

MINUTES
NVTC COMMISSION MEETING – MAY 6, 2004
NVTC CONFERENCE ROOM - ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Euille at 8:12 P.M.

Members Present

Sharon Bulova
Gerald Connolly
William D. Euille
Paul Ferguson
Jay Fiset
Ludwig Gaines
Catherine M. Hudgins
Dana Kauffman
Elaine McConnell
Karen Rae (DRPT)
David F. Snyder
Mary Margaret Whipple

Members Absent

David Albo
William C. Mims
Gary A. Reese
Scott Silverthorne
Mick Staton
Christopher Zimmerman

Staff Present

Rhonda Gilchrest
Scott Kalkwarf
Steve MacIsaac (VRE)
Adam McGavock
Mark Roeber (VRE)
Jennifer Straub (VRE)
Richard K. Taube
Dale Zehner (VRE)

Chairman Euille suggested beginning the meeting with discussion items while waiting for a quorum. There were no objections.

Regional Sources of Funding for Metro Matters and VRE Capital Needs

Mr. Taube explained that commissioners asked staff to assemble information about the revenue yield of various sources of funding that might be available to support WMATA's Metro Matters needs as well as those of the other transit systems in the region. The estimates are based on dated materials done by TPB so if the commission wanted it updated, it could ask the TPB consultant to update the information. Chairman Euille stated that in light of the state's budget and the expected funding shortfalls for the region, there should be the understanding that it is important to identify funding for transit as well as other regional transportation needs.

Mrs. Hudgins stated that it would be helpful to compare other major transit systems and their funding sources. Mr. Taube offered to provide this information.

Commissioners talked about the approach NVTC wants to take with this information. Mrs. Bulova stated that local jurisdictions and other regional bodies should be included in a request to TPB to update the earlier estimates of yields from various revenue sources.

Mr. Fisette arrived at 8:20 P.M.

Mrs. Whipple stated that for a regionwide tax, there should be flexibility so that each state wouldn't necessarily need to do the identical tax. Mr. Connolly stated that Maryland is particularly sensitive to this issue.

Mrs. Whipple stated that her bill which would have increased the Northern Virginia gasoline tax from two to four percent passed the Senate during the recent General Assembly session and she expressed her hope that it can get through both Houses next year.

Mr. Kauffman joined the discussion at 8:24 P.M.

Ms. Rae stated that the way state funding flows for transit and transportation funding, the state relies on the local planning documents (TIP's). For VRE and WMATA, since the TIP's are constrained at the local level, the statewide needs do not include all VRE and WMATA needs. She stated that another dynamic is that if these needs are rolled in, the statewide capital program matching ratio drops from a 40 percent state share to 12 percent. This could put smaller transit systems out of business.

Status of NVTC FY 2005 State Grant Requests

Mr. Taube reported that the FY 2005 state budget should be approved tomorrow. Less funds are now projected to be available in the Mass Transit Trust Fund as a result of most FRAN debt service not being paid out of the general fund as was previously thought. In addition, the budget would not provide an additional revenue sources for transit purposes. As a result, operating assistance is expected to be 1.7 percent less than previously projected, although the projected capital matching ratio and special projects assistance should not be affected. Overall, this will mean less funding for VRE and WMATA, including the loss of \$2 million annually for each system for new railcars. An important question is: If VRE is successful in getting federal earmarks, will the state be able to provide the non-federal matching funds?

Mr. Kauffman stated that it would be helpful for staff to compile a summary of the final version of state budget and how it affects the local transit systems.

Updated Northern Virginia Transit System Performance Measures

Mr. Taube explained that this information has been updated to include FY 2003 data as reported to FTA for the National Transit Database. It shows a favorable picture of the performance of transit systems serving Northern Virginia. Despite lingering effects of the economic downturn and severe funding shortages, ridership growth remains well above the national average.

Legislative Items

Mr. Taube reported that there has been a two-month extension of the TEA-21 reauthorization bill. A conference will be needed to reconcile the House version of TEA-21 reauthorization (known as TEA-LU) at \$275 billion over six years (\$51.5 billion for transit), with the Senate version at \$318 billion (\$56.5 billion for transit). The Bush Administration favors \$256 billion (\$45.8 billion for transit) and has threatened a veto.

