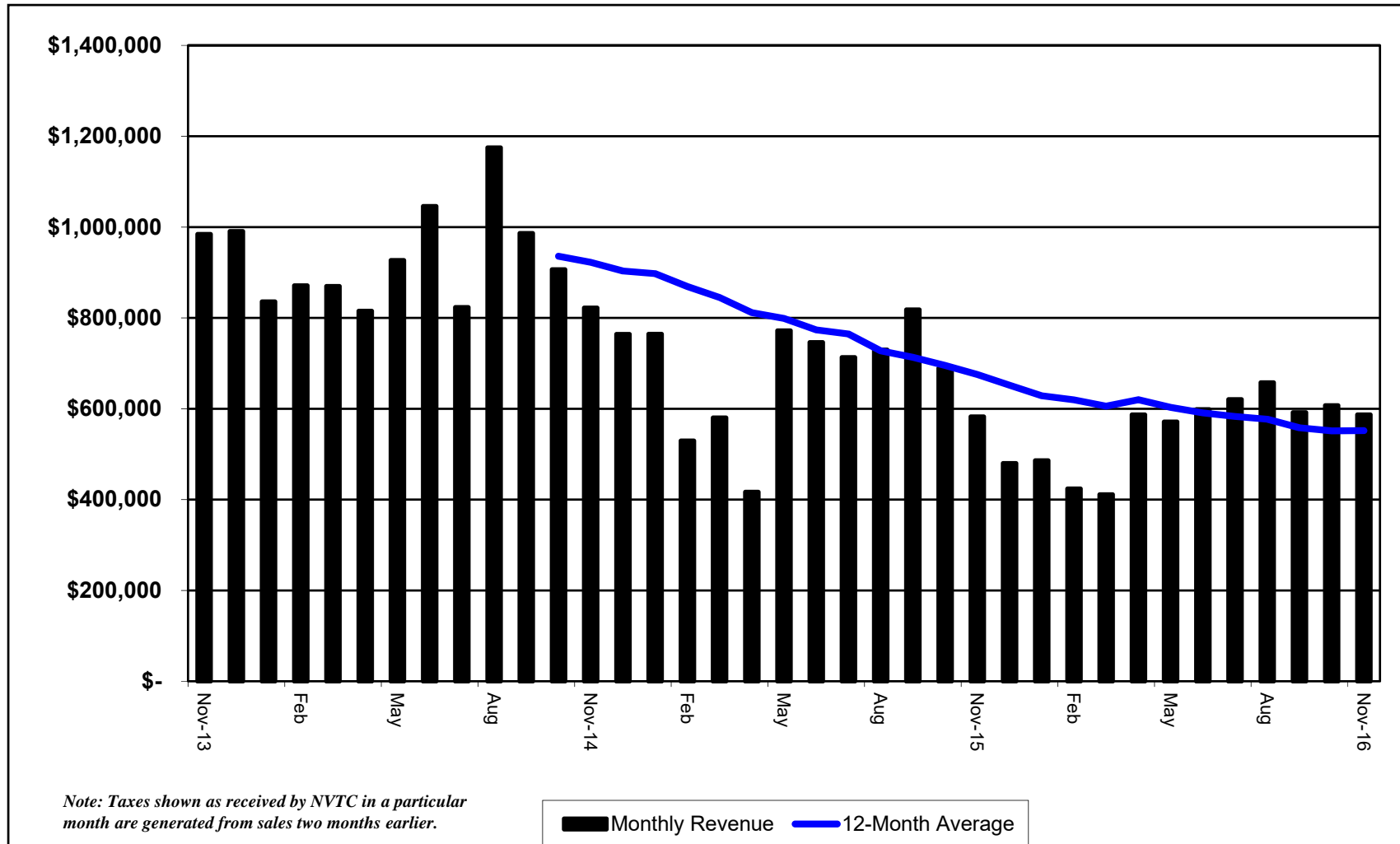
# NVTC MONTHLY GAS TAX REVENUE

## CITY OF FALLS CHURCH

### FISCAL YEARS 2014-2017



NVTC MONTHLY GAS TAX REVENUE  
LOUDOUN COUNTY  
FISCAL YEARS 2014-2017



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## JANUARY 5, 2017

- Election of NVTC 2017 Officers and Board Appointments
- Recognition of 2016 Chair
- Public Comment on NVTC Workplan
- Report from the Virginia Board Members of WMATA
- NVTC Programs and Projects: A Year in Review
- VRE Report and Action Items
  - Approve VRE FY2018 Budget
  - Announce 2017 VRE Operations Board Officers
- DRPT Report & Presentation of I-395 Transit/TDM Study
- NVTC Financial Report
- Committee Meetings: Executive Committee; Legislative and Policy Committee

## JANUARY 25 and 30, 2017

- NVTC Public Dialogues on the FY 2018 WMATA Budget

## JANUARY 2017 (date to be determined)

- Regional Fare Payment Strategy Information Session

## FEBRUARY 2, 2017 Richmond

- General Assembly Legislative Update
- Submission of State Assistance Request to DRPT
- Report from the Virginia Board Members of WMATA
- VRE Report and Action Items
- DRPT Report
- NVTC Financial Report

## MARCH 2, 2017

- Approve Six-Year Improvement Program (SYIP) Testimony to the Commonwealth Transportation Board (CTB)
- Legislative and Policy Update
- Report from the Virginia Board Members of WMATA
  - Proposed Action on FY 2018 WMATA Budget
- Regional High Capacity Transit Economic Impact Interim Findings
- NVTC FY2017 2nd Quarter Ridership Report
- VRE Report and Action Items
- DRPT Report
- High-Speed Rail (DC2RVA) Update (tentative)
- NVTC Financial Report
- Committee Meetings: Executive Committee, Legislative and Policy Committee

## **Proposed NVTC 2017 MEETING SCHEDULE**

NVTC Commission Meeting start time is 7:30 P.M in the First Floor Main Conference Room of the Navy League Building, 2300 Wilson Blvd, Arlington, Virginia, unless otherwise noted. Executive Committee meets at 6:45 P.M. in the First Floor Small Conference Room

January 5, 2017

February 2, 2017 - Meeting in Richmond at 4:00 PM

Patrick Henry Building, East Reading Room (1035)  
No Executive Committee Meeting

March 2, 2017

April 6, 2017

May 4, 2017 -

**Meeting Location:**

Northern Virginia Chamber of Commerce  
7900 Westpark Drive, Suite A550, Tysons, VA 22102

June 1, 2017

July 6, 2017

August - No Commission Meeting

September 7, 2017

October 5, 2017

November 2, 2017

December 7, 2017

The following items were handed out at the meeting.

