



# NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

*The Authority for Transportation in Northern Virginia*

## **AGENDA**

**Thursday, December 12, 2013**

**5:00 pm**

**3060 Williams Drive (Ste 510), Fairfax, VA 22031**

### **Work Session**

VDOT Project Selection Model (PSM)

### **Business Meeting**

- |             |                                                                                            |                  |
|-------------|--------------------------------------------------------------------------------------------|------------------|
| <b>I.</b>   | <b>Call to Order</b>                                                                       | Chairman Nohe    |
| <b>II.</b>  | <b>Roll Call</b>                                                                           | Ms. Speer, Clerk |
| <b>III.</b> | <b>Minutes of the October 24, 2013 Meeting</b>                                             |                  |
|             | <i>Recommended action: Approval [with abstentions<br/>from those who were not present]</i> |                  |

### **Action Items**

- |              |                                                          |                            |
|--------------|----------------------------------------------------------|----------------------------|
| <b>IV.</b>   | <b>MOA between NVTa and Counties/Cities</b>              | Chair Euille, FWG          |
|              | <i>Recommended action: Approval of MOA</i>               |                            |
| <b>V.</b>    | <b>MOA between Counties and Towns</b>                    | Chair Euille, FWG          |
|              | <i>Recommended action: Approval of MOA</i>               |                            |
| <b>VI.</b>   | <b>Resolution 14-06: Interim Procurement Policy</b>      | Chair Euille, FWG          |
|              | <i>Recommended action: Approval of policy</i>            |                            |
| <b>VII.</b>  | <b>Debt Policy</b>                                       | Chair Euille, FWG          |
|              | <i>Recommended action: Approval of policy</i>            |                            |
| <b>VIII.</b> | <b>NVTa Six Year Program Call for Projects</b>           | Mr. Zimmerman, Chair, PIWG |
|              | <i>Recommended action: Approval of Call for Projects</i> |                            |
| <b>IX.</b>   | <b>Loudoun County CMAQ/RSTP Reallocation</b>             | Ms. Backmon, Chair, JACC   |
|              | <i>Recommended action: Approval of reallocation</i>      |                            |
| <b>X.</b>    | <b>FY20 CMAQ RSTP Strawman</b>                           | Ms. Backmon, Chair, JACC   |
|              | <i>Recommended action: Approval of strawman</i>          |                            |

**XI. Legislative Program – 2014** Ms. Dominguez, Legislative Liaison  
*Recommended action: Approval of Program*

**XII. Criteria for Selection of Future Office Site** Mr. Mason, CEO  
*Recommended action: Approval of criteria*

**XIII. Appointment of Nominating Committees** Chairman Nohe

### **Information/Discussion Items**

**XIV. Update on VDOT Study** Ms. Cuervo, District Administrator, VDOT

**XV. Work Plan and Schedule for CY2014** Ms. Backmon, Chair, JACC

**XVI. FY2014 Financing Strategies** Mr. Longhi, CFO

**XVII. HB 2313 Funding Status** Mr. Longhi, CFO

**XVIII. Projected Cash Flow for 70% Regional Funds** Mr. Longhi, CFO

**XIX. Operating Budget Report** Mr. Longhi, CFO

### **Reports from Working Groups**

[Briefed if requested]

**XX. Organizational Working Group** Chair York

**XXI. Financial Working Group** Chair Euille

**XXII. Project Implementation Working Group** Chair Zimmerman

**XXIII. Public Outreach Working Group** Chair Nohe

**XXIV. Legal Working Group** Chair Snyder

### **Additional Information Items**

[Briefed if requested]

**XXV. City of Manassas CMAQ/RSTP Reallocation** Monica Backmon, Chair, JACC

### **Public Comments**

[Opportunity for public comment will be provided if sufficient time remains at the conclusion of above agenda that will allow for comments and adjournment by 7:15pm. Additional comment opportunity will be provided at the January 23, 2014 meeting.]

**XXVI. Chairman's Comments**

**XXVII. Adjournment**

**Next Meeting: January 23, 2014 – 5:30pm**

3060 Williams Drive (Ste 510)  
Fairfax, Virginia

Northern Virginia Transportation Authority  
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Fairfax, VA 22031  
[www.TheNovaAuthority.org](http://www.TheNovaAuthority.org)



# NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

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## **MEETING MINUTES**

**Thursday, October 24, 2013**

**5:30 pm**

**3060 Williams Drive (Ste 510), Fairfax, VA 22031**

### **I. Call to Order**

Chairman Nohe

- Chairman Nohe called the meeting to order at 5:42pm.

### **II. Roll Call**

Ms. Speer, Clerk

- Voting Members: Chairman Nohe; Board Member Zimmerman (arrived 5:47pm); Chairman York; Chairman Bulova; Mayor Parrish; Mayor Silverthorne; Council Member Rishell; Council Member Snyder; Senator Ebbin; Delegate Rust; Delegate May (arrived 5:52pm); Ms. Bushue.
- Non-Voting Members: Mayor Foreman; Mrs. Cuervo; Mr. Swartz.
- Staff: John Mason (Interim Executive Director); Camela Speer (Clerk); Various jurisdictional staff.
- Guest: Ms. Fisher.

### **III. Minutes of the September 26, 2013 Meeting**

- Chairman York moved to approve the minutes of September 26, 2013; seconded by Mayor Parrish. Motion carried with 11 yeas [with Delegate May and Mayor Foreman abstaining as they were not at the September meeting].

## **Presentations**

### **IV. WMATA – Momentum Strategic Plan**

Richard Sarles, GM & CEO

- Richard Sarles presented the WMATA – Momentum Strategic Plan.

*(Board Member Zimmerman arrived at 5:47pm.)*

*(Delegate May arrived at 5:52pm.)*

## **Reports/Recommendations from Working Groups**

### **V. Organizational Working Group**

Chair York

- Chairman York moved to request Mr. Mason work with NVRC and any other regional organization with respect to potential office space consolidation; seconded by Chairman Bulova.

- Delegate Rust asked if coordination with NVTC was included in the motion. Chairman York responded that he is at NVRC tonight and that he will also instruct NVTC to look into consolidation. He suggested the intent is to include any regional organizations in consolidation to save tax payer dollars.
- Chairman Bulova mentioned that the Authority should take into consideration that NVTC has an existing lease that doesn't expire for a few years and has a policy to be located on a transit line. There is an opportunity that if location chosen for co-locating has the correct criteria, NVTC can be added at a later date. Location also needs to be central and easy to get to.
- Mr. Zimmerman agreed that NVTA should look into the possibility of co-locating, because of the potential benefits. He suggested the Authority needs to establish an internal process to determine proper criteria to evaluate sites when determining location. He suggested that important location criteria include:
  - ✓ Must be a public space, ideally a public building.
  - ✓ Must be very accessible.
  - ✓ Ideally meetings and public hearings held in same space. "Public meetings must be very public."
- Mr. Snyder offered a friendly amendment that site also be well served by regional transit. Chairman York and Chairman Bulova agreed.
- Chairman Nohe stated goal of NVTA is to co-locate with regional organizations so as to not spend tax payers' money on office space, but on transportation solutions.
- With "friendly amendment" agreed by the maker and the seconder, the motion was "to request that Mr. Mason work with NVRC and other regional organizations with respect to potential office space consolidation [through co-location], to include a consideration that site be served by regional transit."  
Motion carried unanimously.

## **VI. Financial Working Group**

- Mr. Biesiadny reported that the FWG has met twice since last Authority meeting. He highlighted:
  - ✓ FWG worked on the Procurement Policy included in Authority packet, however received additional comments on policy after memo was presented. Therefore FWG recommended that Authority defer action on Procurement Policy. [Note: No objection was stated, implying general agreement.]
  - ✓ Commonwealth Treasury Board has yet to act on NVTA's request to be exempted from the rules of the Treasury Board as they relate to issuance of bonds. Board is scheduled to consider this at its November meeting. FWG is not aware of particular problem; Board is just going through review process.
  - ✓ FWG has been working with the Legal Working Group on four agreements that Authority will be asked to consider at December meeting:

1. Agreement between Authority and its nine member jurisdictions for the 30% funding that is going back to these local governments.
  2. Agreement between the counties and the towns that will mirror the first agreement, but will incorporate provisions so that there is essentially a fairly standard agreement between the counties and the five towns.
  3. Agreement between NVTa and agencies implementing projects and services funded with the 70% money.
  4. Agreement between NVTa and VDOT and DRPT related to the roles and responsibilities of each agency.
- ✓ FWG has worked to revise the proposed debt policy for Authority. It will probably come to Authority in December or January timeframe. Will need to be acted upon before bonds can be sold. Legal process is being worked out now.
  - ✓ FWG is starting to pull together cash flow information for projects approved in July so that when the Authority is in the position to move forward, it will have a cash flow of how all projects are funded to make sure the projects have the money they need at the time they need it.
  - ✓ FWG set up a subcommittee to assist Mr. Mason on hiring process for a Chief Financial Officer.
  - ✓ Authority so far has collected \$46.5 million from taxes and fees. Are in the LGIP on NVTa's behalf and once legal process has been resolved can be allocated.
- Chairman York asked if revenues are coming in as anticipated. Mr. Biesiadny responded that they are essentially where they were anticipated, but not as uniform as expected. He mentioned the payments are broken down in the report.
  - Mayor Parrish noted that the report indicates a net of over \$200 thousand for the Department of Taxation and asked for clarification. Mr. Biesiadny answered that FWG is looking into that to find out why and may have some recommendations for the Authority at next meeting.
  - Mr. Biesiadny reminded the members that the FWG was recommending that Resolution 14-06: Procurement Policy be deferred to the next meeting. He added that, in the meantime, the Procurement Policy that the Authority approved in 2008 is in force, so Mr. Mason and his staff can continue to do the work of the Authority.

## **VII. Project Implementation Working Group**

Chair Zimmerman

- Chairman Zimmerman reported that the next PIWG meeting is scheduled for November 8, 2013. Focus for meeting will be next steps for next year's call for development of a Six Year Plan. Will be figuring out exactly how the Six Year Plan will evolve: will not have six year plan literally. Will discuss implementation of HB599 and how that interacts with the selection process. It will also involve the schedule, not only the VDOT schedule but also the schedule at the regional level for TPB.

## **A. JACC Comments on the Next Steps for Implementation of HB599**

Ms. Backmon

- Ms. Backmon introduced item VII.A, referencing the information received from VDOT at the October JACC meeting. As directed by Chairman Nohe, JACC developed feedback on proposed priorities that were going to the CTB for approval. Moving forward the JACC did identify some additional areas that it would like to be considered as this process continues:
  - ✓ How does VDOT intend to structure the coordination with the Authority and the PIWG? Work done by PIWG will be fed to Authority and want to understand how that structure will work.
  - ✓ How will VDOT gather input from the NVTA? VDOT did inform the JACC that they will have input sessions with the localities and the transit agencies, and that they will come to the Authority for a work session to get feedback on information gathered to date. Authority does only have one more meeting for this year, on December 12, 2013.
  - ✓ How does the process for the development of HB599 coincide with the development of the CLRP and VDOT's Six Year Program?
  - ✓ JACC emphasized that there is a need to identify or evaluate more than 25-30 projects so that the Authority can take them into consideration when developing NVTA six-year plan.
- Ms. Backmon referenced the staff developed timeline that includes milestones for VDOT in the development of the study, milestones TPB has in the development of the constrained long range plan and milestones for the six-year program.
- Ms. Fioretti further addressed the timeline, stated it begins to sketch out the critical decision points for development of the Authority's Six Year Plan. She highlighted:
  - ✓ Timeline includes Authority's critical decision points, including PIWG scheduled meeting, the JACC meetings, as well as the schedule provided by VDOT on how they plan to progress with VDOT rating process, and TPB, CLRP and TIP critical milestones. As stated in the July memo from PIWG to the Authority, it is important that we coordinate all these various levels of information, the Authority's critical milestones, the TPB's decision points and VDOT.
  - ✓ Timeline is fairly tight with a lot of decision points for the next year-and-a-half that are critical to meeting in order for us to coordinate effectively as an Authority.
  - ✓ Timeline was developed to facilitate discussion on how to move forward in a coordinated fashion.
- Chairman Zimmerman asked about the line that states "CTB approved 25-30 projects," does that mean they are approving the projects or the screening of the projects. Ms. Fioretti responded that they are approving the set of projects that will be screened. Date is just a point in time; it has not been established by VDOT, but based on its schedule, we identified this as the most likely time that they would request CTB approval.

