The following items were handed out at the November 14, 2019 NVTC Meeting.
November 15, 2019

Ms. Monica Backmon
Executive Director
Northern Virginia Transportation Authority
3040 Williams Drive, Suite 200
Fairfax, Virginia 22031

RE: Endorsement of Arlington County’s Transit Project Application to the Northern Virginia Transportation Authority’s (NVTA) FY2020-FY2025 Six-Year Program

Dear Ms. Backmon:

On behalf of the Northern Virginia Transportation Commission (NVTC), I am writing to express support for Arlington County’s project application to the NVTA FY2020-FY2025 Six-Year Program:

- Ballston-MU Metrorail West Entrance - $33,510,000 (TransAction Project Title and ID: Ballston -MU Additional Entrance, 63)

The Ballston-MU Metrorail West Entrance project will construct a second entrance to the Ballston-MU Metrorail Station. The current entrance, at N. Fairfax Drive and N. Stuart Street, is located at the far eastern edge of the train platform. The new entrance will be located nearly a quarter-mile to the west, at N. Fairfax Drive and N. Vermont Street. The new entrance will include escalators and/or stairs and two street-level elevators connecting to the fare payment area, an underground passageway, and new mezzanine with escalators and/or stairs and elevators to the train platform. The new entrance will have fare gates, fare vending machines, and an attended kiosk. The new entrance will provide more direct access to businesses and residences on the west side of Ballston where high-density redevelopment has continued. It will relieve congested conditions at the current entrance and provide for more even distribution along the train platform, enabling more efficient loading/unloading and thus reduce passenger crowding on trains. It will also provide adequate egress during emergency situations and improve bus-to-Metro transfers from buses operating along I-66.

This project will improve connections to regional transit facilities, move more people, and improve mobility along major multimodal corridors in Northern Virginia.

NVTC is invested in the success of WMATA, VRE, and bus service in its member jurisdictions and throughout Northern Virginia. Leveraging regional funding sources for jurisdictional transit projects will provide significant, long-term benefits to congestion relief, transit and the economy of the region.

Thank you for your consideration.

Sincerely,

Matthew Letourneau
Chairman
GM/CEO’s FY2021 Proposed Budget

Strengthening Metro to Better Serve the Region

Finance and Capital Committee

November 7, 2019
Purpose

Present the General Manager/CEO’s Recommended FY2021-2026 Capital Improvement Program and FY2021 Operating Budget

- Budget Priorities
- Proposed FY2021-2026 Capital Improvement Program
- Proposed FY2021 Operating Budget
- Budget Calendar
Enhance System Safety, Reliability, and Fiscal Accountability

FY2021-2026 Capital Improvement Program
- Focus on State of Good Repair and customer experience
- Maximize project coordination for major system repairs and upgrades
- Leverage dedicated revenue to maximize capital investment

FY2021 Operating Budget
- Improve service and customer experience
- Enhance fare options to drive ridership
- Limit subsidy growth to mandated level
FY2021-FY2026
Capital Improvement Program Budget
Capital Program Strategy

- **Safe, Reliable, and Affordable**
  - Prioritize rehabilitation and replacement of assets to improve passenger and worker safety
  - Regularly evaluate asset condition and reliability to meet customer needs
  - Invest in technology to modernize how people travel

- **Strategic transformation of the capital program**
  - Active capital planning
  - Retooling efforts to maintain, modernize, and upgrade infrastructure
    - Target assets before they deteriorate
    - Bolstering project delivery
    - Monitoring performance
Capital Program Progress

- Positive impact on key performance measures in FY2019
  - Safety – Rail system fires decreased by 14% compared to FY2018
  - On-time performance – Met target of 88% on-time performance
  - Infrastructure availability – 97.4% of rail infrastructure was available during passenger hours an increase from 94.8%
  - Railcar reliability – 41% fewer offloads and more on-time arrivals at their destinations