Mr. Connolly stated that it is his understanding that Congress is unlikely to override a Presidential veto, which puts the legislation in jeopardy. Chairman Eulle stated that this is probably because of the war and finances are tight. In response to a question from Mrs. Whipple, Mr. Connolly guessed that it would be extended through next year.

WMATA Items

Rail to Dulles. Mr. Taube reported that the WMATA Board approved DRPT's request to continue WMATA's role in the public-private consortium seeking to extend Metrorail in the Dulles Corridor. Staff has drafted an op-ed piece for the Journal Newspapers talking about the benefits of the project. He stated that NVTC has not gone on record endorsing the Dulles project.

Mrs. Hudgins stated that if the op-ed piece is too long, the paper will edit it. Mr. Connolly expressed his support for sending the article and going on record supporting the Dulles project. He thanked Mr. Zimmerman for his work with the WMATA Board to get a unanimous vote. He thanked Mr. Snyder also.

Regional Transportation Items

Traffic: Why It's Getting Worse, What Government Can Do. In a Policy Brief #128 (January, 2004) the Brookings Institution published a monograph by Anthony Downs. His premise is that traffic congestion is an "inescapable condition in large and growing metropolitan areas across the world." It is an "inherent result of the way modern societies operate." He states that congestion is not actually a problem, but is a solution to the real problem: Too many people want to move at the same time each day. The author lists strategies that will help slow the future rate of increased traffic congestion.

Americans Support Public Transportation Growth and Investment. APTA has released the results of a study conducted by Wirthlin Worldwide. Key findings include 80 percent of respondents see quality of life benefits from transit; 92 percent want federal transportation reauthorization immediately; 76 percent favor public funding for transit improvements; and a majority thinks transportation investment is preferable to tax cuts to stimulate the economy.

Census 2000 Journey to Work Analysis. In March, 2004, the Census issued a "Census 2000 Brief" that reexamines the results of the 2000 Census "Journey to Work" data from the 2000 Census Demographic Profile. Census estimates show that transit work trips in Northern Virginia increased by 5.5 percent from 1990 to 2000. Although the number is far lower than the actual 25 percent increase in transit ridership in Northern Virginia from 1990 to 2000, it is encouraging to see that the Census does show an increase in transit trips in Northern Virginia.

Bike to Work Day. Mr. Taube announced that Bike to Work day is scheduled for May 7th.

NVTC Financial Reports for March, 2004

The financial reports were provided to commissioners. Mr. Taube stated that there is a reporting error on page 10 of the gas tax revenue report. It will be corrected. Mrs. Whipple stated that it would be helpful to have an estimate of projected increased revenues due to the higher gasoline prices. She speculated that it should make a noticeable difference. Mr. Connolly agreed that it would be helpful to have this analysis.

VRE Items

FY 2003 Auditors' Management Letters. Mr. Taube stated that the commission has previously reviewed the FY 2003 VRE financial report. It received a clean audit opinion from the NVTC/VRE independent auditors, PBGH LLP. However, the auditors did provide three management letters setting forth some concerns. VRE staff has responded to these concerns and the VRE Audit and Finance Committee and the VRE Operations Board have been monitoring these issues.

Mr. Connolly expressed his concern that VRE doesn't have clear written policies on issues such as access to the computer room and the use of credit cards. Mr. Zehner responded that VRE has had a policy on credit card usage, although more strict guidelines have recently been implemented. VRE staff will be meeting with the auditors to review the changes made and get their feedback if further improvements are needed. Mrs. McConnell stated that it is important to have written policies on any issue that needs to be enforced.

Mrs. Whipple asked about the integrated financial management software and why it would take so long to acquire it. She wondered if there would be an "off the shelf" version that could be implemented faster. Mr. Zehner stated that the RFP is for "off the shelf" software.