- Chairman Zimmerman added this would be late March and that there is an evaluation and rating period stretched out over some time. He stated that does not get us to February deadline to submit projects to TPB. Ms. Fioretti answered that that is the latest possible date that we could provide information into the Air Quality Conformity Analysis. However, the deadline for project submission is in December, then there is a public comment period, then final February date.
- Chairman Zimmerman asked Chairman Nohe if we skip a year; commented “Not sure what to do with this schedule, unless we just don’t do any such projects.”
- Chairman Nohe stated that he is concerned as well.
- Mrs. Cuervo asked if air quality studies are ever done out of sequence. Ms. Fioretti answered they can be. Mr. Biesiadny answered that there have been examples where air quality analysis has been done out of sequence. Frederick County had such an instance a couple of years ago. The issue then is that they [requestor] pay for that whole analysis independently because it’s not part of the regional analysis. Chairman Zimmerman clarified that that was for one project, not a list of project. Mr. Biesiadny confirmed it was for one project.
- Chairman Nohe asked staff if it is possible to change the schedule for air quality with region. Mr. Biesiadny answered it would be difficult because the District [of Columbia] and Maryland have their project schedules wrapped around the TPB schedule. If we defer that, it does not only affect Virginia projects; there are other projects that are not funded with NVTa money, for example funded by CTB money that potentially could be delayed if the air quality analysis is not complete. It definitely affects Maryland and the District. In the past they [TPB] have resisted changing the schedule for that reason.
- Mrs. Cuervo asked Mr. Srikanth if we could do an additional air quality analysis and if Federal funds might be available to pay for that. Mr. Srikanth answered that the air quality control analysis can be updated, theoretically. The cost will be the same whether one project or fifteen projects. In past cost has been \$30,000 - \$50,000. There is Federal funding provided by Federal Highway and the FTA that is earmarked to be used by TBP only. If that situation becomes necessary, “my own sense is that there are dedicated funds that can be used.”
- Chairman Nohe summarized that NVTa is up against two situations that are crashing into each other.
  - ✓ There is a long list of rules, regulations, guidelines, standards, ordinances, policies, pieces of state code that we have to comply with and we have spent a lot of time being sure we are in compliance. Have done a good job of that. Now we have one more.
  - ✓ Spent a lot of time figuring out what to do with regional money when it became available and now that it is here we have had to unfold this very quickly. Our need to unfold it quickly is not up to a speed yet where we can be in compliance with some of those many rules, guidelines, policies, etc. In this case air quality, and there are probably some others, too.



- Chairman Nohe stated that what we have to do is figure out a way to continue unfolding HB2313 and our role in it, as quickly as we can and figure out how to make it fit these rules that really can't be changed to meet our unique circumstances. Added this is not a problem in FY2016, will have plenty of time to plan for it. But, without something changing, we are going to have this problem that FY2015 and FY2016 will have to be concurrent process. The tax payers are now paying more sales tax and they want to see something. If we have to delay process 18 months, it will be much harder to justify revenues. That said, what is the process we use to figure out what which piece of this can move?
- Mr. Zimmerman stated need to formally engage TPB and staff to figure out flexibility to resolve this. Given that TPB/CLRP adoption is in July, can we fit in that schedule, or how much flexibility do we have and what are our options.
- Mr. Srikanth presented several considerations and possible solutions.
  - ✓ He stated that from his experience with the Federal process, this particular CLRP update is critical because Federal laws require that once every 4 years the financial plan of the CLRP be updated. This was last done in 2010. The next update is 2014.
  - ✓ If MPO does not have the CLRP approved by Feds by a certain date, the CLRP will lapse. That date is around October 2014.
  - ✓ If the TPB is done with the analysis and the CLRP in July, that gives the Federal Highway Administration and the Federal Transit Administration, who have to approve it, the months of August and September to take action.
  - ✓ The schedule the TPB adopted is tight. If we were to ask them to delay that, the TPB does not meet in August. They would have to hold a special meeting. We would be running against that potential CLRP lapse in October. One option is that they could adopt the CLRP without the updates, recognizing that there will be an update coming a couple months later.
  - ✓ Another way of assessing how big an impact would be is the FY14 allocations of the NVTAs, most of them are already in the CLRP. Doesn't know what the Board considerations are FY2015 and FY2016 and beyond. The NVTAs FY14 project selection process indicated that projects will get extra credits if project is already in CLRP.
  - ✓ The magnitude of the problem that we are talking about is at this point not known. Will get a better picture as the year progresses.
- Chairman Nohe instructed Mr. Mason to coordinate with appropriate parties to figure this out. Mr. Mason pointed out the need to also touch base with the staff at TPB. Chairman Nohe agreed.
- Chairman York asked how many of projects that were submitted and were adopted for this first round of funding, projects that were held over, how many are already on CLRP. Need to know how critical this is. A lot of these projects are probably already on that list. Mr. Mason responded that staff will sort that out.

- Mr. Zimmerman asked if there are projects that were held over for funding in FY2015 that are in the CLRP, but have not been through VDOT's rating process. Chairman Nohe responded because they have to go through the HB599 evaluation, then they have to go through air quality evaluation and those lists may not match up.
- Ms. Fioretti stated that of the 43 projects that we evaluated, a majority of the projects that were identified for FY2014 funding were in the CLRP. Those that were not considered for funding in this round, a majority of them were not in the CLRP, did weigh into decision not to fund.

*(Delegate Rust departed 6:25pm.)*

- Chairman Nohe raised the issue of the HB599 schedule. He summarized:
  - ✓ Last Thursday [October 17] the CTB approved VDOT's list of priorities that shall be used for evaluations. Because CTB only meets once a month, and doesn't meet in November, VDOT had to turn around priorities very quickly. NVTA comments were developed quickly.
  - ✓ There has been much discussion about high level coordination between VDOT, CTB and NVTA. The process over the last week is a great example of that. CTB approved priorities that VDOT and NVTA are satisfied with.
  - ✓ Expressed appreciation to staff and Chairs for making this happen.
  - ✓ VDOT needs to keep moving quickly. NVTA does not meet again until December. VDOT needs feedback before that.
- Chairman Nohe agreed with staff recommendation that a work session should take place between VDOT and NVTA on or around Nov 21. Asked for feedback as to daytime or evening session.
- Chairman York suggested that, if a meeting of full body, must have significant commitment to ensure quorum.
- Mr. Zimmerman asked if there will be actionable items.
- Mr. Srikanth stated that it is up to the Authority what form this will take. VDOT would be much obliged if Authority would meet in November. How or what action taken will also be up to Authority. Will need two key inputs.
  - ✓ How to select the projects.
  - ✓ What measures to use to evaluate projects. VDOT will be holding sessions with staffs, as described in September NVTA meeting, in first or second week in November. Will bring to NVTA. If NVTA endorses, will become process. Project evaluation framework may not be ready by November 21, but VDOT will try.
- Chairman Nohe asked what date is best for VDOT. Mr. Srikanth suggested that a few days before November 21 would help, but that puts pressure on getting staff session completed in time
- There was general agreement that a daytime meeting on Friday, November 22 would work for an Authority outreach session.
- Chairman Nohe directed staff to poll Authority members as to availability, offering 2 or 3 time options.

- Ms. Fioretti asked for clarification about the input sessions that VDOT would like to have with technical staff. She asked in what format they would occur, through PIWG, the JACC or both. Ms. Fioretti stated that she asked because as we progress through the schedule, we can use that similar format over and over again and that will help inform the schedule. Mr. Srikanth responded that the study framework calls for a separate, independent session of invitees with at least one representative from the jurisdiction. It could be a separate meeting. It could be a moderated meeting where there will be computers and people will be asked to register preferences with handheld devices. It will have to be a special meeting, but we will work with schedule and send out invites.
- Chairman Nohe commented that from NVTa perspective, the lead committee on HB599 coordination and litigation is PIWG. JACC plays a very key role in providing technical support, but given that HB599 is a legislative mandate, there is an expectation that the Authority members be formally and robustly involved in this process.
- Delegate May suggested that HB599 strongly suggests there be a numerical analysis performed in determining the ability of an individual project to reduce congestion. We have some such methodology in place right now. Is VDOT or third party under contract to VDOT that is developing or enhancing the existing analysis tools for determining the congestion relief that will come from any given project? Mr. Srikanth answered yes, VDOT has hired a team of consultants to set in place enhanced analytical methodology and the process with which the projects will be rated in their ability to reduce congestion. It is a process that we could use repeatedly as the law calls for updating this study every four years if not sooner.
- Delegate May added that he has no desire to stand in the way of any of the projects moving forward, however, if we have better tools, for “getting more mileage” out of our transportation funding, he very much in favor of it. He asked if it would be possible to have a preliminary report on how that effort is going, because sooner or later we are going to have to improve the tools we have right now. Mr. Srikanth responded that [VDOT] is legally obliged to provide a progress report on the study every 6 months. Report is on entire study and will have all milestones and accomplishments. The tools themselves, upon the request and guidance VDOT received when they were developing the study schedule, the full ratings are expected to become available in December 2014, but VDOT was encouraged to provide an interim set of results by June 2014 to coincide with the start of the fiscal year and have committed to do that.
- Delegate May stated that he would ask the consultants VDOT has working on this to appear before the Joint Commission on Transportation and Accountability to bring them up to date to make sure all are in ranging agreement. He stated he is very much in agreement, but eventually we are going to have to show some progress in that area. Chairman Nohe responded that was a great idea. Delegate May stated that it involves some mathematical modeling and it is necessary to consider the topic.

- Ms. Cuervo acknowledged that Delegate May also asked if there are any ratings on projects today. Mr. Srikanth responded that there are different studies that have been done, that have used different approaches. The most recent one was the Transaction 2040. It does have a rating, but it has a different focus and a different criteria. The one we are obliged to use for this legislative study is a slightly different and laterally focused set of criteria. Delegate May responded that he would have them come speak to the Joint Commission.
- Chairman Nohe suggested that it would be valuable not just to the Joint Commission, but for the Authority because if the question ever comes up as to whether we are meeting legislative expectations, we can say the Joint Commission thought we were.
- Mayor Foreman asked about HB2313, stating that this issue relates to all the working groups. The town mayors realize that the working groups are working to finalize the agreements between towns and the counties for the 30% projects and distribution of funds. He asked that as we move into the December timeline, and that as the working groups are working on finalizing these agreements, he be kept in the loop. He stated that the [town] mayors and elected officials need to understand what they are agreeing to. He proposed that if there is anything he can send to the mayors, please send it to him and keep him apprised. In return, he offered to share information with mayors and will make sure the mayors are on board. The mayors would like to know when to get involved.
- Ms. Rishell asked that an electronic copy of the JACC report be sent out. Mr. Mason committed to sending.

#### **VIII. Public Outreach Working Group**

No report

#### **IX. Legal Working Group**

Chair Snyder

- Mr. Snyder responded to the three questions that were referred to the legal committee at the September Authority meeting.
  1. Who is responsible for NVTA debt in the event NVTA were to be dissolved by the General Assembly? Response: The nature of NVTA debt was addressed in detail by the Financial Working Group and its financial advisor. Briefly stated, NVTA is solely responsible for the debt it issues. The member jurisdictions of NVTA are not liable for NVTA debt. If NVTA were dissolved and provisions were not made for payment of outstanding debt, the potential for default on the bonds would arise. He stated that this is a fairly clear answer.
  2. Can VDOT credit financial contributions by NVTA towards Route 28 taxing district projects against the Commonwealth's 25% commitment? Response: We are still looking at that.
  3. Would the VDOT project rating process under VA. Code § 33.1-13.03:1 "govern" NVTA's project selection? Response: This is actually very relevant to the conversation we just had. It is our view that The VDOT

project rating process is independent of NVTAs project selection process, and uses different criteria. NVTAs is authorized to select projects from two categories, subject to statutory criteria, (1) those contained within its regional plan that have been rated by VDOT, and (2) transit capital projects that increase capacity. As to the first category, VDOT's process for rating projects under Va. Code § 33.1-13.03:1 uses different criteria than those used by NVTAs in selecting projects for funding. NVTAs must adhere to all the relevant requirements set forth in the NVTAs Act for regional plans, as well as all the relevant requirements of HB 2313 relating to use of NVTAs funds. Because NVTAs selection criteria are different than VDOT's, NVTAs is not obligated to give the same priority to projects as VDOT's ratings indicate. In effect, VDOT's rating process merely creates a universe of projects from which NVTAs must select projects. This, of course, does not include mass transit capital projects which need not be rated before NVTAs funds them. Because VDOT's rating process serves as a pre-qualifying condition that must be met before a project is selected, it is in the interest of NVTAs and its member jurisdictions to maximize the utility of the rating process by having VDOT rate the greatest possible number of projects that are contained within NVTAs plan.

Under § 33.1-13.03:1, VDOT is required to coordinate with NVTAs in the rating process. This coordination should include the number of projects VDOT rates, the frequency with which VDOT's ratings occur, and the extent to which projects contained within NVTAs plan are rated. It is recommended that NVTAs advise VDOT at the earliest possible time of the need to coordinate closely in the project rating process to ensure the ratings are meaningful and enable NVTAs to meet its statutory responsibilities. I think it says for non-transit projects, if we're going to continue it, it has to be rated. But, we are not bound by VDOT rating in terms of what priorities we set for those projects. And, it's within our interest to have the maximum number of projects rated. In other words, the VDOT rating process is a tool for us to use that is also a prequalifying event for the projects.

- Mayor Parrish asked for clarification about what happens to the debt if the revenue source goes away. The answer he heard presented was that if the revenue goes away and NVTAs has no method of paying it, then NVTAs is not responsible for it. Mr. Snyder responded that the jurisdictions will not have responsibility for it. Counsel stated the debt would go into default and the localities would have no responsibility. The State legally has no responsibility, but she believes the Authority's financial advisor told the Authority on July 24, 2013, that if it were as a result of an act of the General Assembly, Wall Street would not look favorably on Virginia for taking such a draconian action. The debt would be in default and it is a risk to the bond holders.