## 2017 NVTC COMMITTEE AND BOARD APPOINTMENTS

### NVTC EXECUTIVE COMMITTEE

Jeff McKay, Chairman\*  
Paul Smedberg, Vice-Chairman/WMATA Board\*  
Matt Letourneau, Secretary-Treasurer\*  
Jim Corcoran, WMATA Board  
Christian Dorsey, WMATA Board\*\*  
Catherine Hudgins, WMATA Board\*\*  
Randy Minchew, General Assembly  
Sharon Bulova, Fairfax Co. Board Chair

\*Nominated

\*\*Up for reappointment

### NVTC GOVERNANCE AND PERSONNEL COMMITTEE

John Cook, Chairman

### NVTC LEGISLATIVE & POLICY COMMITTEE

Katie Cristol, Co-Chair  
Jeff Greenfield, Co-Chair  
Catherine Hudgins  
Matt Letourneau  
Paul Smedberg  
Dave Snyder  
Senate: Jennifer Wexton  
House: \_\_\_\_\_

### NVTC'S VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD\*

Principals:	Alternates:
Sharon Bulova	Jeffrey McKay
John Cook	
Katie Cristol	Libby Garvey
Paul Smedberg	

\*All appointed by jurisdiction

### NVTC'S WMATA BOARD OF DIRECTORS

Principals:	Alternates:
Jim Corcoran	Christian Dorsey*
Catherine Hudgins*	Paul Smedberg

\*Up for reappointment

### NVTC'S VIRGINIA TRANSIT ASSOCIATION BOARD OF DIRECTORS

**Principals:**  
David Snyder  
Kate Mattice

**Alternates:**  
Katie Cristol  
Jeffrey McKay

# **I-95/I-395 Transit/TDM Study**

Northern Virginia Transportation Commission  
January 5, 2017



## **I-395 Express Lanes Project**

- VDOT will convert eight miles of the two existing reversible HOV lanes on I-395 to three reversible managed Express Lanes
- Commonwealth goal is to maximize person throughput rather than vehicle throughput in the corridor
- 395 Express Lanes agreement provides for an annual transit payment from toll revenues for multimodal improvements in the corridor



# Annual Transit Payment

- The Commonwealth has committed that at least \$15 million will be provided annually through toll revenues for multimodal improvements in the corridor
  - Annual transit payment will escalate each year
  - Some portion of any revenue sharing of excess revenues received by VDOT will be provided for transit and TDM purposes
- Multimodal Improvements funded with annual transit payment must benefit toll payers

## Transit/TDM Study Purpose

- DRPT conducted a Transit/TDM Study in 2016 to determine projects that will be eligible to receive funding from the Annual Transit Payment
  - Most recent previous study completed in 2008
- Transit and TDM projects eligible for funding will increase mobility and person throughput along I-95 and I-395, and must benefit toll payers in the I-395 corridor

# Transit/TDM Study Process

- DRPT is leading the development of a new study in coordination with:

**City of Alexandria**

**Prince William County**

**PRTC**

**Arlington County**

**Stafford County**

**VRE**

**Fairfax County**

**Spotsylvania County**

**WMATA**

**City of Fredericksburg**

**NVTC**

- Key Stakeholder Group **did not** make decisions on projects to be funded by annual transit payments
- Commonwealth will make a future determination regarding who will ultimately make decision on projects to be funded by annual transit payments



Virginia Department of Rail and Public Transportation

## Study Area and Markets

- Study area extended from the Potomac River south along I-395 & I-95 to the southern terminus of the I-95 Express Lanes (at Garrisonville Road)
  - **Projects as far south as Spotsylvania County were included in the study and will be eligible for funding**
- Transit/TDM services, programs and facilities that were studied included those that:
  - **Serve work destinations within the project study area inside the Beltway (including downtown DC) and**
  - **Directly use the I-395 Express Lanes or**
  - **Provide direct access to transit services in the corridor or increase person throughput or travel choices in the study area**



Virginia Department of Rail and Public Transportation

# Transit/TDM Study Methodology

- Project Team developed list of transit and TDM projects from meetings with local jurisdictions and transit providers and review of capital and operating plans
- Travel demand model testing evaluated all projects for:
  - Corridor Mode Share**
  - SOV Trip Reduction**
  - Ridership Potential**
  - Accessibility**
  - Person Throughput**
  - Service Equity**
- Public outreach activities during summer 2016
- Initial project list refined by Key Stakeholders
- Cumulative project list totaling \$6.6 billion in needs



Virginia Department of Rail and Public Transportation

## Transit/TDM Study Program Benefits

- Compared with 2015 conditions, investment in the full \$6.6 billion Transit/TDM program would support growth and increase:
  - **Peak period transit throughput by 45%**
  - **Total peak period transit trips by 49%**
  - **Transit mode share from 18.7% to 21.9% for work trips**



Virginia Department of Rail and Public Transportation



# Inside the Beltway Improvement Projects

## West End Transitway Rapid Transit (BRT) System in Alexandria

- New high capacity transit service connecting Van Dorn Metrorail station, Mark Center, Shirlington and Pentagon
- Mix of dedicated and shared lanes, high quality transit stations with passenger amenities
- \$137.6 million capital project (partially funded in City CIP)
- Estimated start date in 2020



# Outside the Beltway Improvement Projects

## Frequency Improvements on existing PRTC bus routes

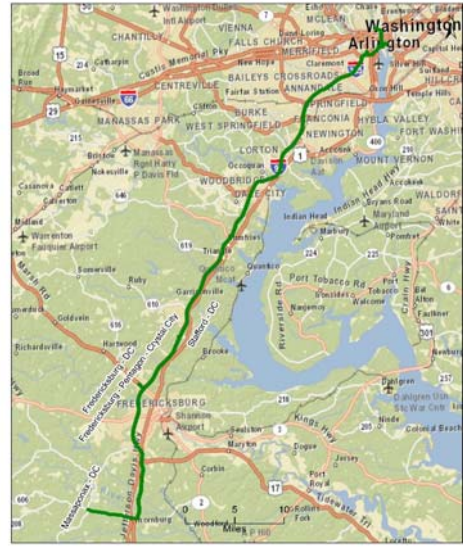
- PRTC identified routes connecting Prince William neighborhoods (Dale City, Woodbridge, Lake Ridge and Montclair) to the Pentagon and Springfield Metrorail stations as needing frequency improvements
- All identified routes utilize I-395
- \$47 million capital cost for all routes
- Additional runs could be added quickly upon funding



# Stafford/Fredericksburg/Spotsylvania Improvement Projects

## New Express Bus Routes and Commuter Park & Ride Lots

- Study identified need for new Express Bus Routes connecting Fredericksburg and Stafford Counties to DC, the Pentagon and Crystal City and 4000 new commuter parking spaces in Stafford County
- All identified routes would use I-395
- \$29 million capital cost for all routes
- \$107.5 million capital cost for new parking spaces
- Variable implementation schedules



# Corridor Wide Improvement Projects

## VRE Service Improvements

Improve capacity and frequency on VRE's Fredericksburg Line (Spotsylvania to Washington, DC)

- Identified improvements include lengthening all trains to 8 cars, adding new trains and infrastructure upgrades to accommodate additional capacity
- Service parallels I-95 and I-395
- \$37.1 million capital cost in CIP for additional railcars
- Variable railcar delivery schedules



## Transportation Demand Management (TDM) Improvement Projects

- Marketing and outreach programs
- Real-time information access
- Enhanced access to existing modes
- New flexible mode options
- Increased employer involvement
- Priority HOV access to transportation facilities
- Shift balance of SOV/HOV cost



Virginia Department of Rail and Public Transportation

## Transit/TDM Study Schedule

- Final meeting with Key Stakeholder Group (12-7-16)
- Final report delivered to DRPT (12-20-16)
- Report available to public (January 2017)
- Commonwealth determination regarding project approval and programming (2017)
- I-395 Express Lanes open (2019)
- Initial program approved by CTB (2020)