- Addressing longstanding challenges:
  - Platform reconstruction for customer safety
  - Track rehabilitation to safely keep trains moving
  - Railcar procurement for customer safety, comfort and service reliability
  - Bus garage construction to improve safety and efficiency and increase productivity
  - Radio and wireless infrastructure/equipment replacement for increased safety and customer satisfaction

- Increased delivery of capital investments meeting critical needs

- Metro will continue to rehabilitate, replace, and modernize the system
Metro’s 10-Year Unconstrained Capital Needs Total $22.5B

- State of Good Repair: $10.7B
- System Modernization: $6.8B
- State of Good Repair Backlog: $5.0B

State of Good Repair Need by Category ($15.7B):
- Guideway: 16%
- Vehicles: 25%
- Systems: 24%
- Facilities: 21%
- Stations: 14%
### Capital Program Progress

**$2 Billion Reduction in State of Good Repair Backlog**

#### 2016 Backlog: $7.08B

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicles</td>
<td>$0.8</td>
</tr>
<tr>
<td>Track &amp; Structures</td>
<td>$1.62</td>
</tr>
<tr>
<td>Stations</td>
<td>$0.83</td>
</tr>
<tr>
<td>Systems</td>
<td>$2.73</td>
</tr>
<tr>
<td>Facilities</td>
<td>$1.10</td>
</tr>
</tbody>
</table>

#### 2018 Backlog: $5.04B

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>System Modernization</td>
<td>$6.8B</td>
</tr>
<tr>
<td>State of Good Repair</td>
<td>$5.0B</td>
</tr>
<tr>
<td>State of Good Repair</td>
<td>$16.7B</td>
</tr>
</tbody>
</table>

- **2016 Total:** $7.08B
- **2018 Total:** $5.04B

(2019 $B)

- Escalator and Elevator Replacement & Rehabilitation: $0.61B
- SafeTrack & Track Rehabilitation • Tunnel Water Mitigation: $0.12B
- Traction Power Substation, Tie Breaker Station & Cabling Replacements • Train Control Switch Machine & Track Circuit Replacements: $2.50B
- Rail Yard Facility Rehabilitation: $1.24B
10-Year Capital Plan ($B)

Future Investment

- **10-Year Capital Plan**
  - Total Investment $1.8B

- **6-Year Capital Improvement Program (CIP)**
  - Total Investment $9.7B

**Capital Budget**
- Total 1-Year Investment $1.8B

**Investments Continuing Beyond the 10-Year Plan of Approximately $3.5B include:**
- Continued Required State of Good Repair and Safety Investments
- 8000 Series Railcar Acquisition
- Next Generation Signal System
- Tunnel Ventilation Improvements
- Water Intrusion Remediation
- Passenger Circulation Station Improvements
- Railyard Optimization
Customer Facilities & Experience

Stations & Passenger Facilities

Station Systems Improvements
- Public Address Systems
- Passenger Information Displays
- Lighting
- Fare Collection
- Fire Systems
- Station Cooling Systems

Station Infrastructure Upgrades
- Elevator & Escalator Rehabilitation & Replacement
- Platform Rehabilitation - East Falls Church, West Falls Church, Dunn Loring, Vienna, Cheverly, Landover, New Carrollton, Addison Road, National Airport and Arlington Cemetery
- Bicycle-Pedestrian Infrastructure Upgrades

Bus Station and Terminal Upgrades
- Metrobus Shelter Replacement
- Bus Stop Accessibility

Proposed Program
Customer Facilities & Experience

$2.3B
FY2021-FY2026
Proposed Capital Program

$560M
FY2021
Proposed Capital Budget
Major Capital Program Investments

Vehicles

**Railcars**

**Railcar Acquisition**
- Complete 7000-Series Railcar Acquisition
- Begin 8000-Series Railcar Acquisition

**Railcar Safety & Reliability**
- Railcar Scheduled Rehabilitation and Preventive Maintenance

**Bus & Paratransit Vehicles**

**Bus Acquisition & Rehabilitation**
- Bus Acquisition Program
- Bus Rehabilitation Program
- Metrobus Onboard Location Equipment
- Electric Bus Demonstration