- Mayor Parrish added that he is concerned that this will make the investment a bigger risk, impact the rating of the bond and the interest rate obtained by NVTAs as a result. Mr. Zimmerman replied that is correct and financial advisors have indicated that the bonds are likely to get an AA bond rating. This is the same risk that is associated with almost any kind of municipal debt and the risk varies. Any city could default and it is weighed against the sovereign power to tax. In this case, there will be some risk, but fairly low compared to a lot of other things.
- Chairman Nohe recalled that they [the financial advisors] explained that the AA rating is based on weighted risk, but also based on the legal and financial tools that can be put in place, involving debt insurance and such things that will bolster the confidence that investors would have, relative to someone who did not make the same policies. Counsel responded that that is correct, but also that the revenue stream is considered a very strong revenue stream by the financial markets. Chairman Nohe added that the gamble is, should HB599 be repealed, as opposed to NVTAs just deciding not to pay.
- Delegate May added that this has been explained in Appropriations Committee numerous times. That, no, it is not full faith and credit of Virginia behind the bonds, but because of Virginia's excellent financial record over many years, they pretty much treat it as through there were full faith and credit. Mayor Parrish stated that makes him more comfortable.
- Chairman York referenced the question about the Route 28 issue he raised at the September meeting. He stated this is an issue that needs to be resolved between Fairfax County and Loudoun County. He will take it back to the Route 28 tax district to resolve. Chairman Nohe added that he would like the NVTAs position on this to be, "We agree with Loudoun and Fairfax."

### **Additional Action Items**

#### **X. Ratification of NVRC Service Agreement** Mr. Mason

- Mr. Mason stated that at that last meeting the Authority approved the NVRC service agreement. Now the agreement has been finalized and signed and is coming to the Authority to be ratified.
- Mayor Parrish moved to ratify the service agreement with the Northern Virginia Regional Commission; seconded by Chairman York. The motion carried unanimously.

#### **XI. NVTAs Staff Benefits Guidelines** Mr. Mason

- Mr. Mason stated the need to establish HR benefits for NVTAs staff. He added that the NVTAs needs to have reasonable benefits consistent with jurisdictions. He presented a set of guidelines to be used to begin developing HR benefits and requested that Authority approve them.

- Chairman York moved to approve the benefits guidelines as a basis for the Executive Director arranging for NVTAs benefits, with the understanding that final version of benefits package will be ratified by Authority; seconded by Ms. Rishell.
- Chairman Nohe suggested that if it is legal and desirable, the NVTAs benefits might be included under one of the jurisdictions. Mr. Mason stated that was already being explored.
- The motion carried unanimously.

## **XII. Provision of Payroll Services**

Mr. Mason

- Mr. Mason stated he had analyzed payroll services with both ADP and Paychex, and that ADP was the best deal. He recommended the Authority approve a contract with ADP to provide payroll services.
- Mr. Zimmerman moved to approve the contract with ADP to provide payroll services and authorization for Executive Director to sign on behalf of NVTAs; seconded by Chairman Bulova. The motion carried unanimously.

## **XIII. Liability and Property Insurance**

Mr. Mason

- Mr. Mason stated that it is important to put insurance in place for NVTAs. He proposed that VML is the most cost effective approach. He noted one change from the memo presented to the Authority, that the annual costs are approximately \$3,000 per year, however fraud insurance will need to be added at a cost of \$600 per year. John Mason asked that the Authority approve the VML proposal for insurance.
- Chairman Nohe asked if the insurance includes director's insurance. Mr. Mason responded that it did.
- Chairman Bulova moved to approve the VML (Virginia Municipal League) proposal for general liability, public officials liability, property, automobile, fraud insurance and worker's compensation with authorization for Executive Director to sign contract; seconded by Mr. Zimmerman. The motion carried unanimously.

## **Information Items**

## **XIV. Draft 2014 Legislative Program**

Ms. Dominguez

- Ms. Dominguez introduced the draft 2014 Legislative Program. She mentioned that it is substantially different than program in years past and that

she wanted to present it to the Authority with enough time for comments prior to the December 12, 2013 meeting. She briefly reviewed the new portions and noted that they were highlighted in the report in yellow.

- Mr. Zimmerman suggested Authority members think about the new red tape that the state has interjected into the process to deliver services that NVTa has been authorized to do by the State for more than a decade and have funding for. Suggested need to address the question of whether the decisions are going to be made through this regional authority as the General Assembly intended or to what degree are they now going to be funneled through another body, which is now VDOT they [General Assembly] could have given the money to in the first place. Need to think about how we address this question with the Commonwealth in coming months.

**XV. CMAQ/RSTP Reallocation Requests**

Ms. Backmon

**XVI. Final Testimony on Six-Year Program Fall Meeting**

Ms. Backmon

**XVII. Executive Director's Report**

Mr. Mason

**Adjournment**

**XVIII. Adjournment**

- Meeting adjourned at 7:00pm.



**Financial Working Group  
Northern Virginia Transportation Authority**

**MEMORANDUM**

**TO:** Martin E. Nohe, Chairman  
Northern Virginia Transportation Authority

Members  
Northern Virginia Transportation Authority

**FROM:** William Euille, Chairman  
Financial Working Group  
Northern Virginia Transportation Authority

**SUBJECT:** Approval of Memorandum of Agreement between NVTA and each City and County for Distribution of the 30 Percent Funding that NVTA is Allocating to the Jurisdictions (Agenda Item IV.)

**DATE:** December 9, 2013

**Recommendation**

The Financial Working Group recommends that the Authority approve the Memorandum of Agreement (MOA) between NVTA and each city and county for distribution of the 30 percent funding which NVTA is allocating to the jurisdictions (Attachment I).

**Background**

HB 2313 directs the Authority to return 30 percent of the revenue collected from the three Northern Virginia taxes and fees to the city or counties in which the funds were raised. To accomplish this, the Financial Working Group and the Legal Working Group have developed an agreement to govern the terms of this transfer and ensure that the requirements of HB 2313 are met. In general, the agreement is based on the requirements of HB 2313, but it also includes practical provisions associated with the implementation of the law and the payment of the Authority's administrative expenses.

Following the Authority's approval of the agreement, the governing body of each city or county will also need to approve the agreement before the Authority distributes the 30 percent funding to the city or county. Assuming the Authority's approval on December 12, 2013, distributions may begin in January 2014. This agreement is also needed for the Authority to bill its administrative costs for FY 2014 to the jurisdictions.

The major provisions of the agreement are:

- The agreement restates some of the significant provisions of HB 2313 and the Authority's authorizing statute, including:
  - The Authority is directed to return 30 percent of the funding it receives from the regional revenue sources included in HB 2313 to its member cities and counties, based on the amount of revenue collected in each city and county;
  - The city or county is required to deposit the revenue received from the Authority in a fund to be used for urban or secondary road construction, for other capital improvements that reduce congestion, for other transportation capital improvements in the Authority's long-range plan or for public transportation purposes;
  - The cities and counties are required to provide documentation to the Authority showing that they spent the revenues in accordance with HB 2313;
  - The Code of Virginia requires the Authority to allocated the cost of its administrative expenses (not otherwise funded through other sources) to its member jurisdictions based on population;
  - Each city and county is required to adopt the commercial and industrial (C&I) property tax for transportation at a rate of \$0.125 per \$100 valuation or deposit an equivalent amount into a separate fund for transportation improvements;
  - If a city or county fails to deposit the full amount of C&I tax or equivalent into a separate fund for transportation, the Authority shall reduce its disbursement of 30 percent funding by the difference between the amount the city or county deposited compared to the amount it should have deposited;
  - Each city and county is required to maintain its average expenditures for transportation from FY 2010 to FY 2013 or lose its share of the 30 percent of the regional HB 2313 funds for the fiscal year succeeding the year in which it did not maintain its transportation expenditures;
  - The Authority has a continuing responsibility to ensure that the 30 percent funding is properly spent; and
  - The Authority and the counties are required to work cooperatively to ensure that the towns with populations greater than 3,500 receive their respective shares of the funding.
- The Authority will be responsible for accepting the funds from the Commonwealth, investing the funds, distributing the funds to the counties and cities, and providing periodic reports on deposits and disbursements;
- The initial disbursement to the counties and cities will be made no later than one month following the execution of the MOA by the jurisdictions. Subsequent distributions shall occur monthly;
- Each city and county is responsible for paying its share of the Authority's administrative expenses by July 15 of each year.

- The Authority will invoice each jurisdiction for its share of the administrative expenses by June 1 of each year.
- Each city or county can choose to provide its share of the administrative expenses by asking the Authority to reduce the amount it will receive from its 30 percent funding or by paying the invoice from other sources by July 15.
- If a city or county fails to make an election by July 1, the Authority will reduce the amount of the 30 percent funding sent to the jurisdiction by the amount of the administrative expenses;
- If a city or county chooses to pay the Authority's administrative expense by another means, but does not pay by July 15, the Authority will withhold further distribution of the 30 percent funding until the funding for the administrative expenses is provided. In addition, the Authority will deduct its administrative expenses from the jurisdiction's first payment of 30 percent funding and forward the remaining amount to the jurisdiction.
- By August 1 of each year, the chief administrative officer (CAO) of each city or county will certify that the jurisdiction has adopted the C&I tax at \$0.125 per \$100 valuation or set aside an equivalent amount of local revenues for transportation purposes. In addition, the CAO will certify that the jurisdiction met the maintenance of effort requirement for the previous fiscal year;
- None of the 30 percent funds can be used to repay debt issued before July 1, 2013;
- If the city or county appropriates or allocates any of the 30 percent funds to purposes not included in the bill, the Authority shall cease any further distribution of 30 percent funding in the year in which the event occurs, and the jurisdiction will also lose the benefit of the 30 percent funding in the succeeding fiscal year. An exception is included for clerical, inadvertent or unintentional errors.
- The towns' share of sales tax will be based on school age population. The towns' share of the transient occupancy tax will be based on the location of the hotel property. The towns' share of the grantor's tax will be based on the location of the property involved in the real estate transaction.
- Counties acknowledge a responsibility to ensure that towns with a population of 3,500 or more comply with the requirements of HB 2313, particularly regarding the use of the funding. A town's failure to comply with the law could be treated as a county's failure to comply. Counties will also be responsible for collecting the towns' share of the Authority's administrative expenses.
- Counties are required to enter into a formal agreement with their towns (over 3,500 population) detailing how the 30 percent funding may be used and providing distribution to towns on a reimbursement basis and the towns' requirement to reimburse the county for any funds spent inappropriately. The Authority may assist with resolving disputes, if requested.
- Cities and counties are required to submit unaudited financial reports and supporting materials documenting how their share of the 30 percent funding was spent. The reports are due by August 1 of each year. If audited financial reports show a variance of greater than five percent, the jurisdiction will need to submit a revised report and supporting documentation. If a jurisdiction fails to submit the report, the Authority shall withhold

further distribution of the 30 percent funding to the jurisdiction, until the reports are provided.

- In the event the Authority fails to comply with the agreement between a city or county and the Authority, the city or county will provide notice and allow the Authority 30 days to correct the dispute. If the dispute is not resolved, the jurisdiction has all remedies available in law to resolve the dispute. In the event a city or county fails to comply with the agreement, the situation will be reviewed by the Authority's Finance Committee which will prepare a recommendation for the Authority's consideration. After the Authority reviews the issue, the jurisdiction will have 30 days to correct the violation. If the jurisdiction does not correct the violation, the Authority shall withhold further distribution of the 30 percent funding.
- If a city or county misappropriates or misallocates the 30 percent funding, the jurisdiction will also be responsible for reimbursing the Authority for the misused funding with interest;
- All county and town records will need to be maintained for five years from the date the record was created. All parties must also comply with the Public Records Act, all applicable state and federal laws regarding records retention.

Members of the Financial Working Group and the Council of Counsels will be available at the December 12, 2013, NVTA meeting to answer questions.

Cc: Members, NVTA Jurisdiction and Agency Committee  
Members, NVTA Financial Working Group  
Members, Council of Counsels  
John Mason, Interim Executive Director  
Michael Longhi, Chief Financial Officer

**MEMORANDUM OF AGREEMENT  
BETWEEN NVTA AND COUNTY/CITY OF \_\_\_\_\_  
REGARDING DISTRIBUTION OF 30% FUNDS**

THIS MEMORANDUM OF AGREEMENT, effective the \_\_\_\_ day of \_\_\_\_\_, 2013 (this "Agreement"), by and between the NORTHERN VIRGINIA TRANSPORTATION AUTHORITY ("NVTA") and the CITY/COUNTY OF \_\_\_\_\_, a member City/County of NVTA (the "CITY/COUNTY").