Mrs. Bulova stated that the VRE Audit and Finance Committee talked about the concept of establishing an ethics officer and appointing Steve MacIsaac to that position. Mr. Zehner stated that this will be included.

VRE Fare Restructuring. Mrs. Bulova reported that the VRE Operations Board recommends approval of Resolution #1013, which would authorize VRE staff to implement several changes to VRE's fare structure, including changes to the base fare and zone charges sufficient to yield the six percent increase in fare revenue included in VRE's approved FY 2005 budget. She stated that VRE held public hearings and the comments received were very constructive. VRE staff did a good job of responding to these concerns and as a result of some of these comments, made changes to the proposed fare structure.

Mr. Snyder arrived at 9:04 P.M.

On a motion by Mrs. Bulova and a second by Mr. Connolly, the commission unanimously approved Resolution #1013 (copy attached). The vote in favor was cast by commissioners Bulova, Connolly, Euille, Ferguson, Fisette, Gaines, Hudgins, Kauffman, McConnell, Rae, Snyder and Whipple.

Sale and Procurement of VRE Railcars. Mrs. Bulova explained that the VRE Operations Board recommends approval of Resolution #1014, which would authorize VRE's Acting Chief Operating Officer to enter into an agreement to sell VRE's fleet of 38 single-level Mafersa railcars and spare parts to the Connecticut DOT, with an option for five of the trailer cars for DRPT. DRPT is also seeking a right of first refusal for all of the Mafersa cars if and when ConnDOT decides to sell them.

Mrs. Bulova stated that the total price is \$15.2 million. In the meantime, replacements for the 10 Mafersa cab cars are needed and the resolution authorizes staff to issue a RFP for 11 bi-level cab cars (including one to accommodate growth). Further, 50 additional VRE railcars are needed and the RFP would include such an option.

Mrs. Bulova moved, with a second by Mr. Connolly, to approve the resolution. The vote in favor was cast by commissioners Bulova, Connolly, Euille, Ferguson, Fisette, Gaines, Hudgins, Kauffman, McConnell, Rae, Snyder and Whipple. (A copy of the resolution is attached.)

Facilities Maintenance Contract and Procurement. Mrs. Bulova stated that the VRE Operations Board recommends approval of Resolution #1015. The resolution would authorize VRE's Acting Chief Operating Officer to increase the current facilities maintenance contract with D&L Contractors, Inc. by \$192,500 to accommodate security enhancements, ice removal and painting. Since the contract expires in July, 2004, the resolution would also authorize staff to issue a RFP for future facilities maintenance services.

On a motion by Mrs. Bulova and a second by Mrs. McConnell, the commission unanimously approved Resolution #1015 (copy attached). The vote in favor was cast by commissioners Bulova, Connolly, Euille, Ferguson, Fisette, Gaines, Hudgins, Kauffman, McConnell, Rae, Snyder and Whipple.

Contract Award for Mechanical Engineering. Mrs. Bulova stated that Resolution #1016 would authorize award of a contract for mechanical engineering consulting. The term of the contract is five years for a maximum amount of \$5 million. Each task order over \$30,000 will be approved by the VRE Operations Board and by the commissions if over \$200,000. Three proposals were evaluated by VRE staff. The contract will go to STV, Inc. with sub-

contractors including Jas-Tec (DBE), VirginKar and Associates (DBE) and RailPlan International.

Mrs. Bulova moved, with a second by Mrs. McConnell, to approve Resolution #1016 (copy attached). The vote in favor was cast by commissioners Bulova, Connolly, Euille, Ferguson, Fisetta, Gaines, Hudgins, Kauffman, McConnell, Rae, Snyder and Whipple.

Diesel Fuel Supply Contract. Mrs. Bulova reported that Resolution #1017 would authorize the VRE Acting Chief Operating Officer to execute a contract with Mifco Heating Oil of Manassas for one year, with four additional one-year options. Mifco will supply diesel fuel (currently 1.2 million gallons annually) to VRE at a fixed margin above a wholesale delivery point.