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**Proposed Program Vehicles**

**$2.5B**
FY2021-FY2026
Proposed Capital Program

**$399M**
FY2021
Proposed Capital Budget
## Infrastructure, Systems & Support Facilities

### Track & Structures
- **Track Rehabilitation**
  - Track & Structures Rehabilitation

### Rail Systems
- **Traction Power**
  - Rail Power System Rehabilitation • Emergency Trip Station System Replacement and Upgrades
- **Automatic Train Control (ATC)**
  - Track Circuit Cable Replacement • Switch Machine Replacement Program • Train Control System Rehabilitation

### Bus & Paratransit Infrastructure
- **Bus Garage Replacement**
  - Northern and Bladensburg Bus Garage Replacement

### Business Support
- **Office Consolidation**
  - New Office Buildings in the District of Columbia, Maryland and Virginia • New Data Center Infrastructure

### Information Technology Investments
- **Enterprise Resource Planning (ERP)**
  - Software Replacement

## Proposed Program

**Infrastructure, Systems & Support Facilities**

**$5.0B**

FY2021-FY2026

Proposed Capital Program

**$840M**

FY2021

Proposed Capital Budget
Capital Program Sources & Uses

FY2021 Capital Program Sources
Total: $1.8B

- Jurisdictional: 23%
- Dedicated Funding Pay-Go: 26%
- Federal PRIIA: 8%
- Federal: 20%
- Debt: 15%
- Reimbursable: 8%

FY2021 Capital Program Uses
Total: $1.8B

- Stations & Passenger Facilities: 32%
- Railcar: 15%
- Rail Systems: 9%
- Track & Structures: 9%
- Bus & Paratransit: 12%
- Business Support: 23%
- Rail: 9%
- Debt: 15%
- PRIIA: 8%
- Reimbursable: 8%
- Federal: 20%
- Dedicated Funding Pay-Go: 26%
- Jurisdictional: 23%
Capital Program Publications

**Capital Needs Forecast**
- Existing safety and rebuilding needs and anticipated costs to achieve and maintain a state of good repair

**Capital Program Strategy**
- High-level vision and goals for capital investments
  - Establish priorities
  - Expected outcomes

**10-Year Capital Plan**
- Individual planned investments to accomplish strategy
  - Project-level detail
  - Preliminary cost estimates and schedules
  - 10-year investment plan

**6-Year Capital Improvement Program**
- FY2021-2026 Proposed Capital Improvement Program
  - Capital Budget for FY2021-expenditure forecast and funding plan

**Program Documents**
- Understanding existing & anticipated needs
- Outlining the vision and goals for capital investments
- Investment plan over next 10 years to accomplish the strategy
- Investment proposal with list of priority projects & programs recognizing resource and capacity constraints

**DRAFT**
- FY2021 Proposed Budget
Program Schedule

**SUMMER**
Start of new fiscal year on July 1st

**FALL**
- Publication of Capital Plan Overview
- Publication of Proposed Capital Program

**SPRING**
- Board Approval of Capital Program
- Mid-year update of Capital Plan Overview

**WINTER/SPRING**
- Board Review of Proposed Capital Program
- Public Hearings on Capital Program
FY2021 Operating Budget
FY2021 Operating Subsidy Formulation

Base Operating Subsidy

FY2020 Subsidy + 3% Subsidy Growth Cap → FY2021 Capped Subsidy

Allowable Above Base Operating Subsidy

FY2021 Capped Subsidy + Legislative Exclusions → FY2021 Budget Subsidy
Strategic Budget Considerations

**Base Subsidy Growth**
- Mandated 3% cap
- Management efficiencies

**Revenue Drivers**
- Platform Improvement Project
- Ridership and fare evasion

**Expense Drivers**
- Collective bargaining agreements
- Salaries, wages and fringe benefits
- Energy and materials volatility