**WITNESSETH:**

WHEREAS, NVTA was established by the Northern Virginia Transportation Authority Act, VA. Code Ann. §§ 15.2- 4829 *et seq.*, the local jurisdiction members of which include the counties of Arlington, Fairfax, Loudoun, and Prince William, and the cities of Alexandria, Falls Church, Fairfax, Manassas, and Manassas Park ("Localities," collectively and "City/County" individually); and

WHEREAS, in accordance with VA. Code Ann. § 15.2-4838.01, a special non-reverting fund for Planning District 8, known as the Northern Virginia Transportation Authority Fund was created in the Virginia state treasury, comprised of taxes and fees levied in accordance with the aforesaid Code section and any other funds that may be received for the credit of the aforesaid fund (the "Fund"), the proceeds of which Fund are distributed to NVTA for use in accordance with VA. Code Ann. § 15.2-4838.1; and

WHEREAS, in accordance with, and subject to the requirements of, § 15.2-4838.1, thirty percent (30%) of the revenues received by NVTA shall be distributed on a pro rata basis to each City/County with each City/County's share being the total of the revenues received by NVTA that are generated or attributable to the City/County divided by the total of such revenue received by NVTA (the "30% Funds"); and

WHEREAS, among other requirements of VA. Code Ann. § 15.2-4838.1, each City/County shall deposit all Fund revenues received from NVTa in a separate, special fund (the “Local Fund”) to be used for additional urban or secondary road construction, for other capital improvements that reduce congestion, for other transportation capital improvements in NVTa’s most recent long range transportation plan, or for public transportation purposes; and

WHEREAS, § 15.2-4838.1 further requires each City/County to provide annually to NVTa sufficient documentation as required by NVTa showing that the 30% Funds received by the City/County were used as required by § 15.2-4838.1B.1; and

WHEREAS, § 15.2-4835 provides that the administrative expenses of NVTa, as set forth in NVTa’s annual budget, shall be allocated among the component counties and cities based on relative population, which administrative expenses may be paid from the 30% Funds in accordance with § 15.2-4838.1; and

WHEREAS, Chapter 766 of the 2013 Acts of Assembly, the legislation establishing the Fund, imposes, among others, the following requirements on each of the Localities: (1) that each Locality deposit into its Local Fund, all revenues from the commercial and industrial tax collected under § 58.1-3221.3 pursuant to the maximum tax rate allowed under that section or, in lieu of that amount, an amount from sources other than moneys received from NVTa equivalent to the amount that would have been received had the maximum tax rate been imposed; (2) that each of the Localities expend or disburse for transportation purposes each year an amount that is at least equal to the average amount expended or disbursed for transportation purposes by the county or city between July 1, 2010 and June 30, 2013, excluding bond proceeds or debt service payments and federal or state grants; and (3) that NVTa and the Localities work

cooperatively with towns with a population greater than 3,500 to ensure the towns receive their respective share of the 30% Funds; and

WHEREAS, § 15.2-4838.1B.2 provides that if any City/County fails to deposit into its Local Fund the amount equivalent to the revenue generated by the maximum tax rate allowed under § 58.1-3221.3, then NVTa shall reduce the amount of the 30% Funds disbursed to the City/County by the difference between the amount that was deposited in the City/County's Local Fund and the amount that should have been deposited; and Chapter 766 of the 2013 Acts of Assembly further provides that in the event any of the Localities appropriates or allocates any of the 30% Funds to a non-transportation purpose, the City/County shall not be the direct beneficiary of any of the revenues in the NVTa Fund in the year immediately succeeding the year in which the 30% Funds were appropriated or allocated to a non-transportation purpose; and

WHEREAS, NVTa has a continuing responsibility to ensure that the 30% Funds are properly spent, and that each City/County adheres to the statutory and other legal obligations it has with regard to the Fund; and

WHEREAS, NVTa has requested, and the City/County has agreed, to enter into this Agreement for the purpose of ensuring the requirements applicable to NVTa and the City/County regarding the NVTa Fund are met;

NOW, THEREFORE, in consideration of the foregoing, which is hereby incorporated within this Agreement, and the mutual undertakings of the parties, NVTa and the City/County of \_\_\_\_\_ agree as follows:

1. NVTa Management of NVTa Fund. In accordance with § 15.2-4838.01, NVTa shall receive from the Commonwealth's Comptroller regular distributions of the sums deposited in the special nonreverting fund created in the state treasury known as the Northern Virginia Transportation Authority Fund. NVTa shall accept each such

distribution of funds and deposit them as it deems appropriate, and shall manage such deposits, including investments thereof which shall be made pursuant to NVTAs investment policy and procedures as such may be revised from time to time, all in accordance with generally accepted accounting principles and all applicable legal requirements. NVTAs shall provide to its governing board periodic reports of deposits on hand and all disbursements and expenditures thereof, and shall obtain an annual audit of its financial records. NVTAs shall use the funds solely for transportation purposes benefiting those counties and cities that are embraced by NVTAs in accordance with § 15.2-4838.1.

2. Distribution of 30% Funds by NVTAs to City/County. Beginning no later than the month following final approval and execution of this Agreement by the parties, NVTAs shall begin to distribute to the City/County the 30% Funds to which the City/County is entitled pursuant to § 15.2-4838.1, with interest at the rate earned by NVTAs, and, subject to NVTAs continued receipt of funds from the Comptroller, shall continue to distribute to the City/County its 30% funds on a monthly basis, provided the City/County remains in compliance with the terms of this Memorandum of Agreement and all applicable provisions of law.

3. Payment of City/County's Share of NVTAs Administrative Expenses. Pursuant to § 15.2-4835, the City/County is responsible for paying its share of NVTAs total administrative expenses as set forth in NVTAs approved budget prior to the start of NVTAs fiscal year which begins July 1<sup>st</sup> each year. NVTAs shall invoice the City/County for its proportionate share of NVTAs administrative expenses by June 1<sup>st</sup> of the preceding fiscal year, and the City/County shall, at its election, have the option each year of paying in either of the following methods: (1) by having NVTAs reduce the first distribution of 30% Funds made to the City/County after July 1<sup>st</sup> by the amount of the



City/County's share of NVTAs administrative expenses, or (2) by paying NVTAs directly for its share of NVTAs administrative expenses not later than July 15<sup>th</sup>. The failure by the City/County to elect one of the foregoing methods of payment shall result in NVTAs reducing the first distribution of 30% Funds made to the City/County after July 1<sup>st</sup> by the amount of the City/County's share of NVTAs administrative expenses. In the event the City/County fails to pay its share of NVTAs administrative expenses by July 15<sup>th</sup>, NVTAs shall make no distribution to the City/County of the City/County's 30% Funds or of any other monies from the NVTAs Fund.

4. Establishment of Local Fund by City/County.

A. The City/County shall deposit in a Local Fund all revenues distributed to it by NVTAs pursuant to Paragraph 2 above, and all revenues collected by the City/County from the tax imposed pursuant to § 58.1-3221.3. If the City/County has not imposed the aforesaid tax, or has not imposed it at the maximum permissible rate, then the City/County shall deposit into its Local Fund an amount, from sources other than moneys received from NVTAs, that is equivalent to the difference between the revenue the City/County received from the aforesaid tax and the revenue the City/County would have received if it imposed the aforesaid tax at the maximum permissible rate.

B. By August 1<sup>st</sup> of each year, the chief administrative officer of the City/County shall certify to NVTAs, in a form prescribed by NVTAs, that it has satisfied each of the requirements set forth in subsection A.

C. If the City/County has not deposited into its Local Fund an amount equivalent to the revenue the City/County would have received if it imposed the maximum permissible rate under § 58.1-3221.3, then NVTAs shall reduce the 30% Funds distributed to the City/County by the difference between the amount the City/County would receive if it was imposing the aforesaid tax at the maximum rate and the amount of

revenue deposited into its Local Fund. NVTa shall retain the amount by which the distribution of City/County's 30% Funds have been reduced for use by NVTa in accordance with § 15.2-4838.1C.1.

5. Maintenance of Transportation Funding by City/County.

A. The City/County shall expend or disburse for transportation purposes each year an amount that is at least equal to the average annual amount expended or disbursed for transportation purposes by the City/County, excluding bond proceeds or debt service payments and federal or state grants, between July 1, 2010, and June 30, 2013. In the event that the City/County does not expend or disburse the aforesaid amount in any year, the City/County shall not be the direct beneficiary of any of the NVTa Fund in the immediately succeeding year. In such event, NVTa shall make no distribution to the City/County of the City/County's 30% Funds, or any other monies from the NVTa Fund to the City/County, and such funds shall be used in accordance § 15.2-4838.1C.1.

B. By August 1<sup>st</sup> of each year, the chief administrative officer of the City/County shall certify to NVTa, in a form prescribed by NVTa, that it has satisfied the requirements set forth in subsection A for the previous fiscal year.

6. Use of 30% Funds by City/County.

A. The City/County shall use the 30% Funds distributed to it by NVTa for the following purposes as the City/County solely determines: (1) for additional urban or secondary road construction; (2) for other capital improvements that reduce congestion; (3) for other transportation capital improvements which have been approved by the most recent long range transportation plan adopted by NVTa; or (4) for public transportation purposes. The City/County shall not use any of the revenue distributed to it by NVTa to repay debt issued before July 1, 2013.

B. In the event the City/County appropriates or allocates any of the 30% Funds to a purpose other than those specified above, unless demonstrated by the City/County to the satisfaction of NVTa to be attributable to clerical or other unintentional, inadvertent error, then NVTa shall cease any further distributions of the 30% Funds to the City/County in the fiscal year in which the misappropriation or misallocation occurs, and the City/County shall not be the direct beneficiary of any of the NVTa Fund in the fiscal year immediately succeeding the year in which any of the 30% Funds were misappropriated or misallocated and such funds shall be used in accordance § 15.2-4838.1C.1. Further, in that succeeding fiscal year, NVTa shall make no distribution to the City/County of any other monies from the NVTa Fund to the City/County.

7. Distribution to Towns of Proportionate Share.

A. To the extent that one or more towns with a population greater than 3,500 are located within the County, NVTa and the County agree to work cooperatively with the towns for the purpose of implementing the provisions of § 15.2-4838.1 and to ensure that the towns receive their respective share of the 30% Funds distributed to the County by NVTa. Such share shall be determined based on the population of school age children in the town for the purposes of calculating the portion of the 30% Funds attributable to sales tax, and the location of the taxpaying business for purposes of calculating the portion of the 30% Funds attributable to the transient occupancy tax and of the transferred property for purposes of calculating the portion of the 30% Funds attributable to the grantors tax. The County acknowledges its responsibility to ensure that the towns use the 30% Funds in compliance with this Memorandum of Agreement and the law, and that a town's failure to do so could be treated under law as a failure of the County subject to all the consequences of such failure. The County shall also be

responsible for ensuring the town pays its proportionate share of NVTAs administrative expenses as provided for in Paragraph 3.

B. Prior to the time at which the County distributes any of the town's share of the 30% Funds to a town, the County shall enter into an agreement with each of the towns located within the County, in a form approved by NVTAs, detailing how the 30% Funds may be used by the town including, but not limited to, the selection of projects by the towns for funding by the County, the circumstances and terms under which the County may distribute any of the 30% Funds to a town, specifically providing that such distributions to a town shall be on a reimbursement basis only, and the town's obligation to refund to the County with interest any funds used contrary to the agreement or the law. The agreement with the towns shall also provide for (1) NVTAs providing its technical and legal resources or act as a non-binding mediator to assist and/or facilitate in the resolution of any questions or disputes upon joint written request by a county and a town; and (2) NVTAs instructing a county that it shall make no pro rata distribution of 30% Funds or any other NVTAs funds to a town that has appropriated or allocated any of its portion of a county's 30% Funds or any other NVTAs funds for unauthorized purposes.

8. City/County's Annual Report to NVTAs. Annually, the City/County shall provide to NVTAs an unaudited financial report, with supporting documentation, showing that the 30% Funds were used as required by Paragraph 6. The report shall be in a form, and provide the information and documentation, mutually agreed upon by NVTAs and the Localities. The City/County shall provide the report to NVTAs on or before August 1<sup>st</sup> of each year for the previous fiscal year. In the event the City/County's audited financials show a material variance, defined as five percent (5%) or more, from the initial report, the City/County shall provide NVTAs a further report, with supporting documentation satisfactory to NVTAs, detailing the City/County's use of the 30% Funds. NVTAs may

request from the City/County additional information and documentation related to the report and the documentation provided with the report. In the event the City/County fails to provide the report as required above, NVTa shall withhold further distributions of the 30% Funds until the report is provided in accordance with this Paragraph. Once the City/County provides an acceptable report, NVTa shall distribute all withheld funds, inclusive of any interest earned by NVTa on such funds, to the City/County.

9. Failure to Comply with Memorandum of Agreement.

A. In the event NVTa fails to perform any of its obligations under this Memorandum of Agreement, the City/County shall provide written notice to NVTa's Executive Director of such failure. NVTa shall dispute the failure or cure or commence to cure the event of noncompliance within thirty (30) days of receipt of notice from the City/County. In the event NVTa disputes the failure or fails to cure or commence to cure the event of noncompliance and diligently pursue completion thereof, the City/County may pursue all remedies available at law to obtain compliance by NVTa.