Virginia Department of Rail and Public Transportation

# I-95/I-395 Transit/TDM Study

## QUESTIONS?





## Comparison of WMATA Expense Metrics to Four Closest Comparable Heavy Rail Transit Systems

City/Region	Vehicles Operated in Max. Service	Annual Passenger Miles	Operating Expense per Vehicle Revenue Mile	Operating Expense per Vehicle Revenue Hour	Operating Expense per Passenger Mile
Chicago	1108	1,446,582,103	\$ 7.73	\$ 142.59	\$ 0.38
Philadelphia	286	439,437,755	\$ 11.17	\$ 217.12	\$ 0.43
Boston	336	606,829,993	\$ 14.29	\$ 230.13	\$ 0.54
San Fransico Bay Area	534	1,655,329,364	\$ 8.24	\$ 295.90	\$ 0.32
<b>Average of Comperables</b>	<b>566</b>	<b>1,037,044,804</b>	<b>\$ 10.36</b>	<b>\$ 221.44</b>	<b>\$ 0.42</b>
<b>WMATA</b>	<b>878</b>	<b>1,519,705,315</b>	<b>\$ 12.86</b>	<b>\$ 315.84</b>	<b>\$ 0.63</b>
<b>WMATA Compared to Average</b>			<b>124%</b>	<b>143%</b>	<b>151%</b>

Source: Federal Transit Administration, National Transit Database, 2014 profiles

<https://www.transit.dot.gov/ntd>

**VIRGINIA'S SHARE OF THE FY2017 AND FY2018 WMATA FUNDING REQUIREMENTS**  
(\$ in millions)

	FY2017 Approved Budgets			FY2018 Proposed Budgets			
		Funding Sources			Funding Sources		
	VA Funding Requirements	Local Funds	Directly From DRPT To WMATA	VA Funding Requirements	WMATA Debt Issue or Opt-Out	Local Funds	Directly From DRPT To WMATA
Operating Subsidies:							
City of Alexandria	32.7	32.7	-	39.5	-	39.5	-
Arlington County	56.6	56.6	-	68.4	-	68.4	-
City of Fairfax	1.8	1.8	-	2.2	-	2.2	-
Fairfax County	118.7	118.7	-	138.6	-	138.6	-
City of Falls Church	2.4	2.4	-	2.7	-	2.7	-
Total NVTC	212.2	212.2	-	251.4	-	251.4	-
DRPT	-	-	-	-	-	-	-
Total Virginia	212.2	212.2	-	251.4	-	251.4	-
DRPT Reimbursement		108.6			Not Estimated		
Capital Improvement Program:							
City of Alexandria	8.5	8.5	-	37.0	20.5	16.5	-
Arlington County	15.8	15.8	-	57.9	39.2	18.7	-
City of Fairfax	0.5	0.5	-	1.9	1.3	0.6	-
Fairfax County	27.8	27.8	-	100.9	68.0	32.9	-
City of Falls Church	0.6	0.6	-	1.9	1.2	0.7	-
Total NVTC	53.2	53.2	-	199.6	130.2	69.4	-
DRPT (PRIIA Match)	49.5	-	49.5	49.5	-	-	49.5
Total Virginia	102.7	53.2	49.5	249.1	130.2	69.4	49.5
DRPT Reimbursement		31.9			Not Estimated		
Total:							
City of Alexandria	41.2	41.2	-	76.5	20.5	56.0	-
Arlington County	72.4	72.4	-	126.3	39.2	87.1	-
City of Fairfax	2.3	2.3	-	4.1	1.3	2.8	-
Fairfax County	146.4	146.4	-	239.5	68.0	171.5	-
City of Falls Church	3.0	3.0	-	4.6	1.2	3.4	-
Total NVTC	265.3	265.3	-	451.0	130.2	320.8	-
DRPT (PRIIA Match)	49.5	-	49.5	49.5	-	-	49.5
Total Virginia	314.8	265.3	49.5	500.5	130.2	320.8	49.5
DRPT Reimbursement		140.5			Not Estimated		

Local funding sources include regional gas tax, general funds and general obligation bond proceeds. Through NVTC, DRPT provides state assistance to reimburse the local jurisdictions for a share of the locally committed funding requirements. The FY2018 reimbursement cannot be estimated at this time.

The proposed FY2018 CIP budget includes long-term financing or additional local contributions as a funding source. The jurisdiction will decide individually for WMATA to issue debt, or to opt-out of the debt issue using local funds including regional gas tax, general funds and local bond proceeds.

# GETTING METRO BACK2GOOD.

## INTRODUCTION

Since taking the helm on November 30, 2015, General Manager and Chief Executive Officer (GM/CEO) Paul J. Wiedefeld has partnered with Metro's Board of Directors to restore public confidence by improving safety and security, making service more reliable, and getting Metro's financial house in order. On his first anniversary, Mr. Wiedefeld has laid out a path forward that builds on the progress underway in 2016 and further improves the safety and reliability of Metro's train and bus service in 2017.

## WHAT IS BACK2GOOD?

Back2Good is Metro's plan for 2017 to improve safety, reduce delays caused by problems with the tracks and railcars, and provide a balanced budget based on what the region can afford. This will happen through programs that:

- Institute aggressive, new preventive maintenance efforts with the goal of cutting in half delays to trains caused by track problems
- Convert ALL 8-car trains to new 7000 Series cars
- Operate trains on schedule with fewer offloads by retiring the oldest and least reliable cars (1000 and 4000 Series cars) that are responsible for a third of all train delays; and conduct focused maintenance campaigns on the legacy fleet for the most problematic issues
- Visibly improve station cleaning and lighting
- Prevent "near misses" on Metrorail tracks that endanger workers and inspectors

## YEAR ONE RECAP – 2016

### Safety

Mr. Wiedefeld moved quickly to streamline Metro's senior management – cutting his executive team in half and recruiting high-caliber executives, including new safety and operations chiefs with more than three decades of experience in the NYC subway system.

"Safety Trumps Service" was communicated across the Authority through meetings with all employees, and accountability reforms were enacted governing nepotism and ethics, as well as designating all managers as "at-will" employees.

When the deteriorated condition of the tracks presented safety concerns, Mr. Wiedefeld shut down the system, launched the new SafeTrack emergency repair program to address the worst track conditions, and ordered layers of inspections and quality control measures that dramatically increased train speed restrictions, further protecting passengers and employees.

### Service

Safer, cleaner, more reliable new trains are serving more customers, as delivery of new 7000 Series railcars from Kawasaki's Nebraska plant was accelerated from eight to 20 cars per month, and there are now 27, 7000 Series train sets in passenger service.

Metro introduced a number of popular customer features, including an exit/entry grace period (more than 150,000 credits issued in first three months), a new website geared for mobile users, a station WiFi pilot, and began online customer service support through social media (responding to ~ 65% of @wmata mentions).

MyTripTime was launched in July, allowing customers to measure their daily commute experience based on when they tap in and out of the system. Rider commendations of rail service increased by 50% over last year, driven by positive customer interactions with employees. The Metro Volunteer Program (MVP) added 20 dedicated local volunteers to assist visitors in stations every weekend.

On the bus side, accessibility for all riders has improved, as the active fleet of 1,500 buses has been converted to 100% low-floor. For paratransit customers, a pilot program was developed called AbilitiesRide that will give riders more choice between public and private transportation carriers.

## Financial Management

Metro ended Fiscal Year 2016 on budget, and received an on-time, “clean” audit with no new findings for the first time in three years. Also, for the first year in recent history, Metro’s capital program invested a billion dollars in the system, driven primarily by improved management and the accelerated delivery of new railcars.

Through the tough first quarter of Fiscal Year 2017, Metro has reduced the workforce by more than 500 on a path to reducing 1,000 positions, cut health care and back office expenses, and closed sales offices to reduce costs. Metro is also in the process of outsourcing certain functions, including select quality control work to increase operating efficiency and revenue.

