

**NVTC EXECUTIVE COMMITTEE MEETING
THURSDAY, MAY 5, 2022
NVTC SUITE #230 CONFERENCE ROOM
2300 Wilson Blvd., Arlington, VA 22201
6:00 p.m.**

AGENDA

Masks are no longer required at NVTC. Attendees may choose to wear a mask based on their own personal preference.

1. Meeting Summary of the March 3, 2022 Executive Committee Meeting
2. Review of the May 5, 2022 NVTC Agenda
3. Recommendation for Financial Auditing Services (Executive Committee serving as Audit Committee)
4. **ACTION: Approve Proposed Amendments to the FY 2023 NVTC General and Administrative Budget for Submission to the Commission**

Members:

Canek Aguirre, Chair
Walter Alcorn
Katie Cristol
Matt de Ferranti
Matt Letourneau
David Meyer
Dalia Palchik
Paul Smedberg
Dave Snyder

**NVTC EXECUTIVE COMMITTEE
MEETING SUMMARY
NVTC Suite #230 Conference Room
2300 Wilson Blvd., Arlington, Virginia
March 3, 2022**

NVTC Executive Committee Members Present:

Canek Aguirre, Chair
Katie Cristol
Matt de Ferrenti
Matt Letourneau (non-voting member)
David Meyer
Paul Smedberg (non-voting member)
David Snyder

NVTC Executive Committee Members Absent:

Walter Alcorn
Dalia Palchik

Staff and Others Present:

Kate Mattice, Executive Director

Chair Aguirre called the Executive Committee meeting to order at 6:03 p.m. He explained that NVTC is continuing with its safety protocols due to the COVID-19 variants. Ms. Mattice confirmed a quorum was present.

Chair Aguirre noted that the summary of the January 6, 2022 Executive Committee meeting was provided and there were no corrections from committee members.

Ms. Mattice previewed the agenda for the March 3 NVTC Commission meeting, which follows this meeting. She noted that NVTC received one general public comment, focusing on two questions related to the 7000-series railcars asking when WMATA anticipates submitting an updated service inspection plan to the Washington Metrorail Safety Commission for their review and approval and when WMATA anticipates the 7000-series railcars will return to service. Ms. Mattice stated that WMATA General Manager/CEO Paul Wiedefeld is joining the Commission to discuss WMATA issues and can address these questions. Other agenda highlights include Consent Agenda (Executive Committee appointment, Transit Recovery Marketing Campaign contract and state grant applications); updates on the I-66 Commuter Choice (FY 2023 – 2024) project eligibility results, Envision Route 7 BRT, legislative, and reports from VRE, WMATA and DRPT.

Ms. Mattice also noted that the Commission will be recognizing four departing Commissioners. NVTC was notified that the appointments of Delegates Filler-Corn, Krizek, Reid and Sullivan

expired February 2, 2022. The four new appointees to NVTC to replace them are M. David Skiles, Nick Clemente, Aimee Gilroy and John Tuck.

Ms. Mattice stated that as part of the Consent Agenda for the Commission meeting, the Commission will be asked to appoint Adam Ebbin to the Executive Committee to fill the vacancy left by Eileen Filler-Corn's departure from NVTC. NVTC's By-Laws specify the membership of the Executive Committee, which includes one member of the General Assembly. As per the By-Laws, the Executive Committee nominates the General Assembly member, followed by Commission action. Senator Ebbin has agreed to serve on the committee.

Mr. de Ferrenti moved, with a second by Mr. Smedberg, to nominate Adam Ebbin to serve on the Executive Committee. The vote in favor was cast by Committee Members Aguirre, Cristol, de Ferrenti, Meyer and Snyder. (Mr. Smedberg and Mr. Letourneau are non-voting members and did not vote.)

Chair Aguirre adjourned the meeting at 6:25 p.m.



NVTC COMMISSION MEETING
THURSDAY, MAY 5, 2022
MAIN FLOOR CONFERENCE ROOM
2300 Wilson Blvd., Arlington, VA 22201
Public Streaming Via YouTube
7:00 p.m.

AGENDA

Masks are no longer required at NVTC. Attendees may choose to wear a mask based on their own personal preference. The meeting can be viewed via the [NVTC YouTube Link](#).