**Exclusions**
- Silver Line Phase 2
- ADA paratransit cost increase
- Safety and Health Mandate Growth

**Policy Decisions**
- Late Night Hours of Service on Metrorail
- Enhanced customer experience
- Fares
- Extra Services Fund
## Base Operating Expense Grows by 2% in FY2021

<table>
<thead>
<tr>
<th>($ in millions)</th>
<th>Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2020 Operating Budget</td>
<td>$1,939.9</td>
</tr>
<tr>
<td><strong>FY2021 Operating Subsidy Drivers</strong></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>$33.8</td>
</tr>
<tr>
<td>Fringe Benefits</td>
<td>$13.0</td>
</tr>
<tr>
<td>Services and Materials Inflation</td>
<td>$10.7</td>
</tr>
<tr>
<td>Capital Overhead Allocation</td>
<td>($18.9)</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$38.6</strong></td>
</tr>
<tr>
<td><strong>FY2021 Base Operating Budget</strong></td>
<td><strong>$1,978.5</strong></td>
</tr>
</tbody>
</table>

1. Does not include Silver Line 2 which is Legislatively Excluded from Mandated 3% Subsidy Growth Cap
## Base FY2021 Operating Revenue Decreases by $3.6 Million

<table>
<thead>
<tr>
<th></th>
<th>FY2020</th>
<th>FY2021</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expense</strong></td>
<td>$1,939.9</td>
<td>$1,978.5</td>
<td>$38.6</td>
<td>2.0%</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>$814.4</td>
<td>$810.8</td>
<td>($3.6)</td>
<td>-0.4%</td>
</tr>
<tr>
<td><strong>Required Subsidy</strong></td>
<td>$1,125.5</td>
<td>$1,167.7</td>
<td>$42.2</td>
<td>3.7%</td>
</tr>
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</table>
### Base Operating Subsidy Stays at Mandated 3% Cap in FY2021

<table>
<thead>
<tr>
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<th>Subsidy Contribution</th>
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<tbody>
<tr>
<td><strong>FY2020 Subsidy</strong></td>
<td><strong>$1,125.5</strong></td>
</tr>
<tr>
<td><strong>Subsidy Requirement</strong></td>
<td></td>
</tr>
<tr>
<td>FY2021 Expense Growth</td>
<td>$38.6</td>
</tr>
<tr>
<td>FY2021 Revenue Loss</td>
<td>$3.6</td>
</tr>
<tr>
<td>Less FY2021 Mandated Subsidy Growth Cap</td>
<td>($33.8)</td>
</tr>
<tr>
<td><strong>Required Management Actions</strong></td>
<td><strong>$8.4</strong></td>
</tr>
</tbody>
</table>
Management Actions Grow to $194 Million by FY2021

**Major Initiatives**
- Eliminated 800 positions
- Healthcare cost-sharing
- Administrative streamlining
- Non-fare revenue improvements including Advertising and Parking
- Increased fares
- Competitive contracting

**$8M Additional Savings Required**

<table>
<thead>
<tr>
<th></th>
<th>FY2018</th>
<th>FY2019</th>
<th>FY2020</th>
<th>FY2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Savings Achieved</td>
<td>$98</td>
<td>$136</td>
<td>$186</td>
<td>$186</td>
</tr>
<tr>
<td>Savings Required</td>
<td></td>
<td></td>
<td></td>
<td>$194</td>
</tr>
</tbody>
</table>
FY2021 Initiatives Are Within 3% Subsidy Cap
Further Improve Service to Win Back Riders

- Faster Metrobus Routes
- Additional Metrorail Service
- Increase Operating Efficiency
- Improve Metrobus Service
- Enhance Fare Options