## MORE HARD TRUTHS

- SafeTrack must be replaced with aggressive maintenance that prevents track defects
- Weekend and late evening work needs to continue to address major repairs
- It’s not just tracks; it’s trains. Railcar mechanical failures cause 60 percent of train delays
- Earning new and returning riders requires better service, not better messaging
- Budget reality check: projections for the Fiscal Year 2018 operating budget reveal a gaping hole (\$290 million deficit)
- A true Metro turnaround will require regional support to address structural funding of operating and capital budgets for years to come

## YEAR TWO PRIORITIES – 2017

### Safety – Prevent near misses

- Red Signal overruns – new software onboard trains will prevent an inattentive train operator from passing a red signal by requiring the operator to perform multiple sequential actions before they can move their train. In addition, stations that have the highest frequency of red signal overruns are having their signals upgraded to LED bulbs to improve their visibility to operators and prevent overruns, which will be completed in early 2017.
- Enhance technology for roadway worker protections in hazardous areas.
- Complete work on schedule for installing the public radio system and activating cellular service in the tunnels as work is completed, with certain Blue/Orange and Red Line segments coming online in 2017.



## Service – Reduce delays and offloads from track defects and railcar failures

- Cross the SafeTrack finish line in June and move to preventive maintenance. Metro's proposed preventive maintenance plan is the first of its kind for the agency and provides industry grade standards. Preventive maintenance is the "anti-SafeTrack" that prevents emergency conditions and will begin to cut infrastructure related delays to trains in half.
- Next: execute a "Get Well" plan for railcars. Accelerate the retirement of the oldest and most unreliable cars, commission a total of 50 new trains, implement targeted repair campaigns of defective components on the legacy fleet, and rebalance the rail yards to avoid missing terminal dispatches.
  - By the end of 2017, all 8-car trains will be 7000 Series consists
  - All 1000 Series cars will be retired before December 2017
  - Accelerate retirement of least reliable (4000 Series) cars – all 100 removed from service by end of 2017, subject to NTSB agreement
  - Released from the burden of bellying and operating with the least reliable cars, rebalance rail yards to have the right number of trains per line for the start of service every morning as well as the afternoon peak
  - Begin operating same series consists to improve train line performance
  - Complete component fixes on legacy fleet – 2000, 3000, 5000 and 6000 Series cars, including HVAC, propulsion systems, and pneumatic brakes to reduce train offloads
  - Finish replacing carpet with resilient flooring on 6000 Series cars

***The Railcar Get Well Plan will reduce passenger offloads and cut delays due to train car issues by 25% in 2017.***

- Make stations cleaner and brighter, and improve station management, to better serve customers
  - Instead of every four years, all 91 stations will be power washed, scrubbed, and polished annually – improving the surfaces commuters touch and walk on.
  - Each station will be assigned a "champion" among senior managers to work with station personnel to ensure internal coordination of timely repairs to equipment and systems.
  - Stations undergoing major renovations next year will also receive lighting upgrades that increases brightness and visibility on mezzanines and platforms.
- Adopt peer review recommendations to improve rail operations, including Rail Operations Control Center structural changes to streamline responsibilities, clarify duties, strengthen incident response, better manage station operations, and improve passenger information.
- Leverage Geographic Information System (GIS) technology to integrate real-time traffic data for bus operations.
- Begin testing a zero emission, battery powered bus that could become the bus fleet vehicle of the future.

## Financial Management – Balance the budget and secure regional governance and funding solution

- Further reduce expenses by eliminating a total of 1,000 positions
- Outsource functions including certain quality assurance programs
- Decrease reliance on federal funds for maintenance
- Board approval of Reality Check Fiscal Year 2018 budget to fully fund annual requirements
- Secure regional support for PRIIA reauthorization to continue funding safety and reliability critical capital projects
- Deliver 90% of the capital program
- Institute the AbilitiesRide pilot program for Maryland paratransit customers to demonstrate whether customers select private transportation services for their subsidized trips, or continue to use MetroAccess. If successful, all trips subsidized by the program will cost Metro 66% less than comparable MetroAccess trips.

Metro will also actively engage with stakeholders who have started conversations around governance and funding solutions.

## Getting Back2Good

There are many metrics to measure transit performance. What matters most to Metro is what customers think.

Without compromising safety, Mr. Wiedefeld will begin holding all Metro employees accountable for improving the customer experience by the end of 2017.

Metro is also becoming more customer-focused in the assessment of service quality. The new approach looks at:

1. Actual travel times experienced by Metro riders using the MyTripTime tool -- showing whether travel time is reliable based on the amount of time it takes for customers to tap in and out of the system during their commutes.
2. A rating that goes deeper than customer satisfaction, reflecting how riders rate their experience on three factors: safety and security, reliability, and customer service.

Reflecting the challenges of the past year, the ratings for Fall 2016 are unsurprisingly low:

- MyTripTime - 68%
- Overall Experience - 70%

We'll be tracking this closely as the Back2Good initiatives move forward next year. Improved ratings by the end of 2017 will demonstrate that Metro is getting Back2Good.

**STAFF DRAFT**  
**1/4/17**



**STAFF DRAFT**  
**1/4/17**

January xx, 2017

**Chairman**  
Hon. Jay Fisette

**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 Fisette

**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

**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: Proposed Fiscal Year 2018 Budget

Dear Mr. Wiedefeld:

On behalf of the Northern Virginia Transportation Commission, I write to convey comments and concerns regarding the WMATA's proposed FY2018 budget. Our comments are most developed on the operating budget, as the capital budget was released later in the budget process and the Capital Funding Agreement discussions are early and ongoing. Overall, NVTC agrees with the "shared sacrifice" approach to address WMATA's FY2018 operating funding needs, but we remain concerned by the rate of increase in jurisdictional subsidies after FY18 in the proposed operating and capital budgets.

A safe and reliable Metrorail system is vital to the Northern Virginia economy as it provides hundreds of thousands of our constituents' access to jobs every day. It 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 jurisdiction's Metrorail subsidies. We believe that the proposed budget's emphasis on safety, reliability and service is designed to restore public confidence and bring riders back to the system.

#### Proposed FY2018 Operating Budget

NVTC offers its support for the following components of the proposed FY2018 operating budget:

- a reasonable increase to jurisdictional subsidies;
- management and labor actions that control costs;
- modest increases to Metrorail and Metrobus fares;
- right-sizing Metrorail headways to align service with ridership; and,
- an incremental return to the WMATA Board policy of using no more than \$31 million in eligible Federal Transit Administration grant funds for preventive maintenance expenses.

The Commission also requests that WMATA make these additional considerations during the budget process:

- Minimize the decrease in regional Metrobus service and ensure that the route changes reflect public comment;
- Work directly with local jurisdictions to determine reductions of non-regional Metrobus service;

Proposed FY2018 Capital Budget and Capital Improvement Program

Given limited revenue sources and competing budget priorities, Northern Virginia is troubled by the rate of increase in jurisdictional subsidies after FY18 in the proposed capital and operating budgets. In Northern Virginia, WMATA operating and capital funding directly competes with parks, schools, public safety, and other municipal priorities. A sustained increase in jurisdictional subsidies presents fiscal challenges. In light of those challenges, we encourage continued advocacy for the renewal of federal funding under the Passenger Rail Investment and Improvement Act and for additional support for capital and operating funding.

NVTC and its jurisdictions are invested in WMATA's success. As such, we must continue to ensure that the WMATA budget reflects and supports the priorities of safety, reliability and service. We look forward to working with you and WMATA's other funding jurisdictions to balance needs and resources as part of the FY18 budget process.