Mrs. Bulova moved, with a second by Mrs. McConnell, to approve Resolution #1017 (copy attached). The vote in favor was cast by commissioners Bulova, Connolly, Euille, Ferguson, Fisetta, Gaines, Hudgins, Kauffman, McConnell, Rae, Snyder and Whipple.

Minutes of NVTC's Meeting of April 1, 2004

On a motion by Mr. Connolly and a second by Mr. Gaines, the commission unanimously approved the minutes. The vote in favor was cast by commissioners Bulova, Connolly, Euille, Ferguson, Fisetta, Gaines, Hudgins, Kauffman, McConnell, Rae, Snyder and Whipple.

Action Items

Dulles Corridor Rail Project. On a motion by Mrs. Whipple and a second by Mr. Connolly, the commission unanimously moved that NVTC support the expansion of Metrorail in the Dulles Corridor. The vote in favor was cast by commissioners Bulova, Connolly, Euille, Ferguson, Fisetta, Gaines, Hudgins, Kauffman, McConnell, Rae, Snyder and Whipple.

Ms. Rae explained that the state is waiting for a letter from FTA giving final approval for preliminary engineering for this corridor project. She suggested either waiting to send the op-ed piece until the letter arrives or changing the wording. Mrs. Whipple suggested taking out the words "as it enters into the preliminary engineering phase." There were no objections.

Sources of Regional Funding for Metro Matters and VRE Capital Needs. Mr. Connolly moved, with a second by Mrs. Hudgins, that NVTC request that TPB update the regional sources of funding for WMATA and VRE capital needs.

The vote in favor was cast by commissioners Bulova, Connolly, Euille, Ferguson, Fisetete, Gaines, Hudgins, Kauffman, McConnell, Rae, Snyder and Whipple.

Closed Session on a Personnel Matter

Mrs. McConnell made, with a second by Mr. Gaines, the following motion to enter into closed session:

Pursuant to the Virginia Freedom of Information Act (Section 2.2-3711A.1 of the Code of Virginia), the Northern Virginia Transportation Commission authorizes a closed session for the purpose of discussion of personnel matters relating to the selection of a VRE Chief Executive Officer.

The vote in favor was cast by commissioners Bulova, Connolly, Euille, Ferguson, Fisetete, Gaines, Hudgins, Kauffman, McConnell, Rae, Snyder and Whipple.

The commission entered into closed session at 9:14 P.M. At 9:39 P.M., Mr. Snyder moved, with a second by Mr. Gaines, to return to open session. The vote in favor was cast by commissioners Bulova, Connolly, Euille, Ferguson, Fisetete, Gaines, Hudgins, Kauffman, McConnell, Rae, Snyder and Whipple.

Mrs. Bulova moved, with a second by Mr. Connolly, to approve the following certification:

The Northern Virginia Transportation Commission certifies that, to the best of each member's knowledge and with no individual member dissenting, at the just concluded closed session:

1. Only public business matters lawfully exempted from open meeting requirements under the Freedom of Information Act were discussed; and
2. Only such public business matters as were identified in the motion by which the closed session was convened were heard, discussed or considered.

The vote in favor was cast by commissioners Bulova, Connolly, Euille, Ferguson, Fisetete, Gaines, Hudgins, Kauffman, McConnell, Rae, Snyder and Whipple.

On a motion by Mrs. Bulova and a second by Mr. Gaines, the commission unanimously approved Resolution #1018 (copy attached), which would authorize the VRE Operations Board Chairman, with the assistance of VRE's legal

counsel, to negotiate with the top-ranked candidate and to conclude a mutually acceptable employment agreement within the parameters set by the commission in closed session. The VRE Operations Board Executive Committee would also use the performance objectives discussed during closed session. The vote in favor was cast by commissioners Bulova, Connolly, Euille, Ferguson, Fisette, Gaines, Hudgins, Kauffman, McConnell, Rae, Snyder and Whipple.

Adjournment

Without objection, Chairman Euille adjourned the meeting at 9:40 P.M.

Approved this third day of June, 2004.

William D. Euille
Chairman

Gerald Connolly
Secretary-Treasurer