B. In the event the City/County fails to perform any of its obligations under this Memorandum of Agreement, NVTa's Executive Director shall notify NVTa's Finance Committee which shall review the matter and prepare recommendations for NVTa. Thereafter, NVTa shall determine whether to declare the City/County in default for such noncompliance in which case NVTa shall provide written notice to the City/County of such failure. The City/County shall dispute the noncompliance determination or cure or commence to cure the event of noncompliance within thirty (30) days of receipt of notice from NVTa. In the event the City/County fails to dispute the noncompliance or to cure or commence to cure the event of noncompliance and diligently pursue completion thereof, NVTa shall withhold further distributions of the 30% Funds to the City/County until the dispute is resolved and City/County is in full compliance with its obligations

under this Agreement. In addition, NVTa may pursue all available remedies at law to obtain compliance by the City/County.

C. A cure by the City/County of its failure to comply with the terms of this Agreement shall not change the consequences of mis-use of any of the 30% Funds set forth in Paragraph 6.B of this Agreement.

10. City/County's Obligation to Reimburse MisUsed Funds to NVTa.

A. In the event the City/County misuses or misallocates any of the 30% Funds in the manner permitted by law, in addition to the consequences set forth in Paragraph 6B, it shall reimburse NVTa the full amount of such misused or misallocated funds inclusive of any interest earned by the City/County on such funds. Until the full amount is reimbursed, NVTa shall withhold further distributions of the 30% Funds to the City/County.

B. The City/County's reimbursement of misused or misallocated funds shall not change the consequences of such misuse or misallocation set forth in Paragraph 6.B of this Agreement.

11. Maintenance of Records by City/County and NVTa. The City/County and NVTa shall maintain all records relating to the 30% Funds and the use thereof for a minimum of five (5) years from the date the record was created. In addition to the foregoing, the City/County and NVTa shall comply with the Public Records Act and all applicable state and federal laws with regard to the retention of records.

12. Notice. Any notice required or permitted to be provided under this Agreement shall be in writing and delivered in person, or sent by U.S. Mail to the below named representatives at the below addresses:

NVTa:

Executive Director

Northern Virginia Transportation Authority

City/County:

City/County Chief Administrative Officer

City/County of

NVTA and the City/County may change the representative designated to receive notices for purposes of this Agreement by providing written notice of such change to the other party.

13. Entire Agreement. This Agreement constitutes the entire agreement between NVTA and the City/County and supersedes any prior understanding or agreement between them with regard to NVTA's distribution of the 30% Funds to the City/County.

14. No Third Party Beneficiaries. The provisions of this Agreement shall inure to the benefit of, and bind NVTA and the City/County but shall not inure to the benefit of any other party or other persons.

15. Severability. If any provision of this Agreement or the application of the provision to any circumstance is invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application of the provision will not be affected and will be enforceable to the fullest extent permitted by law.

16. Amendments. Any amendment to this Agreement must be made in writing and signed by NVTA and the City/County.

IN WITNESS WHEREFORE, the parties hereto, by their duly authorized representatives, have executed this Memorandum of Agreement as of the date and year aforesaid.

NORTHERN VIRGINIA TRANSPORTATION  
AUTHORITY

Attest:

\_\_\_\_\_  
Clerk

By \_\_\_\_\_  
Chairman

COUNTY/CITY OF \_\_\_\_\_

Attest:

\_\_\_\_\_  
Clerk

By: \_\_\_\_\_  
Chairman/Mayor



**Financial Working Group  
Northern Virginia Transportation Authority**

**MEMORANDUM**

**TO:** Martin E. Nohe, Chairman  
Northern Virginia Transportation Authority

Members  
Northern Virginia Transportation Authority

**FROM:** William Euille, Chairman  
Financial Working Group  
Northern Virginia Transportation Authority

**SUBJECT:** Approval of Memorandum of Agreement between NVTa, Counties and Towns for Distribution of the 30 Percent Funding that NVTa is Allocating to the Jurisdictions (Agenda Item V.)

**DATE:** December 9, 2013

**Recommendation**

The Financial Working Group recommends that the Authority approve the Memorandum of Agreement (MOA) between NVTa, the Counties and appropriate Towns for distribution of the 30 percent funding that NVTa is allocating to the jurisdictions (Attachment I).

**Background**

HB 2313 directs the Authority to return 30 percent of the revenue collected from the three Northern Virginia taxes and fees to the city or counties in which the funds were raised. HB 2313 further directs the Authority and its member jurisdictions to ensure that towns with a population greater than 3,500 receive their respective share of the regional revenues the Authority is receiving. There are five towns that currently meet the population requirement (Dumfries, Herndon, Leesburg, Purcellville and Vienna). To accomplish this, the Financial Working Group and the Legal Working Group have developed an agreement to govern the terms of this transfer and ensure that the requirements of HB 2313 are met. This agreement is patterned after the MOA between the Authority and the counties which will be an attachment, and its provisions will be incorporated into the County-Town MOA. In general, the agreement is based on the requirements on HB 2313, but it also includes several practical provisions associated with the implementation of the law and the payment of the Authority's administrative expenses.

The distribution of funding to towns requires that the Authority and each of the three affected counties (Fairfax, Loudoun and Prince William) approve an MOA for distribution of funding to the counties. Subsequently, the Authority, each county and each town must approve this MOA.

Following the execution of both agreements, the counties will receive funding from the Authority and can make funding available to the towns.

The major provisions of the agreement are:

- The agreement restates some of the significant provisions of HB 2313 and the Authority's authorizing statute, including
  - The Authority is directed to return 30 percent of the funding it receives from the regional revenue sources included in HB 2313 to its member cities and counties, based on the amount of revenue attributable to each city and county;
  - The city or county is required to deposit the revenue received from the Authority in a fund to be used for urban or secondary road construction, for other capital improvements that reduce congestion, for other transportation capital improvements in the Authority's long-range plan or for public transportation purposes. These same requirements apply to towns;
  - The cities and counties are required to provide documentation to the Authority showing that they spent the revenues in accordance with HB 2313;
  - The Code of Virginia requires the Authority to allocated the cost of its administrative expenses (not otherwise funded through other sources) to its member jurisdictions based on population;
  - Each city and county is required to adopt the commercial and industrial property tax for transportation at a rate of \$0.125 per \$100 valuation or deposit an equivalent amount into a separate fund for transportation improvements;
  - If a city or county fails to deposit the full amount of C&I tax or equivalent into a separate fund for transportation, the Authority shall reduce its disbursement of 30 percent funding by the difference between the amount the city or county deposited compared to the amount it should have deposited;
  - Each city and county is required to maintain its average expenditures for transportation from FY 2010 to FY 2013 or risk losing its share of the 30 percent of the regional HB 2313 funds. This requirement does not apply to towns (except to the extent that if a county does not meet its maintenance of effort requirement, towns within the county will not receive their respective share of the county's 30 percent funding);
  - The Authority and its member cities and counties are required to work cooperatively to ensure that the towns with populations greater than 3,500 receive their respective shares of the funding;
  - If a city or county appropriates or allocates any of the 30 percent funding for non-transportation purposes, the city or county shall not be a direct beneficiary of the 30 percent funding in the immediately succeeding year which will also mean that qualifying towns within the county will not receive their share of the regional funding;

- If a qualifying town appropriates or allocates any of the 30 percent funding for non-transportation purposes, its constituent county and any other town could lose the benefits of this funding in the immediately succeeding year;
  - The Authority and the counties, cities and towns will only use the funding for the transportation purposes outlined in the Code of Virginia for the benefit of the counties, cities and towns embraced by the Authority; and
  - The Authority has a continuing responsibility to ensure that the 30 percent funding is properly spent.
- The Authority will be responsible for accepting the funds from the Commonwealth, investing the funds, distributing the funds to the counties and cities, and providing periodic reports on deposit and disbursements;
- The Authority will pay interest on the funds, based on the rate that it earns;
- The initial disbursement to the counties and cities will be made no later than one month following the execution of the MOA by a jurisdiction. Subsequent distributions shall occur monthly;
- Following receipt of the funding from the Authority, each county with a qualifying town(s) will calculate the amount of funding due to the town(s) and hold it within a separate account within its financial records for the town(s);
- The counties will advise the towns of the balance in their account on a quarterly basis or at mutually agreed upon intervals;
- A county will pay interest on the town's accounts at the same rate as it earns interest on its special transportation accounts.
- Each city or county can choose to provide its share of the administrative expenses by asking the Authority to reduce the amount it will receive from its 30 percent funding or by paying the invoice from other sources by July 15.
- If a city or county fails to make an election by July 1, the Authority will reduce the amount of the 30 percent funding sent to the jurisdiction by the amount of the administrative expenses;
- If a city or county chooses to pay the Authority's administrative expense by another means, but does not pay by July 15, the Authority will withhold further distribution of the 30 percent funding until the funding for the administrative expenses is provided. In addition, the Authority will deduct its administrative expenses from the jurisdiction's first payment of 30 percent funding and forward the remaining amount to the jurisdiction.
- A county's payment of the Authority's administrative expenses must include the share attributable to its qualifying town(s) based on population. The county will pay its entire administrative expenses to the Authority and then bill the town for its share of these expenses. The town has the same options for payment that are available to counties. If a town fails to pay this invoice, the county will withhold distribution of the 30 percent funding to the town until the Authority's administrative expenses are paid.
- The town agrees to segregate the funding it receives from the county in a separate account in its financial records.

- By July 20 of each year, the chief administrative officer of each town will certify to its respective county that it has satisfied the requirements of the agreement, particularly regarding the use of the funding. In addition, by July 20, the town will provide the county with unaudited financial reports and supporting materials documenting how the town's share of the 30 percent funding was spent, so that the county can include this information in its report to the Authority that is due on August 1. The reports will be developed on a cash basis, rather than an accrual basis. If audited financial reports show a variance of greater than five percent, after adjusting for the difference between cash and accrual accounting methods, the jurisdiction will need to a revised report and supporting documentation. If a town fails to submit the report, the county shall withhold further distribution of the 30 percent funding to the jurisdiction, until the reports are provided.
- None of the 30 percent funds can be used to repay debt issued by towns before July 1, 2013;
- If a town appropriates or allocates any 30 percent funds to purposes not included in the bill, the county shall cease distribution of 30 percent funding in the year in which the event occurs, and the town will also lose its share of the 30 percent funding in the succeeding fiscal year. An exception is included for clerical, inadvertent or unintentional errors.
- If the town appropriates or allocates funding to purposes not included in the bill, the town will refund these funds to the county with interest.
- Such a misappropriation or misallocation could result in the respective county and any other town within the county losing its share of the 30 percent funding for the subsequent year.
- Distribution of Authority funds to towns will be handled on a reimbursement basis only.
- Upon receipt of an invoice from a qualifying town, the county will review the invoice and process payment to the town within 30 days. However, every effort will be made to process the invoice in 20 days or less.
- Upon request, the Authority will provide technical resources or act as a non-binding mediator in disputes between a county and a town.
- In the event a town fails to comply with the agreement, the county will provide notice to the town and the Authority. If the dispute is not resolved, the county and the town have all remedies available in law to resolve the dispute. If the town does not correct the violation, the county shall withhold further distribution of the 30 percent funding. In the event a county fails to comply with the agreement, the town will provide written notice to the county and the county will have 30 days to correct the situation. The county and the town may request the Authority's assistant in resolving the dispute. If the dispute is not resolved, the county and the town have all remedies available in law to resolve the dispute.

Members of the Financial Working Group and the Council of Counsels will be available at the December 12, 2013, NVTa meeting to answer questions.

Cc: Members, NVTa Jurisdiction and Agency Committee  
Members, NVTa Financial Working Group  
Members, Council of Counsels  
John Mason, Interim Executive Director  
Michael Longhi, Chief Financial Officer

**MEMORANDUM OF AGREEMENT  
BETWEEN THE NORTHERN VIRGINIA TRANSPORTATION AUTHORITY  
("NVTA"), (COUNTY"X") AND ("QUALIFYING TOWN X")  
REGARDING DISTRIBUTION AND USE OF 30% FUNDS UNDER CHAPTER  
766 OF THE 2013 VIRGINIA ACTS OF ASSEMBLY**

THIS MEMORANDUM OF AGREEMENT, effective this \_\_\_\_ day of \_\_\_\_\_, 2013 (the "Agreement"), by and between NVTA, ~~the~~ COUNTY OF \_\_\_\_\_ ("COUNTY NAME"), a member of ("NVTA") and the TOWN of \_\_\_\_\_, a QUALIFYING TOWN under the NVTA Act and under Enactment Clause 8 of Chapter 766 of the 2013 Virginia Acts of Assembly ("Chapter 766").