Sincerely,

NVTC Chairman



**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

Blue Item #8A

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

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

Members Absent	Jurisdiction
Jennifer Mitchell	DRPT
Suhas Naddoni (PRTC)	City of Manassas Park

Alternates Present	Jurisdiction
Pete Burrus	DRPT
Jeanine Lawson (PRTC)*	Prince William County

Alternates Absent	Jurisdiction
Marc Aveni (PRTC)	City of Manassas
Jay Fisette (NVTC)	Arlington County
Frank C. Jones (PRTC)	City of Manassas Park
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	Pierre Holloman – City of Alexandria
Doug Allen – VRE	Kim Hosen – Prince William Conservation Alliance
Nigel Astell – Parsons	Uriah Kaiser – Potomac Local Media
Monica Backmon – NVTA	John Kerins – Keolis
Donna Boxer – VRE	Mike Lake – Fairfax County
Alex Buchanan – VRE	Lezlie Lamb – VRE
Rich Dalton – VRE	Bob Leibbrandt – Prince William County
James Davenport – Prince William DOT	Steve MacIsaac – VRE legal counsel
Paul Dean – VRE	Eric Marx – PRTC
Rhonda Gilchrest – NVTC	Kate Mattice – NVTC
Laurel Hammig – NPS NCR	Matthew McDermott – Amec Foster Wheeler
Marian Harders – Walsh, Colucci, Lubeley & Walsh, PC	Lynn Rivers – Arlington County
Chris Henry – VRE	Sonali Soneji – VRE
Tom Hickey – VRE	Alex Sugatan – VRE
Gerri Hill – VRE	Joe Swartz – VRE
Christine Hoeffner – VRE	Ciara Williams – DRPT
	Detrius Williams – 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 9:04 A.M. Following the Pledge of Allegiance, Roll Call was taken.

### Approval of the Agenda – 3

Chairman Skinner reviewed the changes to the Agenda. At the request of Mr. Nohe, action for Agenda Item #9E “Recommendation of Gainesville -Haymarket Extension Study Alternative” will be deferred to the next meeting to allow Prince William County more time to discuss the issue. Chairman Skinner requested the presentation still be given after Agenda Item #9F “Referral of the Revised FY 2017 and Recommended FY 2018 VRE Operating and Capital Budgets.”

Mr. Kelly moved, with a second by Mr. Thomas, to approve the Amended Agenda. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

### Approval of the Minutes of the November 18, 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, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way. Ms. Bulova abstained.

### Chairman’s Comments – 5

Chairman Skinner reported VRE hosted Senator Kaine and his staff for a tour of the Spotsylvania Station and the Crossroads Yard on December 14<sup>th</sup>. He stated it was an excellent event and VRE was able to showcase its service. Senator Kaine is a supporter and true friend of VRE.

Chairman Skinner thanked Mr. Smedberg for giving testimony on behalf of VRE at the December 14<sup>th</sup> Commonwealth Transportation Board public meeting on the Atlantic Gateway Project.

Chairman Skinner stated at the October meeting the Board approved a formal CEO evaluation process, which includes an evaluation survey. The survey included legal responsibilities that have been determined to fall under legal counsel and should not be considered part of the CEO’s responsibilities. He reviewed the changes made to the survey.

Mr. Smedberg moved, with a second by Ms. Cristol, to approve these changes to the CEO evaluation survey. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

Chairman Skinner reminded Board Members the January meeting has been changed to January 27<sup>th</sup> since Inauguration Day is on January 20<sup>th</sup>. He also stated this would be the last Operations Board meeting for Mr. Way. On behalf of the Operations Board, Chairman Skinner thanked Mr. Way for his service.

## Chief Executive Officer's Report –6

Mr. Allen reported overall on-time performance (OTP) for the month of November was 85 percent with Average Daily Ridership at 19,500. He believes the robust increase in ridership can be attributed to SafeTrack and VRE's marketing campaign. He also reported VRE conducted passenger train emergency response training for personnel of the Fredericksburg Police Department.

Mr. Allen announced the annual Marine Corp Toys for Tots campaign and Santa Trains were a big success. VRE collected \$15,000 in cash gifts and hundreds of toys. This year VRE ran Santa Trains in the afternoon out of the Spotsylvania Station and the Broad Run Station. Both worked extremely well. Because of its popularity, VRE added 1,000 more seats this year and still sold out in five minutes.

[Ms. Lawson arrived at 9:14 A.M.]

Mr. Allen reported VRE continues to meet and work with its partners on the Long Bridge project. Consulting services will be procured and the partners are finalizing the purpose and needs of the project.

Mr. Allen stated he attended the NVTC-PRTC Joint Legislative Briefing at the Springfield Hilton on December 12<sup>th</sup>, where he had the opportunity to present VRE's Legislative Agenda. He reminded Board Members the Virginia Transit Association is planning to hold a reception for General Assembly members at the Main Street Station in Richmond on January 23<sup>rd</sup>. VRE will have a train on display at the event.

## VRE Riders' and Public Comment – 7

Kim Hosen, Executive Director of the Prince William Conservation Alliance, encouraged the Operations Board to direct staff to continue the Gainesville-Haymarket Extension (GHX) study to Phase II to examine the Broad Run Terminus alternative only. She stated Phase II should examine land use as well as traffic impacts of the Broad Run Terminus alternative and identify the best ways for VRE service, together with PRTC bus service, to stimulate the transit oriented development at a new relocated station. She urged the Board to focus on increasing the number of passengers by adding more trains throughout the day as well as adding more railcars to existing trains.

Ms. Hosen urged the Board to modify the VRE System Plan 2040 and Capital Budget to delete the Gainesville-Haymarket Extension. VRE should request the Gainesville-Haymarket Extension be removed from state and local transportation plans and budget documents, including the TransAction plan being developed by NVTa.

## Consent Agenda – 8

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

- Resolution #8A-12-2016: Authorization to Issue a Request for Proposals for an Automatic Passenger Counter System

- Resolution #8B-12-2016: Authorization to Issue a Request for Proposals for Automatic Parking Counter System

The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

#### Authorization to Execute a Contract for Hosted Back Office Services for Positive Transit Control – 9A

Mr. Allen asked the Operations Board to authorize him to execute a contract with ARINC Incorporated of Annapolis, Maryland for Hosted Back Office Services for Positive Train Control (PTC) in the amount not to exceed \$2,512,865, plus a 10 percent contingency of \$251,287, for a total amount not to exceed \$2,764,152 for mobilization, a base period of two years and three one-year options, with the CEO exercising the option years at his discretion. Resolution #9A-12-2016 would accomplish this.

Mr. Kelly moved, with a second by Ms. Caddigan, to approve Resolution #9B-12-2016.

In response to a question from Mr. Milde, Mr. Allen gave a status report on PTC implementation. VRE has installed all the on-board PTC equipment, but there still is testing that needs to be done by the host railroads. It is expected VRE and its host railroads will meet the PTC federal deadline in 2018. Mr. Dalton stated there are still some license agreements VRE will need to execute with several vendors. In response to a question from Mr. Smedberg, Mr. Allen explained after the option years expire in five years, staff would go through another procurement process and seek additional Board authorization for a new contract. Mr. Milde asked about the annual costs of PTC. Mr. Dalton stated the annual estimates are \$250,000. There are no federal funds expected for PTC implementation.

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

#### Authorization to Extend a Lease Agreement for Parking at the Rippon Station – 9B

Mr. Allen asked the Operations Board to authorize him to extend a Lease Agreement with KP Big Crest Lane, LLC for 320 parking spaces at the Rippon Station in the amount of \$174,966 for one year. Resolution #9B-12-2016 would accomplish this.