+2M Trips
- $3M Revenue

Year
## FY2021 Management Initiatives

### Improving Service and Customer Experience

<table>
<thead>
<tr>
<th>Initiatives</th>
<th>Cost</th>
<th>Revenue</th>
<th>Subsidy</th>
<th>Ridership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Better Weekend Metrobus Service</td>
<td>$3.9</td>
<td>$1.0</td>
<td>$2.9</td>
<td>1.2</td>
</tr>
<tr>
<td>Improve MetroExtra Service</td>
<td>$3.4</td>
<td>$1.2</td>
<td>$2.2</td>
<td>1.2</td>
</tr>
<tr>
<td>Better Weekend Metrorail Service</td>
<td>$3.6</td>
<td>$1.3</td>
<td>$2.3</td>
<td>0.6</td>
</tr>
<tr>
<td>Restore Late Night Metrorail Service</td>
<td>$5.0</td>
<td>$1.2</td>
<td>$3.8</td>
<td>0.4</td>
</tr>
<tr>
<td>Improve Customer Service</td>
<td>$2.5</td>
<td>$0.0</td>
<td>$2.5</td>
<td>0.0</td>
</tr>
<tr>
<td>Reduce Less Productive Bus Routes</td>
<td>($32.9)</td>
<td>($3.3)</td>
<td>($29.6)</td>
<td>(3.2)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>($14.6)</td>
<td>$1.3</td>
<td>($15.9)</td>
<td>0.2</td>
</tr>
</tbody>
</table>
## Enhancing Fare Options to Drive Ridership

### FY2021 Management Initiatives

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Change</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Metrorail</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peak Base Fare</td>
<td>$2.25</td>
<td>+$0.10</td>
<td>$2.35</td>
</tr>
<tr>
<td>Simplify Mileage Tiers(^1)</td>
<td>Varies</td>
<td>+$0.04</td>
<td>$0.33</td>
</tr>
<tr>
<td>Peak Max Fare</td>
<td>$6.00</td>
<td>+$1.00</td>
<td>$7.00</td>
</tr>
<tr>
<td>Weekend Flat Fare</td>
<td>Varies</td>
<td>Up to -$1.85</td>
<td>$2.00</td>
</tr>
<tr>
<td><strong>Metrobus</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fare without SmarTrip</td>
<td>$2.00</td>
<td>+$0.25</td>
<td>$2.25</td>
</tr>
<tr>
<td>Onboard Cash Loading</td>
<td>$0.00</td>
<td>+$0.25</td>
<td>$0.25</td>
</tr>
<tr>
<td>Lower 7-Day Pass Price</td>
<td>$15.00</td>
<td>-$3.00</td>
<td>$12.00</td>
</tr>
<tr>
<td><strong>Metrorail + Metrobus</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full Transfer Discount</td>
<td>$0.50</td>
<td>+$1.50</td>
<td>$2.00</td>
</tr>
</tbody>
</table>

### No Change

- **Metrorail**
  - Off-Peak Base Fare
  - Off-Peak Max Fare
  - Unlimited Monthly Passes
  - 1-, 3-, 7-Day Unlimited Passes
  - 7-Day Short Trip Unlimited Pass

- **Metrobus**
  - Fare with SmarTrip

- **MetroAccess**
  - Max Fare

\(^1\) Standardizes variable Peak Mileage rate of $0.29 to $0.33 to $0.33.
Regional Improvements to Drive Metrobus Service and Financial Performance

60 Miles

48% of Metrobus average weekday riders
37% of Metrobus weekday revenue miles

<table>
<thead>
<tr>
<th>Jurisdictional Control</th>
<th>Bus Lanes</th>
<th>Signal Priority</th>
<th>Queue Jump Lanes</th>
<th>Improved Bus Stops*</th>
<th>Enforcement (Lane, Stop, etc.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leesburg Pike</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Columbia Pike</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wisconsin Ave</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>M Street</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>K Street</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>18th/U/Florida Ave</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16th Street</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14th Street</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Georgia Avenue/7th Street (DC)</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>North Capitol</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H Street/Benning</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Pennsylvania Ave</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minnesota Ave</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MLK Ave/Southern Ave</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Georgia Ave (MD)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

All but K Street based on 2011 Priority Corridor Network and with recent updates. * Applies to high-ridership, high-activity stops.