**WITNESSETH:**

WHEREAS, NVTA was established by the Northern Virginia Transportation Authority Act, Va. Code Ann. §§ 15.2- 4829 *et seq.*, the local jurisdiction members of which include the counties of Arlington, Fairfax, Loudoun, and Prince William, and the cities of Alexandria, Falls Church, Fairfax, Manassas, and Manassas Park (collectively and individually "City/County"); and

WHEREAS, in accordance with Va. Code Ann. § 15.2-4838.01, a special non-reverting fund for Planning District 8, known as the Northern Virginia Transportation Authority Fund was created in the Virginia state treasury, comprised of taxes and fees levied in accordance with the aforesaid Code section and any other funds that may be received for the credit of the aforesaid fund (the "Fund"), the proceeds of which fund are distributed to NVTA for use in accordance with Va. Code Ann. § 15.2-4838.1; and

WHEREAS, in accordance with, and subject to the requirements of, § 15.2-4838.1, thirty percent (30%) of the revenues received by NVTA shall be distributed on a pro rata basis to each City/County with each City/County's share being the total of the

revenues received by NVTa that are generated by or attributable to such City/County divided by the total of such revenue received by NVTa (the “30% Funds”); and

WHEREAS, among the other requirements of Va. Code Ann. § 15.2-4838.1, each City/County shall deposit all Fund revenues received from NVTa in a separate, special fund (“The Local Fund”) to be used for additional urban or secondary road construction, for other capital improvements that reduce congestion, for other transportation capital improvements in NVTa’s most recent long range transportation plan, or for public transportation purposes; and

WHEREAS, § 15.2-4838.1 further requires each City/County to provide annually to NVTa sufficient documentation as required by NVTa showing that the 30% Funds received by the City/County were used as required by § 15.2-4838.1B.1; and

WHEREAS, § 15.2-4835 provides that the administrative expenses of NVTa, as set forth in NVTa’s annual budget, shall be allocated among the component counties and cities based on relative population which-administrative expenses may be paid from the 30% Funds in accordance with § 15.2-4838.1; and

WHEREAS, pursuant to Chapter 766, the legislation establishing the Fund, imposes, among other requirements, the following requirements on each City/County: (1) that each City/County deposit into its, Local Fund all revenues from the commercial and industrial tax collected under § 58.1-3221.3 pursuant to the maximum tax rate allowed under that section or, in lieu of that amount, an amount from sources other than moneys received from NVTa equivalent to the amount that would have been received had the maximum tax rate been imposed; and (2) that each City/County expend or disburse for transportation purposes each year an amount that is at least equal to the average amount expended or disbursed for transportation purposes by the City/County between July 1,

2010 and June 30, 2013, excluding bond proceeds or debt service payments and federal or state grants; and

WHEREAS, § 15.2-4838.1B.2 provides that if any City/County fails to deposit into its Local Fund the amount equivalent to the revenue that would be generated by imposition of the maximum tax rate allowed under § 58.1-3221.3, then NVTa shall reduce the amount of the 30% Funds disbursed to the City/County by the difference between the amount that was deposited in the City/County's Local Fund and the amount that should have been deposited;

WHEREAS, Enactment Clause 8 of Chapter 766 provides that NVTa and each City/County embraced by it shall work cooperatively with towns with a population greater than 3,500 located within NVTa's member Counties ("Qualifying Towns") for purposes of implementing Chapter 766 and so as to ensure that all such "Qualifying Towns" receive their respective share(s) of the revenues pursuant to subdivision B 1 of § 15.2-4838.1.

WHEREAS Chapter 766 further provides that in the event any County appropriates or allocates any of the 30% Funds to a non-transportation purpose, that County ~~or~~ and its Qualifying Towns shall not be the direct beneficiary or beneficiaries of any of the revenues from the NVTa Fund in the year immediately succeeding the year in which the 30% Funds were appropriated or allocated to a non-transportation purpose; and

WHEREAS Chapter 766 further provides that, in the event that any Qualifying Town appropriates or allocates any of the 30% Funds to a non-transportation purpose, not only will such Qualifying Town not be a direct beneficiary of any of the revenues in the fiscal year immediately succeeding the fiscal year in which the 30% revenues were appropriated or allocated to a non-transportation purpose, but its constituent County and

all other Qualifying Towns within said County could also be judicially declared not to be direct beneficiaries of such revenues from NVTa in the next succeeding fiscal year.

WHEREAS, NVTa has a continuing responsibility to ensure that the 30% Funds are properly spent, and that each NVTa member City/County and each Qualifying Town adhere to the statutory and other legal obligations that it has with regard to the Fund;

WHEREAS, NVTa has requested that each member City/County enter into a separate Memorandum of Agreement in order to implement the provisions of Chapter 766 with regard to *inter alia* the distribution and use of funds in the manner prescribed by Va. Code Ann. §15.2-4838.1 and each member City//County has agreed;

WHEREAS NVTa and each member City/County has agreed to be bound by all terms and conditions in a separate Memorandum of Agreement (“NVTa/City-County MOA”), for purposes of ensuring that NVTa, each member City/County, and each Qualifying Town are in full compliance with Chapter 766 and all applicable requirements of the NVTa Act with regard to the receipt, maintenance, management, oversight, distribution, and use of all funds from the NVTa Fund;

NOW, THEREFORE, in consideration of the foregoing which is hereby incorporated within this “Agreement” and the mutual undertakings of the parties, the County of \_\_\_\_\_ and the Qualifying Town of \_\_\_\_\_ agree as follows:

1. NVTa’s Management of NVTa Funds. NVTa will manage the NVTa Fund and all funds therein and shall receive from the Commonwealth's Comptroller regular distributions of the sums deposited in the special non-reverting fund created in the state treasury known as the Northern Virginia Transportation Authority Fund. NVTa shall accept each such distribution of funds and deposit them as it deems appropriate, and shall manage such deposits, including investments thereof which shall be made pursuant to NVTa’s investment policy and procedures as such may be revised from time to time, all



in accordance with generally accepted accounting principles and all applicable legal requirements. NVTa shall provide to its governing board periodic reports of deposits on hand and all disbursements and expenditures thereof, and shall obtain an annual audit of its ~~books~~ financial records. NVTa, each component City/County, and each Qualifying Towns shall use the funds solely for transportation purposes benefiting those Counties, Cities and Qualifying Towns that are embraced by NVTa in accordance with § 15.2-4838.1.

2. NVTa's Distributions of 30% Funds to Each NVTa Member City/County, including Qualifying Town Shares. NVTa will make regular distributions of the 30% Funds to each member City/County in accordance with applicable law and in accordance with the processes established by the "NVTa/City-County MOA" incorporated by reference as Attachment 1.

A. Beginning no later than the month following final approval and execution of this Agreement by the parties, NVTa shall begin to distribute to COUNTY X the 30% Funds to which COUNTY X is entitled pursuant to § 15.2-4838.1, with interest at the rate earned by NVTa; and, subject to NVTa's continued receipt of funds from the Comptroller, shall continue to distribute to COUNTY X its respective 30% funds on a monthly basis; provided that COUNTY X remains in compliance with the terms of NVTa/City-County MOA and all applicable provisions of law.

B. Upon receipt of its 30% funds as set forth in Paragraph 2A above, COUNTY X will calculate and transfer to the separate account on its ~~books~~ financial records that has been established in the name of QUALIFYING TOWN X in accordance with Paragraphs 4 and 7A of this Agreement, all amounts attributable to QUALIFYING TOWN X using the bases prescribed by Chapter 766 and Paragraph 7A of this Agreement in the manner set forth in Paragraph 4 of this Agreement.

C. COUNTY X will advise QUALIFYING TOWN X on a quarterly basis or at such other intervals that are mutually agreeable to COUNTY X and QUALIFYING TOWN X as to the balance in QUALIFYING TOWN's X's special account.

D. For QUALIFYING TOWN's planning and budgeting purposes, prior to the beginning of each fiscal year, COUNTY X will provide to QUALIFYING TOWN X a revenue report of receipts for the previous twelve (12) months actual funds transfers from COUNTY X to QUALIFYING TOWN X.

3. COUNTY X AND QUALIFYING TOWN X's Obligation to Pay Shares of NVTAs Administrative Expenses. Pursuant to §15.2-4835, County X is responsible for paying its share of NVTAs total administrative expenses as set forth in NVTAs approved budget prior to the start of NVTAs fiscal year which begins July 1<sup>st</sup> of each year. NVTAs shall invoice COUNTY X for its proportionate share of NVTAs administrative expenses by June 1<sup>st</sup> of the preceding fiscal year, and County X shall, at its election, have the option of paying in either of the following methods: (1) by having NVTAs reduce the final distribution of COUNTY X's 30% funds made to COUNTY X after July 1<sup>st</sup> by the amount of COUNTY X's share of the administrative expenses; or 2) by paying NVTAs directly for its share of the administrative expenses not later than July 15<sup>th</sup>. County X's failure to elect one of the foregoing methods of payment on or before July 1<sup>st</sup> of the preceding year shall result in NVTAs reducing the first distribution of 30% Funds made to County X after July 15<sup>th</sup> by the amount of COUNTY X's share of NVTAs administrative expenses. In the event that COUNTY X fails to pay its share of NVTAs administrative expenses by July 15<sup>th</sup>, NVTAs shall withhold further distribution of all COUNTY X's Funds from the NVTAs Fund. NVTAs will reduce COUNTY X's 30% funds by the amount of COUNTY X's delinquent share of NVTAs administrative

expenses, remit the balance of COUNTY X's 30% funds to COUNTY X, and restore distribution of all COUNTY X's other NVTAs funding.

A. COUNTY X's payment of its full amount of NVTAs administrative expenses must include the portion of such administrative expenses that are attributable to QUALIFYING TOWN X, and COUNTY X will seek reimbursement from QUALIFYING TOWN X regarding QUALIFYING TOWN X's *pro rata* share of all NVTAs administrative fees that were pre-paid by COUNTY X. QUALIFYING TOWN X's share of NVTAs annual administrative expenses shall be calculated by the relative population method as prescribed by Va. Code Ann. § 15.2-4835. Once COUNTY X pays the full amount of its NVTAs administrative expenses in the time and manner required by the NVTAs/City –County MOA, COUNTY X will thereafter send an invoice to QUALIFYING TOWN X seeking reimbursement for QUALIFYING TOWN X's portions of NVTAs administrative expenses pre-paid by COUNTY X. QUALIFYING TOWN X will pay said invoice within thirty (30) days upon receipt. If mutually agreed upon by COUNTY X and QUALIFYING TOWN X, QUALIFYING TOWN X's reimbursement payments may be made via electronic transfer of funds or as a direct deduction from QUALIFYING TOWN X's separate account with COUNTY X; and QUALIFYING TOWN X shall have the same options regarding method of payment to COUNTY X as identified in Paragraph 3 above. Failure by Qualifying Town X to pay said invoice will result in COUNTY X withholding QUALIFYING TOWN X's 30% Funds until payment is made.

4. Establishment and Maintenance of Separate Accounts by COUNTY X and QUALIFYING TOWN X.

A. COUNTY X is required to deposit in its Local Fund all revenues distributed to it by NVTAs pursuant to Paragraph 2 above and all revenues collected by NVTAs

COUNTY X from the tax imposed pursuant to § 58.1-3221.3. If COUNTY X has not imposed the aforesaid tax, or has not imposed it at the maximum permissible rate, then COUNTY X is required to deposit into its Local Fund an amount, from sources other than moneys received from NVTa, that is equivalent to the difference between the revenue COUNTY X received from the aforesaid tax and the revenue COUNTY X would have received if it had imposed the aforesaid tax at the maximum permissible rate.

B. COUNTY X agrees to establish, segregate, and maintain on its financial records a separate account in the name of QUALIFYING TOWN X for the purpose of calculating and distributing those revenues that are generated by and attributable to QUALIFYING TOWN X under Chapter 766. Interest on this account shall accrue at the same rate accrued on all other COUNTY X's special transportation accounts.

C. QUALIFYING TOWN X agrees to establish, segregate, and maintain on its financial records a separate account for all NVTa funds that it receives from COUNTY X.

D. Because COUNTY X is required to certify to NVTa by August 1<sup>st</sup> of each year that COUNTY X has satisfied each of the requirements of Paragraphs 4A and 4B above, on or before July 20th of each year, the chief administrative officer of QUALIFYING TOWN X shall certify to COUNTY X, in a format prescribed by and acceptable to COUNTY X and NVTa, that QUALIFYING TOWN X has satisfied each of the requirements set forth in this Paragraph that may be applicable to QUALIFYING TOWN X.

E. If COUNTY X has not deposited into its Local Fund an amount equivalent to the revenue COUNTY X would have received if it imposed the ~~aforesaid~~ tax at the maximum permissible rate under § 58.1-3221.3, then, in any given year, NVTa shall reduce the 30% Funds distributed to COUNTY X by the difference between the amount

the COUNTY X would receive if it was imposing the aforesaid tax at the maximum rate and the amount of revenue deposited into its Local Fund; and NVTa shall retain the amount by which the distribution of COUNTY X's 30% Funds will be reduced for use by NVTa in accordance with § 15.2-4838.1C.1. In such situation, QUALIFYING TOWN X's percentage of COUNTY X's share of its 30% NVTa revenues shall also be reduced *pro rata*.