Mr. Nohe asked if this agreement defines who has maintenance responsibilities for this lot. Mr. Dalton responded this lot is maintained by VRE, although the main Rippon lot is maintained by VDOT.

Ms. Caddigan moved, with a second by Mr. Jenkins, to approve Resolution #9B-12-2016. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

#### Authorization to Execute Contract Options for Purchase and Delivery of Locomotive Fuel to VRE Yards –9C



Mr. Allen asked the Operations Board to authorize him to execute the third option year with James River Solutions of Ashland, Virginia for fuel at the Crossroads Yard and Griffith Energy Services, Inc. of Manassas, Virginia for fuel at the Broad Run Yard for the year ending June 30, 2018. The contract option with James River Solutions is being recommended in an amount not to exceed \$2,808,105 for a period of one year. The contract option with Griffith Energy Solutions is being recommended in an amount not to exceed \$1,951,395 for a period of one year. Resolution #9C-12-2016 would authorize both these contract options.

Mr. Milde moved, with a second by Ms. Bulova, to approve Resolution #9C-12-2016. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

#### Authorization to Issue a General Planning Consultant Task Order for the Crystal City Station Improvement Project –9D

Mr. Allen asked the Operations Board to authorize him to issue a General Planning Consultant (GPC) Task Order to Vanasse Hangen Brustlin, Inc. (VHB) for planning, conceptual design, environmental documentation, and preliminary design services for the Crystal City Station Improvement Project in the amount of \$253,425, plus a 10 percent contingency of \$25,342, for a total not to exceed \$278,767. Resolution #9D-12-2016 would accomplish this.

In response to a question from Ms. Cristol, Ms. Hoeffner explained it was originally envisioned that the Crystal City Station improvement project would be a stand-alone contract. After talking about the scope of the study with Arlington County staff and internally, and as VRE implemented the procurement of the General Planning Consultant contract, VRE staff changed the approach. The changes in the Virginia procurement law now enable VRE to award larger task orders through the General Planning Consultant contract and this project can now be folded into the GPC contract.

Mr. Smedberg noted the Potomac Yard/Crystal City Transitway will be an important connection that VRE needs to consider as this project is developed. In response to a question from Chairman Skinner, Mr. Allen stated the intent is to serve all non-terminal end stations with two tracks.

Ms. Cristol moved, with a second by Mr. Smedberg, to approve Resolution #9D-12-2016. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

#### Referral of the Revised FY 2017 and Recommended FY 2018 VRE Operating and Capital Budgets – 9F

Mr. Allen asked the Operations Board to adopt the revised FY 2017 VRE Operating and Capital Budget and the recommended FY 2018 VRE Operating and Capital Budget and refer them to the Commissions for their consideration and subsequent referral to the jurisdictions for their formal review and adoption; to authorize him to solicit comment through public hearings on the recommended fare increase; to recommend the Commissions authorize the Executive Directors of NVTC and PRTC take the necessary

actions to apply for federal and state grant funding; and to recommend the Commissions authorize him to execute funding agreements with DRPT for improvements at Quantico, Brooke and Leeland stations and to submit grant requests to NVT. Resolution #9F-12-2016 would accomplish all this.

Mr. Jenkins moved, with a second by Ms. Caddigan, to approve Resolution #9F-12-2016

Ms. Boxer gave a detailed presentation on the budget. She stated the good news is it is now a balanced budget. The bad news is for FY 2019 – FY 2023 there are serious state funding concerns, with a fiscal cliff expected in FY 2019. The Board had a lengthy discussion about access fees, negotiations with the railroads, and how to plan for changes in state funding. Mr. MacIsaac gave some insight in the upcoming negotiations with CSXT. VRE has some leverage in the capital investments made on the rail line. Mr. Cook observed the continued investment to the railroad goes away if VRE cannot continue service due to funding issues.

Mr. Buchanan reviewed the budget assumptions and factors impacting the F 2018 Operating Budget, which includes a proposed three percent fare increase with no subsidy increase. He also reviewed the revised FY 2017 budget. Ms. Boxer reviewed the capital budget, which leverages \$33 million in state and federal funds with \$1.4 million VRE matching funds.

Ms. Boxer thanked the Chief Administrators Officers (CAO) Task Force, co-chaired by Bob Leibbrandt of Prince William County and Mike Lake of Fairfax County, for their work with VRE on the budget. The CAO Task Force supports a three percent fare increase, a \$2 increase in the Amtrak Step-Up fare (from \$5 to \$7), and no subsidy increase. The Task Force recommends VRE develop a financially constrained CIP, which should be provided to the jurisdictions earlier in the process.

Mr. Way asked if there is any ridership scenario that makes a compelling reason to advance the Gainesville-Haymarket Extension. Mr. Allen stated the recommendation is to complete Phase II of the study but it does not commit VRE to do the project. Since rush hour trains are often full, VRE needs to look at expansion. The Natural Growth Scenario includes lengthening trains to add more capacity.

The Board then voted on the motion. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

Ms. Bulova and Mr. Jenkins complimented staff on the budget document.

#### Gainesville-Haymarket Extension Study Alternative for Preliminary Engineering and National Environmental Policy Act Evaluation –9E

Mr. Nohe provided some background information resulting in his request to defer action on selection of an alternative. The Prince William County Board needs to have a discussion in the next several weeks to reach a consensus view over which alternative is best for the county.

Ms. Hoeffner gave a brief summary of Phase I of the GHX Study, with highlights of the public outreach process. There was a lot of interest from the broader community and not just VRE riders. The recommendation is to advance the Broad Run Terminus alternative to Phase II of the GHX study to complete preliminary engineering and prepare for National Environmental Policy Act (NEPA) evaluation. Major study findings show Broad Run Terminus retains 93 percent of GHX riders; the overall capital costs, including additional rolling stock, are close to half of a Gainesville-Haymarket Extension; however, the costs of additional rolling stock are the same for every alternative. The difference in capital costs for stations, yards, track and right-of way for the Broad Run Terminus is 30 percent of any of the extension alternatives; and operating costs are about 20 percent less.

Ms. Hoeffner explained completing Phase II of the study is not a commitment to additional VRE service or to build anything. It is a good planning practice to complete the project development process and allows VRE to provide certainty of its future service for operational planning purposes. Funding is included in existing DRPT and NVTAs agreements to complete Phase II of the study. In response to a question from Ms. Bulova, Ms. Hoeffner stated not completing the study could be considered a breach and could trigger having to pay back funds.

Mr. Way observed the estimated total cost per rider between the two alternatives is \$12.37 for BRT versus \$15.51 for GHX, which isn't a big difference, but the incremental cost per boarding among the GHX alternative is \$68. This is one of the main reasons he supports the Broad Run Terminus alternative. Mr. Cook agreed and stated another factor that drives the recommendation is that federal funding is not expected to be available for the GHX alternative but could be available for the Broad Run Terminus.

Mr. Kelly stated VRE is already looking at how to keep the system running without additional funding source. He asked how Prince William will make it financially able to do a Gainesville-Haymarket Extension if they decide they want to select one of these alternatives. Mr. Nohe responded Prince William County needs to acknowledge the Broad Run Terminus is the most cost effective and most likely to secure federal funds. If the County chose another alternative, it would need to acknowledge the cost will increase and the County will be responsible for a bigger amount because of ridership. It would also need to acknowledge land use would need to be a priority. Ms. Bulova asked if it would be helpful for Operations Board members to indicate their alternative preference. Chairman Skinner called for a straw vote showing the majority of Board Members are in support of the BRT alternative.