✓ Completed  ♦ Identified opportunities for bus priority
**FY2021 Proposed Operating Budget**

**FY2021 Operating Budget is Balanced within Mandated 3% Subsidy Cap**

<table>
<thead>
<tr>
<th>($ in millions)</th>
<th>Subsidy Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2020 Capped Subsidy</td>
<td>$1,125.5</td>
</tr>
<tr>
<td>FY2021 Subsidy Drivers</td>
<td>$42.2</td>
</tr>
<tr>
<td>FY2021 Initiatives</td>
<td></td>
</tr>
<tr>
<td>Improving Service &amp; Customer Experience</td>
<td>($15.9)</td>
</tr>
<tr>
<td>Increasing Non-Fare Revenue</td>
<td>($11.3)</td>
</tr>
<tr>
<td>Enhancing Fare Options</td>
<td>$15.8</td>
</tr>
<tr>
<td>Extra Services Fund</td>
<td>$3.0</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>($8.4)</td>
</tr>
<tr>
<td>Mandated Subsidy Growth Cap</td>
<td>$33.8</td>
</tr>
<tr>
<td><strong>FY2021 Capped Subsidy</strong></td>
<td>$1,159.3</td>
</tr>
</tbody>
</table>
FY2021 Legislative Exclusions
Above Mandated 3% Subsidy Cap
## FY2021 Proposed Operating Budget

### Legislatively Excluded Operating Subsidy Requirements

<table>
<thead>
<tr>
<th>Initiatives</th>
<th>Description</th>
<th>Category</th>
<th>Subsidy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silver Line Phase 2</td>
<td>11.5 mile extension, 6 new stations and Rail Yard Facility</td>
<td>Capital Project</td>
<td>TBD</td>
</tr>
<tr>
<td>Safety Mandate Growth</td>
<td>Compliance with expanded training and testing requirements¹</td>
<td>Federal Mandate</td>
<td>$1.0</td>
</tr>
<tr>
<td>Paratransit Services Growth</td>
<td>Cost of services not covered by base budget increase</td>
<td>Federal Mandate</td>
<td>$7.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$8.6</strong></td>
</tr>
</tbody>
</table>

1. Public Transportation Agency Safety Plan (49 CFR Part 673); Public Transportation Safety Certification Training (49 CFR Part 672); Respiratory Protection, Hearing Conservation, and Respirable Silica Programs (OSHA)
## GM/CEO’s FY2021 Proposed Operating Budget Recommendation

<table>
<thead>
<tr>
<th></th>
<th>Expense</th>
<th>Revenue</th>
<th>Subsidy</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2021 Capped Subsidy</td>
<td>$1,967.0</td>
<td>$807.7</td>
<td>$1,159.3</td>
</tr>
<tr>
<td>+ Legislative Excluded Subsidy(^1)</td>
<td>$8.6</td>
<td>$0.0</td>
<td>$8.6</td>
</tr>
<tr>
<td><strong>FY2021 Capped Subsidy and Legislative Exclusions</strong></td>
<td><strong>$1,975.6</strong></td>
<td><strong>$807.7</strong></td>
<td><strong>$1,167.9</strong></td>
</tr>
</tbody>
</table>

\(^1\) Excludes Silver Line Phase 2
### Potential Issues and Risks

#### INTERNAL

| Labor and Arbitration | • CBAs for L689 and L922 expire at the end of FY2020  
| | • General wage increases and healthcare cost growth |
| ADA Paratransit | • Growing demand based on aging population  
| | • Continued contractor cost growth |

#### EXTERNAL

| Silver Line Phase 2 | • Ridership and cost recovery  
| | • Service delivery vehicle |
| Federal Uncertainty | • Reauthorization of PRIIA and other federal Formula programs  
| | • Federal employment and contracting levels  
| | • Potential government shutdown |
| Major Events | • Major unscheduled regional events, snow and other operational disruptions.  
| | • Safety mandates, energy price volatility |
Budget Timeline