5. Maintenance of Transportation Funding by COUNTY X.

A. COUNTY X is required to expend or disburse for transportation purposes each year an amount that is at least equal to the average annual amount expended or disbursed for transportation purposes by the COUNTY X, excluding bond proceeds or debt service payments and federal or state grants, between July 1, 2010, and June 30, 2013. In the event that COUNTY X does not expend or disburse the aforesaid amount in any year, COUNTY X shall not be the direct beneficiary of any NVTa Funds in the immediately succeeding year. In such event, NVTa shall make no distribution to COUNTY X of COUNTY X's 30% Funds, or any other monies from the NVTa Fund to COUNTY X or to any of COUNTY X's Qualifying Towns, including QUALIFYING TOWN X; and, ~~that~~ in such case, all such funds shall be used in accordance with § 15.2-4838.1C.1.

B. Although COUNTY X and QUALIFYING TOWN X understand and acknowledge that QUALIFYING TOWN X's receipt of annual funding under Chapter 766 is expressly subject to and contingent upon COUNTY X's annual maintenance of transportation funding efforts and requirements as set forth in Paragraph 5A above, QUALIFYING TOWN X shall have no independent requirement under Chapter 766 to maintain its own levels of transportation funding from year to year in order to receive its respective share of the 30% funds.

6. Use of 30% Funds by QUALIFYING TOWN X

A. QUALIFYING TOWN X shall use its portion of COUNTY X's 30% Funds as distributed to it by COUNTY X solely for the following purposes in a manner determined by QUALIFYING TOWN X: (1) for additional urban or secondary road construction; (2) for other capital improvements that reduce congestion; (3) for other transportation capital improvements which have been approved by the most recent long range transportation plan adopted by NVTa; or (4) for public transportation purposes. QUALIFYING TOWN X shall not use any of the revenues distributed to it by NVTa to repay debt issued before July 1, 2013.

B. In the event that QUALIFYING TOWN X appropriates or allocates any of its portion of COUNTY X's 30% Funds to a purpose other than those specified in paragraph 6A above; and unless QUALIFYING TOWN X demonstrates to the satisfaction of COUNTY X and NVTa that such acts were solely a result of and attributable to clerical or other unintentional, inadvertent error, then NVTa and COUNTY X shall cease any further distributions of the 30% Funds to QUALIFYING TOWN X in the fiscal year in which the misappropriation or misallocation occurs; QUALIFYING TOWN X shall not be the direct beneficiary of any of the funds from the NVTa Fund in the fiscal year immediately succeeding the year in which any of its portion of COUNTY X's 30% Funds were misappropriated or misallocated, and such funds shall be used in accordance with §15.2-4838.1C.1. In the next succeeding fiscal year, NVTa will instruct COUNTY X that there shall be no *pro rata* distribution of COUNTY X's 30% funds to QUALIFYING TOWN X; and, if determined by a court of competent jurisdiction, to COUNTY X or any other Qualifying Town located in COUNTY X because QUALIFYING TOWN X's default could be deemed a default by COUNTY X and by all other Qualifying Towns located in COUNTY X.

7. COUNTY X's Distributions of QUALIFYING TOWN X's Proportionate Share of 30% Funds to QUALIFYING TOWN X.

A. Pursuant to Chapter 766, COUNTY X and QUALIFYING TOWN X will work cooperatively with NVTa for purposes of implementing the provisions of § 15.2-4838.1 and to ensure that all Qualifying Towns in COUNTY X , including QUALIFYING TOWN X, receive their respective share of the 30% Funds distributed by NVTa to COUNTY X. Such share shall be determined on the proportion of population of school age children in QUALIFYING TOWN X as compared to COUNTY X for the purposes of calculating the portion of the 30% Funds attributable to sales tax, and the location of the tax receipts derived from the taxpaying business for purposes of calculating the portion of the 30% Funds attributable to the transient occupancy tax, and the location of the transferred property for purposes of calculating the portion of the 30% Funds attributable to the grantors tax.

B. NVTa and COUNTY X have an ongoing responsibility to ensure that all Qualifying Towns in COUNTY X use the 30% Funds in compliance with this Agreement, COUNTY X's NVTa/City-County MOA, and in accordance with law. QUALIFYING TOWN X acknowledges that its failure to comply with the terms and conditions of this Agreement shall constitute a default by QUALIFYING TOWN X and could constitute a default by COUNTY X and all other Qualifying Towns located in COUNTY X.

C. All distributions of NVTa funds by COUNTY X to QUALIFYING TOWN X under this Agreement will be a project based and effected by the reimbursement method only. All requests for reimbursements by QUALIFYING TOWN X to COUNTY X will be submitted in a form and manner determined by and acceptable to NVTa and COUNTY X. Upon proper submission by QUALIFYING TOWN X to

COUNTY X; and after review and approval by COUNTY X, COUNTY X shall transmit payment to QUALIFYING TOWN X within thirty (30) days from receipt and may be made via electronic transfer of funds, if the two parties so agree. COUNTY X will make every effort to effect reimbursement to QUALIFYING TOWN X within twenty (20) days or sooner, as may be practicable.

D. Without exception, all projects that QUALIFYING TOWN X selects and submits for funding reimbursement to COUNTY X must comply with all requirements and conditions for transportation funding as prescribed under Chapter 766. Upon joint request of COUNTY X and QUALIFYING TOWN X, NVTA will provide its technical resources or act as a non-binding mediator as between COUNTY X and QUALIFYING TOWN X in order to assist and/or facilitate in the resolution of ~~resolve~~ any question or disputes as to whether a specific QUALIFYING TOWN X transportation project may be eligible for funding under this Agreement or under Chapter 766. All such requests for assistance by NVTA should be submitted, in writing, to NVTA, c/o NVTA's Executive Director. Upon receipt of any such request, NVTA's Executive Director shall advise NVTA regarding the type of assistance requested and will thereafter make NVTA's technical and legal staff available to provide the type of assistance requested by COUNTY X and QUALIFYING TOWN X. Nothing herein shall affect any party's rights to seek or pursue any and all remedies at law that may be available to that party to resolve any disputes.

E. If QUALIFYING TOWN X fails to comply with the project selection requirements as prescribed by Chapter 766 or fails to comply with the terms and conditions of this Agreement, it will be obligated to refund with interest to COUNTY X all funds used contrary to this Agreement or in derogation of the law.



8. COUNTY X's Obligation to File Annual Report to NVTa and TOWN X's Obligation to File Annual Report to COUNTY X. COUNTY X must annually provide to NVTa an unaudited financial report, with supporting documentation, showing that the 30% Funds were used as required by Paragraph 6; which Annual Report must include sufficient documentation, showing QUALIFYING TOWN X's appropriate use of its portion of COUNTY X's 30% funds during the previous fiscal year. Because COUNTY X is required to provide its Report to NVTa on or before August 1<sup>st</sup> of each year, QUALIFYING TOWN X shall provide to COUNTY X on or before July 20<sup>th</sup> of each year an unaudited financial report, using the "cash basis method of accounting" with supporting documentation in a form required by NVTa and COUNTY X showing that all funds distributed by COUNTY X to QUALIFYING TOWN X during the previous fiscal year were used as required by Paragraph 6 and in full compliance with the law. In the event the QUALIFYING TOWN X's audited financials show a material variance, defined as five percent (5%) or more after adjusted for the difference between cash basis accounting and accrual basis accounting, from the initial report, QUALIFYING TOWN X shall provide COUNTY X with supplemental documentation satisfactory to COUNTY X, detailing QUALIFYING TOWN X's use of the 30% Funds.

A. In the event the QUALIFYING TOWN X fails to provide the report or information as required above, COUNTY X shall withhold further distributions of QUALIFYING TOWN X's 30% Funds until the report or supplemental information is provided in accordance with this Paragraph. Once QUALIFYING TOWN X provides an acceptable report with appropriate documentation, all withheld funds, inclusive of any interest accrued on such withheld funds, shall be made available for distribution to QUALIFYING TOWN X as soon as practicable.

9. Failure to Comply with Memorandum of Agreement.

A. In the event COUNTY X fails to perform any of its obligations under this ~~MOA~~ Agreement, QUALIFYING TOWN X shall provide written notice to COUNTY X's County Executive/Manager/Administrator of such failure or non-compliance. COUNTY X shall cure or commence to cure the event of noncompliance within thirty (30) days of receipt of notice from Qualifying TOWN X. Upon its receipt and review of the notice of default from QUALIFYING TOWN X, COUNTY X may dispute any matters set forth in such notice; and in such circumstances shall advise QUALIFYING TOWN X's Town Manager that any such matter is in dispute. In the event COUNTY X fails to cure or commence to cure the event of noncompliance and diligently pursue completion thereof, if COUNTY X agrees, QUALIFYING TOWN X may request the assistance of NVTAs as provided in Paragraph 7D above. Nothing herein shall, however, prohibit either COUNTY X or QUALIFYING TOWN X from pursuing all legal remedies that may be available to it at law.

B. In the event QUALIFYING TOWN X fails to perform any of its obligations under this Agreement, COUNTY X's Executive/ Manager/Administrator shall notify the Town Manager of QUALIFYING TOWN X and notify NVTAs's Executive Director that QUALIFYING TOWN X is in default. If agreed to by COUNTY X, QUALIFYING TOWN X may request the assistance of NVTAs as provided in Paragraph ~~7E~~ 7D above. Nothing herein shall, however, prohibit either COUNTY X or QUALIFYING TOWN X from pursuing all legal remedies that may be available to it at law.

C. A cure by QUALIFYING TOWN's of its failure to comply with the terms of this Agreement shall not alter the consequences of and penalties associated with the misuse of any 30% Funds by QUALIFYING TOWN X as set forth in Paragraph 6B of this Agreement.

10. QUALIFYING TOWN X'S Obligation to Reimburse Misused Funds to  
COUNTY X

A. In the event QUALIFYING TOWN X misuses or misallocates any of the 30% Funds, in addition to the consequences set forth in Paragraph 6B, it shall reimburse COUNTY X the full amount of such misused funds plus accrued interest. Until the full amount is reimbursed to COUNTY X, COUNTY X shall withhold further distributions of the 30% Funds to QUALIFYING TOWN X.

B. QUALIFYING TOWN X's reimbursement of misused funds shall not change the consequences of and penalties associated with such misuse set forth in Paragraph 6B of this Agreement.

11. Maintenance of Records by QUALIFYING TOWN X and COUNTY X.  
QUALIFYING TOWN X and COUNTY X shall maintain all records relating to the 30% Funds and the use thereof for a minimum of five (5) years from the date the record was created. In addition to the foregoing, QUALIFYING TOWN X and COUNTY X shall comply with the Virginia Public Records Act and all applicable state and federal laws with regard to the retention of records.

12. Notice. Any notice required or permitted to be provided under this MOA shall be in writing and delivered in person, or sent by U.S. Mail to the below named representatives at the below addresses:

QUALIFYING TOWN X:

Town Manager

Town of \_\_\_\_\_

Address:

COUNTY X \_\_\_\_\_:

County Chief Administrative Officer

\_\_\_\_\_ County

Address:

QUALIFYING TOWN X and COUNTY X may change their respective representative designated to receive notices for purposes of this Agreement by providing written notice of such change to the other party.

13. Entire Agreement. This Agreement constitutes the entire agreement between QUALIFYING TOWN X and COUNTY X and supersedes any prior understanding or agreement between them with regard to any of COUNTY X's distributions to QUALIFYING TOWN X of its *pro rata* portion of COUNTY X's 30% Funds; except that the parties understand and acknowledge that the NVTa/City-County MOA as between NVTa and COUNTY X referenced above has been expressly incorporated.

14. No Third Party Beneficiaries. The provisions of this ~~MOA~~ Agreement shall inure to the benefit of, and bind QUALIFYING TOWN X and COUNTY X, but shall not inure to the benefit of any other party or other persons; except as to NVTa, as expressly provided in this Agreement.

15. Severability. If any provision of this Agreement or the application of the provision to any circumstance is invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application of the provision will not be affected and will be enforceable to the fullest extent permitted by law.

16. Amendments. Any amendment to this Agreement must be made in writing and signed by QUALIFYING TOWN and COUNTY X.

IN WITNESS WHEREFORE, the parties hereto, by their duly authorized representatives, have executed this Agreement as of the date and year aforesaid.

COUNTY of \_\_\_\_\_

Attest:

\_\_\_\_\_  
Clerk

By \_\_\_\_\_  
TITLE

TOWN of \_\_\_\_\_

Attest:

\_\_\_\_\_  
Clerk

By: \_\_\_\_\_  
TITLE

Northern Virginia Transportation Authority

By: \_\_\_\_\_  
TITLE

**Financial Working Group  
Northern Virginia Transportation Authority**

**MEMORANDUM**

**TO:** Martin E. Nohe, Chairman  
Northern Virginia Transportation Authority

Members  
Northern Virginia Transportation Authority

**FROM:** William Euille, Chairman  
Financial Working Group  
Northern Virginia Transportation Authority

**SUBJECT:** Approval of NVTa Interim Procurement Policy (Agenda Item VI.)

**DATE:** December 9, 2013

**Recommendation**

The Financial Working Group recommends that the Authority approve a Revised Procurement Policy for NVTa as outlined in Attachment.