#### Approval of 2017 VRE Officers – 9G

Chairman Skinner reported the Nominating Committee has recommended the following slate of officers for 2017:

Paul Smedberg, Chairman  
Maureen Caddigan, Vice-Chair  
Katie Cristol, Secretary  
Paul Milde, Treasurer  
Gary Skinner, Immediate Past Chair

Mr. Kelly moved, with a second by Ms. Bulova, to approve Resolution #9G-12-2016, which approves the nominations. The vote in favor was cast by Board Members Bulova, Burrus, Caddigan, Cook, Cristol, Jenkins, Kelly, Milde, Nohe, Smedberg, Skinner, Thomas and Way.

Mr. Kelly asked for consideration in the future to nominate representatives from the southern jurisdictions, since they represent a good portion of the VRE ridership.

#### Spending Authority Report – 10B

Mr. Allen stated the reportable expenditures from late October and November are described in the written agenda report.

#### Operations Board Members Time – 11

Chairman Skinner expressed holiday wishes to everyone.

#### Adjournment

Without objection, Chairman Skinner adjourned the meeting at 11:25 A.M.

Approved this 27<sup>th</sup> day of January 2017.

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Paul C. Smedberg  
Chairman

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Katie Cristol  
Secretary

#### **CERTIFICATION**

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

*Rhonda Gilchrest*

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Rhonda Gilchrest

**Virginia Railway Express  
Operations Board**

**Resolution  
8A-12-2016**

**Authorization to Issue a Request for Proposals for  
Automatic Passenger Counter System**

**WHEREAS**, passenger counts are conducted daily on all VRE trains to comply with National Transit Database (NTD) requirements and VRE reporting needs; and,

**WHEREAS**, passenger counts are currently performed manually by train conductors; and,

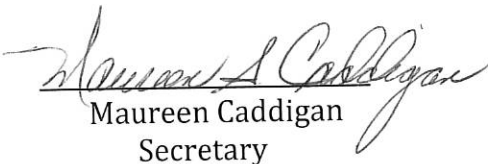
**WHEREAS**, accurate and real-time passenger loads for safety, operational and planning purposes is paramount for current and future growth; and,

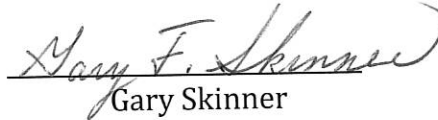
**WHEREAS**, this solicitation will include hardware, software, sensors, hosted-web services, integration engineering and testing for an Automatic Passenger Counter System;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby acknowledge the determination made by the VRE Contract Administrator in accordance with the VRE Public Procurement Policies and Procedures that competitive bidding is not practicable, nor fiscally advantageous to VRE, and competitive negotiation is the appropriate method to procure these services; and,

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue a Request for Proposals for Automatic Passenger Counter System.

Approved this 16<sup>th</sup> day of December 2016

  
Maureen Caddigan  
Secretary

  
Gary Skinner  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
8B-12-2016**

**Authorization to Issue a Request for Proposals for  
Automatic Parking Counter System**

**WHEREAS**, a daily count of all cars parked at VRE stations are conducted manually during the morning commute; and,

**WHEREAS**, having accurate and real-time counts of the number of cars located at VRE parking lots will allow for accurate reporting of daily parking capacity; and,

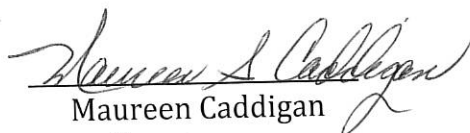
**WHEREAS**, accurate daily accounting of current capacity of VRE parking lots will provide the necessary information to accurately plan for parking expansions and other capacity related projects; and,


**WHEREAS**, this solicitation will include hardware, software, sensors, hosted-web services, integration engineering, installation and testing for the Automatic Parking Counter System;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby acknowledge the determination made by the VRE Contract Administrator in accordance with the VRE Public Procurement Policies and Procedures that competitive bidding is not practicable, nor fiscally advantageous to VRE, and competitive negotiation is the appropriate method to procure these services; and,

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue a Request for Proposals for Automatic Parking Counter System.

Approved this 16<sup>th</sup> day of December 2016

  
Maureen Caddigan  
Secretary

  
Gary Skinner  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9A-12-2016**

**Authorization to Execute a Contract for Hosted  
Back Office Services for Positive Train Control**

**WHEREAS**, Positive Train Control (PTC) was mandated by Congress in the Rail Safety Improvement Act of 2008 for all railroads that carry passengers or hazardous materials; and,

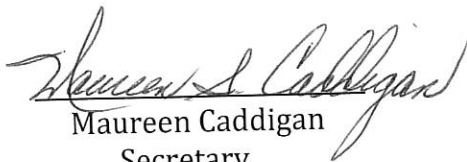
**WHEREAS**, VRE is required to deploy a PTC back-office (PTC-BO) information system to support VRE operation on CSX and Norfolk Southern (NS) territory; and,

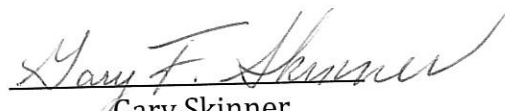
**WHEREAS**, on September 30, 2016 VRE issued a Request for Proposals for the provision of Hosted Back Office Services for Positive Train Control; and,

**WHEREAS**, the Operations Board's approval of this procurement does not represent its independent assessment of the candidate's responses to the solicitation or of each step in the procurement process followed by staff; rather, the Operations Board's action is premised upon its conclusion, after review of the information before it, that the process used by the staff was in accordance with law and the staff recommendation appears to be reasonable;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with ARINC Incorporated of Annapolis, Maryland for Hosted Back Office Services for Positive Train Control in the amount of \$2,512,865, plus a 10% contingency of \$251,287, for a total amount not to exceed \$2,764,152. The contract will be for mobilization, a base period of two years and three one-year options, with the CEO exercising the option years at his discretion.

Approved this 16<sup>th</sup> day of December 2016.

  
Maureen Caddigan  
Secretary

  
Gary Skinner  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9B-12-2016**

**Authorization to Extend Lease  
Agreement for Parking at the Rippon Station**

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

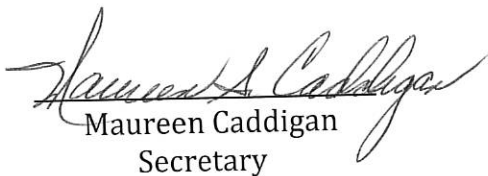
**WHEREAS**, these additional spaces were instrumental in reducing the parking shortage at Rippon where the parking lot was routinely 97% full; and,

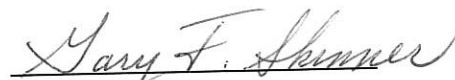
**WHEREAS**, the Lease has been renewed several times since with the current extension set to expire at the end of February 2017; and,

**WHEREAS**, VRE staff is requesting permission to extend the Lease Agreement for one additional year through February 28, 2018;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to extend the lease agreement with KP Big Crest Lane, LLC in the amount of \$174,966 for one year.