December
- Board Budget Deliberations and approval of Public Hearing Docket

January - February
- Board Budget Deliberations, Public Outreach and Public Comment Period

March
- Board Budget Adoption

April
- Submit Federal Grant Applications

July
- Fiscal Year Begins
Phase III Study Update

Presented to: Northern Virginia Transportation Commission
Jamie Henson
Kittelson & Associates

Tuesday, October 15, 2019
This Presentation

- Project Focus
- Process Overview
- ROW Needs
- Updated Cost
Project Focus

- Plan for high performance BRT on the Route 7 corridor
- Identify needed ROW and update cost estimate
- Regular meetings and workshops with jurisdictions
- Advance the process into the next phase
Process Overview

- Reviewed demographics and growth forecasts
- Created station and runningway templates
- Identified specific station locations
- Updated runningway assumptions and station locations from Phase II

2040 Population Density
Process Overview

- Created layouts for the corridor
- Identified needed ROW
- Updated Cost Estimate
Process Overview

- Worked closely with the project TAC
- Included additional staff at various points
- Multiple touch points with TAC and broader staff
- Updated the project from multiple rounds of comments
Overview of Comments

- Connect with existing transit facilities
- Connect to trip generators
- Fit the stations into the urban context
- Consider how vehicle traffic will respond
## Updated Cost

<table>
<thead>
<tr>
<th></th>
<th>Base Year (2019)</th>
<th>Year of Expenditure (2030)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low-End</td>
<td>High-End</td>
</tr>
<tr>
<td>Construction Subtotal + Allocated Contingencies</td>
<td>$206.5 M</td>
<td>$230.0 M</td>
</tr>
<tr>
<td>ROW Acquisition + Allocated Contingencies</td>
<td>$32.6 M</td>
<td>$41.9 M</td>
</tr>
<tr>
<td>Professional Services (30%)</td>
<td>$59.9 M</td>
<td>$66.7 M</td>
</tr>
<tr>
<td>Unallocated Contingencies (15%)</td>
<td>$44.9 M</td>
<td>$50.8 M</td>
</tr>
<tr>
<td>Total</td>
<td>$343.9 M</td>
<td>$389.4 M</td>
</tr>
</tbody>
</table>
Finalize the Study

- Commission action
- Initiate Phase IV
RESOLUTION #2395

SUBJECT: Termination of Employment Contract of VRE Chief Executive Officer

WHEREAS: The Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC) entered into an employment agreement with Doug Allen dated September 13, 2012, appointing Doug Allen as the Virginia Railway Express Chief Executive Officer;

WHEREAS: The Commissions delegated to the VRE Operations Board responsibility for oversight and evaluation of the performance of the VRE Chief Executive Officer;

WHEREAS: By resolution dated October 18, 2019, the Virginia Railway Express Operations Board recommended that the employment agreement with Doug Allen as the VRE Chief Executive Officer be terminated without cause; and

WHEREAS: By the aforesaid resolution, the VRE Operations Board placed Doug Allen on administrative leave with pay pending action by the Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission on the Operations Board’s aforesaid recommendation, and further delegated to the VRE Deputy Chief Executive Officer all duties and responsibilities of the VRE Chief Executive Office until further action by the Commissions.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission hereby terminates the employment agreement with Doug Allen as the VRE Chief Executive Officer, without cause, effective 11:00 P.M. on November 14, 2019.

BE IT FURTHER RESOLVED that NVTC hereby appoints the VRE Deputy Chief Executive Officer as the Acting Chief Executive Officer effective 11:00 P.M. on November 14, 2019, until further action by the Commissions.

BE IT FURTHER RESOLVED that the Acting Chief Executive Officer shall have all of the duties and responsibilities of the Chief Executive Officer, including all authority delegated to the Chief Executive Officer by the Commissions or the Operations Board, and the authority to sign documents, instruments, and the like to the extent the Chief Executive Officer has been authorized to do so.

Approved this 14th day of November 2019.

Matthew F. Letourneau
Chairman

Sharon Bulova
Secretary-Treasurer