5:45 p.m. Boxed Dinners Available for Commissioners Only

6:00 p.m. Executive Committee Meeting – Suite #230 Conference Room

7:00 p.m. Commission Meeting – First Floor Large Conference Room (public streaming)

*NVTC is also receiving general public comment. Persons wishing to provide **written public comments** should submit them by **3:00 p.m. on Thursday, May 5** via [NVTC's website](#). Comments will be provided to Commissioners prior to the May 5 meeting.*

1. Opening Remarks
 - General Public Comments Received
2. Recognition of New and Departing Commissioners
 - A. Oath of Office for New Commissioner
 - B. Recognition of Departing Commissioner
 - **ACTION ITEM: Approve a Resolution of Commendation for Jennifer Mitchell on Her Departure from NVTC**
3. **ACTION: Approve the Minutes of the March 3, 2022 NVTC Meeting**
4. **ACTION: Approve the Consent Agenda (subject to chair approval)**
 - A. **ACTION: Approve Resolution #2474: Authorize the Executive Director to Execute a Contract for NVTC Financial Auditing Services**
 - B. **ACTION: Approve Resolution #2475: Approve the NVTC Title VI Program and Authorize the Executive Director or Her Designee to Submit the Program to the Federal Transit Administration (FTA)**
 - C. **ACTION: Authorize the Executive Director to Send a Letter Certifying Receipt of Certain Documents from WMATA Required by State Code**

- D. **ACTION: Authorize the Chair to Send a Letter of Endorsement for the City of Alexandria's Application for the U.S. Department of Transportation's Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Discretionary Grant**
 - E. **ACTION: Authorize the Chair to Send a Letter of Endorsement for the City of Alexandria's Application for the Federal Transit Administration's Low or No Emission Vehicle and Bus and Bus Facilities Discretionary Grant Programs**
 - F. **ACTION: Authorize the Chair to Send a Letter of Endorsement for Arlington County's Application for the U.S. Department of Transportation's Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Discretionary Grant**
 - G. **ACTION: Authorize the Chair to Send a Letter of Endorsement for Fairfax County's Application for the U.S. Department of Transportation's Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Discretionary Grant**
 - H. **ACTION: Authorize the Chair to Send a Letter of Endorsement for Loudoun County's Application for the U.S. Department of Transportation's Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Discretionary Grant**
5. **ACTION: Approve the Proposed Amendments to the FY 2023 NVTC General and Administrative Budget**
6. **Washington Metropolitan Area Transit Authority (WMATA)**
- A. Report from the Virginia WMATA Board Members
 - B. **Report from the WMATA Committee Chair**
 - **ACTION: Authorize the Chair to Send a Letter to WMATA Regarding Virginia's Priorities for the Blue/Orange/Silver Corridor Capacity and Reliability Study**
 - C. Other WMATA News
7. **Report from the Chair of the Program Advisory Committee**
- A. **Transit Resource Center**
 - **ACTION: Authorize the Executive Director to Issue a Request for Proposals (RFP) for the Envision Route 7 Bus Rapid Transit (BRT) Strategic Implementation Roadmap**
 - B. Commuter Choice
 - I-66 Commuter Choice FY 2023 – 2024 Staff-Recommended Program of Projects
8. **Report from the Chair of the Legislative and Policy Committee**
- A. General Assembly Update
 - B. Transit Service Delivery Advisory Committee (TSDAC) Update
 - C. Federal Update

9. Virginia Railway Express (VRE)

- A. VRE CEO Report and Minutes
- B. **ACTION: Approve Resolution #2476: Authorize the VRE CEO to Execute a Deed of Ground Lease and Parking Garage Agreement with the Economic Development Authority of City of Manassas Park and the City of Manassas Park for a Parking Garage at the VRE Manassas Park Station**
- C. VRE Tariff Changes
- D. VRE Crystal City Station Update

10. Department of Rail and Public Transportation (DRPT)

11. Executive Director Report

- A. Executive Director Newsletter
- B. NVTC Financial Reports
- C. DRPT FY 2023 Six-Year Improvement Program (SYIP) – NVTC Funding

TO: Chair Aguirre and NVTC Executive Committee Members
FROM: Kate Mattice and Scott Kalkwarf
DATE: April 28, 2022
SUBJECT: Recommendation of Audit Firm for Financial Auditing Services

The Executive Committee will be asked to support Commission action for NVTC to enter into a contract with PBMares for a base period of three years, effective with the audit of FY 2022, with options for two additional two-year periods with the executive director exercising the option years at her discretion. No formal action is required of the Executive Committee.

Summary

On December 2, 2021, the Commission authorized the executive director to issue a Request for Proposals (RFP) for financial auditing services for NVTC jointly with VRE and PRTC, with the expectation that each entity would enter into individual contracts with the selected firm. Of the six proposing firms, PBMares, LLP was ranked highest by the selection committee.

It is recommended that NVTC enter into a contract with PBMares for a base period of three years, effective with the audit of FY 2022, with options for two additional two-year periods. The three-year base contract totals \$74,550, with annual cost escalation of approximately 2% over the four option years for a total potential contract value of \$181,200. VRE received authorization to contract with PBMares at the April Operations Board meeting, and PRTC is expected to request a similar authorization request at its May 2022 meeting.