Approved this 16<sup>th</sup> day of December 2016

  
Maureen Caddigan  
Secretary

  
Gary Skinner  
Chairman



**Virginia Railway Express  
Operations Board**

**Resolution  
9C-12-2016**

**Authorization to Execute Contract Options for  
Purchase and Delivery of Locomotive Fuel to VRE Yards**

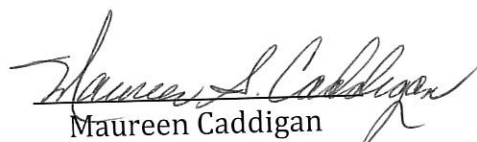
**WHEREAS**, the third option year Contracts to provide fuel at VRE yards will begin on July 1, 2017; and,

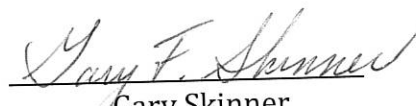
**WHEREAS**, exercising the option years before expiration of the prior option year will allow VRE to maximize the use of the fuel hedging mechanism to reduce cost volatility;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute the third option year for the purchase and delivery of locomotive fuel at the Crossroads yard to James River Solutions in an amount not to exceed \$2,808,105, for a period of one year; and,

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute the third option year for the purchase and delivery of locomotive fuel at the Broad Run yard to Griffith Energy Services, Inc. in an amount not to exceed \$1,951,395, for a period of one year.

Approved this 16<sup>th</sup> day of December 2016

  
Maureen Caddigan  
Secretary

  
Gary Skinner  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9D-12-2016**

**Authorization to Issue a GPC Task Order for the  
Crystal City Station Improvement Project**

**WHEREAS**, the VRE Crystal City Station needs to be expanded to meet current and future needs at this station; and,

**WHEREAS**, the Crystal City Station Improvement Project will provide a new island platform in the same or new location south of the existing station; and,

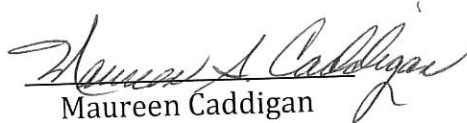
**WHEREAS**, the Crystal City Station Improvement Project will optimize multimodal connectivity to the VRE station; and,

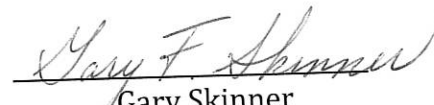
**WHEREAS**, planning, conceptual design, environmental documentation, and preliminary design services are required for the Crystal City Station Improvement Project; and,

**WHEREAS**, Vanasse Hangen Brustlin, Inc. has presented an acceptable proposal to perform said services;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue a General Planning Consultant Task Order to Vanasse Hangen Brustlin, Inc. for the Crystal City Station Improvement Project in the amount of ***\$253,425, plus a 10% contingency of \$25,342, for a total not to exceed \$278,767.***

Approved this 16<sup>th</sup> day of December 2016

  
Maureen Caddigan  
Secretary

  
Gary Skinner  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9F-12-2016**

**Referral of the Revised FY 2017 and Recommended  
FY 2018 VRE Operating and Capital Budgets  
to the Commissions and Localities**

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

**WHEREAS**, the VRE Chief Executive Officer has provided the VRE Operations Board with the FY 2018 Operating and Capital Budget within the guidelines developed in concert with the jurisdictional chief administrative officers; and,

**WHEREAS**, the FY 2018 budget proposes a 3% fare increase effective the first week of July 2017, with the start of the FY 2018 budget; and,

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

**WHEREAS**, the FY 2018 budget proposes an increase to the amount charged to VRE passengers for Amtrak Step-Up tickets from \$5 to \$7, effective the first week of July 2017, with the start of the FY 2018 budget; and,

**WHEREAS**, the FY 2018 budget proposes no increase to the total jurisdictional subsidy; and,

**WHEREAS**, VRE staff recommends a budget built on an average daily ridership of 18,200 and 32 trains;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions adopt the FY 2018 VRE Operating and Capital Budget in the following amounts and forward this budget to the local jurisdictions for inclusion in their budgets and appropriations in accordance with the Master Agreement; and,

Operating Budget	\$ 84,981,231
Capital Budget	<u>48,422,591</u>
Total Operating and Capital	\$133,403,822

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions adopt the amended FY 2017 Operating and Capital Budget in the following amounts; and,

Operating Budget	\$ 83,879,147
Capital Budget	<u>61,191,609</u>
Total Operating and Capital	\$145,070,756

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to solicit comment through public hearings in Washington, DC, Crystal City, Burke, Woodbridge, Manassas, Stafford and Fredericksburg related to a proposed 3% fare increase, an increase to the cost of Step-Up tickets, and subsequent amendments to VRE's Tariff; and,

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Directors of both PRTC and NVTC to submit to the Transportation Planning Board of the National Capital Region and to the Federal Transit Administration or other federal agencies, the appropriate Transit Improvement Program and grant applications for FY 2017 and FY 2018; and,

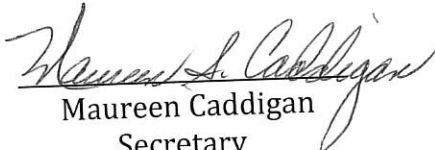
**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Executive Director of NVTC to submit to the Commonwealth the approved budget as part of the FY 2018 state aid grant applications; and,

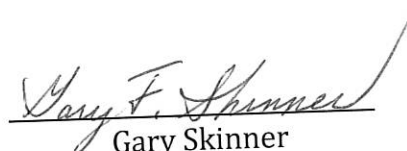
**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer of VRE to execute an Intercity Passenger Rail Operating and Capital (IPROC) funding agreement with the Virginia Department of Rail and Public Transportation in the amount of \$13,622,204 for Quantico Station Improvements and to execute any needed amendments to that agreement, including the acceptance of additional grant funds, and,

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer of VRE to execute Rail Enhancement Fund (REF) funding agreements with the Virginia Department of Rail and Public Transportation in the total amount of \$18,003,600 for Brooke and Leeland Station Improvements and to execute any needed amendments to those agreements, including the acceptance of additional grant funds, and,

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby recommend the Commissions authorize the Chief Executive Officer of VRE to submit appropriate projects to the Northern Virginia Transportation Authority or other funding authorities on behalf of the Commissions.

Approved this 16<sup>th</sup> day of December 2016.

  
Maureen Caddigan  
Secretary

  
Gary Skinner  
Chairman

**Virginia Railway Express  
Operations Board**

**Resolution  
9G-12-2016**

**Approval of 2017 VRE Officers**

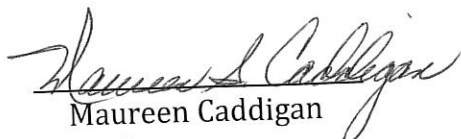
**WHEREAS**, the VRE Bylaws provides for the annual election of Officers to serve as Chairman, Vice Chairman, Secretary and Treasurer; and,

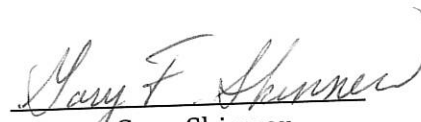
**WHEREAS**, the Office of Chairman shall be rotated each year between the two Commissions; and,

**WHEREAS**, the Chairman appointed a Nomination Committee and that Committee has made its recommendation of 2017 VRE Officers to the Operations Board;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby affirm the election of Paul Smedberg as Chairman, Maureen Caddigan as Vice Chairman, Katie Cristol as Secretary, Paul Milde as Treasurer and Gary Skinner as Immediate Past Chairman to serve as the 2017 VRE Officers to be installed at the January 27, 2017 Operations Board Meeting.

Approved this 16<sup>th</sup> day of December 2016

  
Maureen Caddigan  
Secretary

  
Gary Skinner  
Chairman



# Public Transportation Advocacy Day At The Capitol

**Hosted by: Virginia Transit  
Association  
and Virginians for High  
Speed Rail**

*Register online at:*  
[www.vatransit.com](http://www.vatransit.com)



**Monday January 23<sup>rd</sup>**

**10:00-11:00 am**

**Virginia General Assembly Building  
Committee Room 5-East**