Background

NVTC's contract for auditing services with PBMares, LLP expired with the completion of the FY 2021 audit. In 2008, NVTC and VRE jointly issued an RFP for auditing services and entered into individual contracts for a period of three years, with the option of two additional two-year periods, which were both exercised. (PBMares was also the audit firm for PRTC, but as the result of a separate procurement.) The final year of the contract covered the FY 2014 financial statement audit, and the Commission authorized the issuance of an RFP with VRE and PRTC. PBMares was selected as the highest-ranking firm in that solicitation, and the Commission authorized the executive director to enter into a new contract for three years, with the option of two additional two-year periods, which were both exercised.

On December 2, 2021, the Commission approved a request for NVTC to issue an RFP with VRE and PRTC, with expected contract terms of three years with options for two additional two-year

periods. While the intention is for each entity to contract with the same firm, the RFP did not prohibit contracting with separate firms.

As joint owners of VRE, NVTC and PRTC each recognize a portion of VRE as a proprietary fund in their audited financial statements. Contracting all three engagements with the same firm will result in the most cost-effective approach and will help to ensure timely completion of the audits.

The best practices recommended by the Government Finance Officers Association (GFOA) include the recommendation to enter into multi-year agreements of at least five years in duration. Such agreements allow for greater continuity and help to minimize the potential for disruption in connection with the audit. Multi-year agreements can also help to reduce audit costs by allowing auditors to recover certain “start-up” costs over several years, rather than over a shorter period. At the conclusion of the contract, a competitive procurement process is recommended whereby participation of all qualified firms, including the current auditors, is sought.

While the perception that auditor independence may be enhanced by required audit firm rotation at the end of the audit contract, the GFOA recognizes the frequent lack of competition among audit firms fully qualified to perform public-sector audits and meeting a government’s unique selection criteria. The GFOA further recommends that the audit procurement process should be structured so that the principal factor in the selection of an auditor is the auditor’s ability to perform a quality audit. Accordingly, the GFOA does not recommend the mandatory rotation of auditors.

A distribution list of five prospective firms was established. To ensure maximum participation, the RFP was also posted on eVA, Virginia’s procurement portal. On February 10, 2022, the RFP was issued, and six proposals were received by the March 10, 2022 due date.

Ranking and Selection

The proposals were evaluated by a selection committee composed of financial staff from NVTC, PRTC and VRE, using the following criteria:

- Qualifications and government experience of the firm
- Qualifications and government experience of assigned staff including experience with Virginia localities, commissions, authorities and the public transit industry
- Audit understanding, approach and work plan
- Ability to complete audit by required deadlines
- Commitment to provide continuity of audit staff
- References from clients with similar size and complexity

Interviews were conducted with the top four ranked firms. The proposal from PBMares, LLP was ranked highest by the selection committee.

TO: Chair Aguirre and NVTC Executive Committee Members
FROM: Kate Mattice and Scott Kalkwarf
DATE: April 28, 2022
SUBJECT: Proposed Amendments to the FY 2023 NVTC General and Administrative Budget

ACTION: Approve the Proposed Amendments to the FY 2023 NVTC General and Administrative Budget for Submission to the Commission

The Executive Committee will be asked to approve proposed amendments to the FY 2023 NVTC G&A Budget for submission to the Commission. The amendments total \$50,000, a 1.2% increase, for additional funding related to employee compensation and the training and professional development budget lines. The funding would be applied from state assistance to the local jurisdictions through NVTC and would not impact the direct contributions from the jurisdictions' budgets. The Commission will be asked to take action at its May 5 meeting.

NVTC historically attempts to align salary adjustments with those of the member local jurisdiction. The FY 2023 Budget was developed this past fall before long-term inflation concerns and our jurisdictions' budget assumptions were fully known. The NVTC budget, which was approved in January, includes a conservative 2% cost-of-living (COLA) adjustment and 2% for potential merit increases. The FY 2023 advertised budgets for NVTC's larger jurisdictions on average include approximately 6% in salary increases for COLA, step and merit increases.

In addition, effective with FY 2023, NVTC intends to transition to a new formal pay scale approach for employee compensation, from the present percentage-based method. This pay scale structure is similar to the approach used by several of our member jurisdictions, as well as the federal government. Under this method staff positions are classified into grade ranges, where an employee can earn steps within those ranges based upon performance. Compared to the current method, it is expected this structure will provide more predictability and transparency for staff and will allow them to better see the growth potential within NVTC.

A budget amendment for employee compensation of \$40,000 will allow for a COLA adjustment approaching 4%, combined with budgeted merit increases of 2%. The additional funding will also allow NVTC to implement this new pay scale structure in a fair and equitable manner among staff, while recognizing increases consistent with our jurisdictions.

The present long-term inflation trend is resulting in greatly increased travel costs, beyond what was assumed in the approved budget. Additional funding of \$10,000 for the training and professional development line will assist in meeting these rising costs.