**Background**

With the hiring an executive director and a chief financial officer, NVTa is transitioning from a primarily planning and coordinating agency using the support of local jurisdictions and transportation agencies to a revenue collection and project financing agency with a modest staff. These changes will also change the way NVTa procures the products and services it needs to operate. Beginning in 2002, NVTa's financial needs have been met by in-kind staffing services and supplies provided by the local jurisdiction and transportation agencies, staffing services and supplies have been provided by the Northern Virginia Regional Commission, the Northern Virginia Transportation Commission and a \$50,000 planning grant provided by the Virginia Department of Transportation. Procurement issues were addressed by the jurisdiction or agency providing projects or services on NVTa's behalf.

The passage of HB 3202 in 2007 started the transition to a revenue collection and project financing agency before the Virginia Supreme Court ruled that implementation of the seven taxes and fees approved the General Assembly for Northern Virginia was unconstitutional. An interim procurement policy was approved by the Authority on January 10, 2008.

NVTa's permanent Executive Director will be responsible for developing a number of policies for NVTa. In the meantime, the Financial Working Group reviewed the procurement policy adopted in 2008, and identified a number of changes that need to be made, based on changes in the Virginia Procurement Act and on lessons learned in and since 2008.

Mr. Martin E. Nohe, Chairman  
Members, Northern Virginia Transportation Authority  
Page Two  
December 9, 2013

The changes from the policy adopted in 2008 are summarized as follows:

- Reference to the Chief Financial Officer have been added;
- The limit of \$30,000 on small purchases has been eliminated and replaced with a reference to the threshold established in the Virginia Public Procurement Act (which may change from time to time).
- The circumstances for using “single quotation,” “unsealed bids,” “unsealed proposals,” “formal procurements,” “sole source procurements,” “emergency purchases,” and “cooperative procurement” have been defined.
- Procurement limits for the Chief Financial Officer have been included.

These changes are highlighted in Attachment. This revised procurement policy has been reviewed by the Council of Counsels and purchasing officials from several local jurisdictions and their changes and suggestions have been incorporated into it.

Members of the Financial Working Group and the Council of Counsels will be available at the December 12, 2013, NVTA meeting to answer questions.

Cc: Members, NVTA Jurisdiction and Agency Committee  
Members, NVTA Financial Working Group  
Members, Council of Counsels  
John Mason, Interim Executive Director  
Michael Longhi, Chief Financial Officer

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

RESOLUTION 14-06

ESTABLISHING GUIDELINES FOR EXECUTIVE DIRECTOR'S  
INITIAL FINANCIAL AND PROCUREMENT AUTHORITY

WHEREAS, ~~upon hiring an executive director,~~ the Northern Virginia Transportation Authority looks forward to transitioning financial and procurement responsibilities from the existing temporary support being provided by participating jurisdictions to ~~interim~~ permanent Authority staff; and

WHEREAS, it is recognized that transition measures are necessary until a formal staffing plan is approved and the Authority's permanent staff is acquired, and written financial and procurement procedures are adopted; and

WHEREAS, associated with the aforesaid transition, it is necessary to provide the executive director with authority to initiate the below prescribed financial and procurement functions; and

WHEREAS, it is understood that the purpose of this policy is to establish parameters to guide purchasing and provide delegated purchasing initial authority to the executive director, with the expectation and that a formal staffing plan and more detailed financial and procurement policies will subsequently be submitted to the Authority for its approval.

NOW, THEREFORE, BE IT RESOLVED BY THE NVTa THAT:

1. ~~Upon being appointed,~~ The executive director or the chief financial officer shall assume lead responsibility for initiating financial and procurement actions for the Authority consistent with applicable authorization by the Authority, the availability of budgeted funds for the purpose, and the Virginia Public Procurement Act and all applicable laws.
2. **Small Purchases:** The small purchase threshold for the Northern Virginia Transportation Authority is \$50,000 as term "small purchases" is defined by the Virginia Public Procurement Act (VPPA). Procurements made pursuant to the small purchase procedures do not require public bid openings or newspaper advertising of competitively negotiated procurements.

The following procedures apply to all goods, non-professional, and professional services, with distinctions based on the type of purchase to conform to the VPPA.

**Procurement Card:** ~~Does this apply?~~

- a. **Single Quotation:** Where the agency's cost of goods or services is \$5,000 or less, purchases may be made upon receipt of a minimum of one (1) written or telephone quotation. If more than one quote is received, the award shall be made to the lowest responsive and responsible bidder.
- b. **Unsealed Bidding:** Goods or services over \$5,000 and up to \$50,000 the maximum allowable limit defined by the VPPA as a small purchase may be procured through unsealed bidding. The eVA Quick Quote process is the preferred method for securing competition; however, a solicitation for unsealed bidding may be used. The solicitation shall be open for at least three business days.



**c. Unsealed Proposals:** Goods or services over \$5,000 and up to the maximum allowable limit defined by the VPPA as a small purchase \$50,000 may be procured through an unsealed proposal process. A written determination for the use of competitive negotiation is not required for unsealed proposals. The solicitation for unsealed proposals should include a cover sheet, a general description of what is being sought, the evaluation criteria and weights to be used in evaluation, contract terms and conditions, including unique capabilities or qualifications that will be required. All responses must be received at the designated location by the date and time stated in the solicitation. In lieu of an evaluation committee, the end user may solely evaluate and rank offers. Upon completion of the evaluation, negotiations shall be conducted with the offerors selected.

**3. Formal Procurements:**

a. All procurements anticipated to cost more than the maximum allowable limit defined by the VPPA as a small purchase \$50,000 shall be conducted in accordance with the competitive sealed bidding and competitive negotiation requirements of the VPPA, Virginia Public Procurement Act. Prior approval of the Authority is required.

4. **Sole Source Purchases:** Upon determination in writing that there is only one source practicable available for that which is to be procure, a contract may be negotiated and awarded to that source without competitive sealed bidding or competitive negotiation in accordance with the Code of Virginia, §2.2-4304.E.

5. **Emergency Purchases:** In case of emergency, a contract may be awarded without competitive sealed bidding or competitive negotiation; however, such procurement shall be made with such competition as is practicable under the circumstances, in accordance with the Code of Virginia, §2.2-4303.F

6. **Cooperative Procurement:** The Northern Virginia Transportation Authority may purchase from another public body's contract even if it did not participate in the request for proposal or invitation to bid, if the request for proposal or invitation to bid specified that the procurement was being conducted on behalf of other public bodies, in accordance with the restrictions cited in the Code of Virginia §2.2-4304.

~~2. Subject to, and as provided for by those requirements, the following shall apply to single and term contracts for goods and professional and non-professional services other than professional services not expected to exceed \$50,000:~~

~~3. Small purchases:~~

~~4. Up to \$5,000 — one written quote or documented verbal quote~~

~~5. \$5,000 — \$15,000 — solicitation of a minimum of three qualified sources (verbally and documented or in writing)~~

~~6. \$15,000 — \$530,000 — written solicitation of a minimum of four qualified sources.~~

7. Purchases consistent with above guidelines and within approved budget parameters may be approved by the executive director.

a. ~~Procurements anticipated to cost more than \$530,000 shall be conducted in accordance with applicable requirements of the Virginia Public Procurement Act, and prior approval of the Authority is required.~~

8. Until financial management policies have been adopted, the following procedures shall apply:

a. ~~The existing financial management procedures shall remain in place, with the exception of process for small purchases and the authorization to sign checks.~~

~~b.a. The~~ Upon appointment of an executive director is, he shall be authorized to sign checks up to \$5,000; checks exceeding that amount must be counter-signed by the chairman or the vice chairman. Upon hiring of a chief financial officer (CFO), the

CFO is authorized to sign checks up to \$5,000. Checks over \$5,000 must be countersigned by the executive director. In all cases, expenditures shall be

consistent with approved budget or a separate approval by Authority.

~~e.b.~~ Specific prior approval of the Authority is needed for any expenditure that exceeds \$30,000.

~~d.c.~~ In all cases, appropriate documentation will be established and maintained consistent with state records management requirements.

Adopted by the Northern Virginia Transportation Authority on this 10<sup>th</sup> day of January, 2008.

**BY**

\_\_\_\_\_  
Chairman

**ATTEST:**

\_\_\_\_\_  
Clerk

**Financial Working Group  
Northern Virginia Transportation Authority**

**MEMORANDUM**

**TO:** Martin E. Nohe, Chairman  
Northern Virginia Transportation Authority

Members  
Northern Virginia Transportation Authority

**FROM:** William Euille, Chairman  
Financial Working Group  
Northern Virginia Transportation Authority

**SUBJECT:** Approval of Revised NVTa Debt Policy (Agenda Item VII.)

**DATE:** December 9, 2013

**Recommendation**

Members of the Financial Working Group recommend that the Authority approve the debt policy included as Attachment.

**Background**

Following NVTa's July 24, 2013, action approving the issuance of bonds, members of the Financial Working Group (FWG) have been working with NVTa's financial advisor, PFM, to revise the debt policy approved by the Authority on January 10, 2008.

The revised policy is attached. The recommended policies are specifically designed to achieve an investment grade rating on the Authority's bonds. Accordingly, the Board should be aware of the following key recommendations:

- ◆ The recommended minimum revenue to debt service coverage ratio is 2.0 times debt service. This factor is believed to be the minimum necessary to achieve an investment grade rating from a start-up credit. Excess revenues not used for debt service would be available for annual pay-as-you-go capital expenditures.
- ◆ Included are recommendations for various capital and operating reserves in addition to those required by the bond indenture to provide additional levels of available capital for operating expenses and debt service in the event of severe revenue shortfalls.

Mr. Martin E. Nohe, Chairman  
Members, Northern Virginia Transportation Authority  
December 9, 2013  
Page Two

The Financial Working Group believes that these policies will provide the basis for maintaining the Authority's capital assets for present and future needs and promote the sound fiscal management that will be vital to ensuring a high quality credit rating.

The development of these recommended revisions to the Authority's debt policy was coordinated with the Counsel of Councils, the Authority's financial advisor and the Authority's bond counsel. They are in agreement with the revised policy.

Members of the Financial Working Group will be available at the December 12, 2013, Authority meeting to answer questions.

Cc: Members, NVTa Jurisdiction and Agency Committee  
Members, NVTa Financial Working Group  
Members, Council of Counsels  
John Mason, Interim Executive Director  
Michael Longhi, Chief Financial Officer

## **Northern Virginia Transportation Authority Debt Management Policy**

This debt management policy is adopted to implement the debt program of the Northern Virginia Transportation Authority (the "Authority" or "NVTa") as authorized by Section 15.2-4839 of the Code of Virginia. The purpose of the Authority's Debt Management Program will be to support the construction program of the Authority while achieving the lowest cost of capital. In order to accomplish this goal, it will be necessary to adopt policies and procedures that ensure the highest credit quality, assure access to capital markets and preserve financial flexibility.

The Authority's goal is to achieve a minimum rating in the double-A category on its senior lien debt obligations. Therefore, the Authority shall implement policies and procedures for managing debt including overarching financial policies for maintaining a high quality debt program and detailed guidelines for debt issuance. The policy will guide decisions on all debt issued by the Authority and also assist the Authority in realizing debt service savings and efficiencies. Specifically, the policies will support the following objectives:

- Achieve and maintain a double-A category rating from one or more of the nationally recognized municipal bond credit rating firms for all senior lien revenue debt;
- Guide the Authority and its managers in policy and debt issuance decisions;
- Maintain appropriate capital assets for present and future needs;
- Promote sound financial management;
- Ensure legal use of the Authority's debt issuance authority;
- Promote cooperation and coordination with other stakeholders in the financing and delivery of transportation services and infrastructure; and
- Evaluate debt issuance options

### **I. Application of Revenues**

- A. NVTa Act** – Section 15.2-4838.1 of the NVTa Act authorizes the use of revenues of the Northern Virginia Transportation Authority (including regional tax and fee revenues transferred from the NVTa Fund established under Section 15.2-4838.01) as follows:
1. Solely for transportation purposes benefitting those counties and cities embraced by the Authority.
  2. Thirty percent (the "30 Percent Share") shall be distributed to the localities on a pro rata basis subject to reduction under the "maintenance of effort" provisions of Section 15.2-4838.1.B.2.
  3. The remaining seventy percent will be distributed as follows:
    - a. First to pay debt service on bonds issued by the Authority and secured by a pledge of such moneys;
    - b. For "pay-as-you-go" projects;
    - c. Each project financed by such moneys or bonds secured thereby must meet the following criteria:
      - i. Must be (x) in regional transportation plan in accordance with Section 15.2-483) ("TransAction 2040") and be rated in accordance with Section 33.1-13.01:1 or (y) a mass transit capital project that increases capacity;<sup>1</sup>

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<sup>1</sup> For "regional funds" received in FY 2014, the rating requirement does not apply.

- ii. Must reflect the Authority's priority for selecting projects that are expected to provide the greatest congestion reduction relative to the cost of the project;
- iii. Must be located (x) only in localities embraced by the Authority or (y) in adjacent localities but only to the extent that such extension is an insubstantial part of the project and is essential to the viability of the project within the localities embraced by the Authority ; and
- iv. Must result in each locality's total long-term benefit being approximately equal to the proportion of the total of the fees and taxes received by the Authority that are generated by or attributable to the locality.

**B. Master Indenture of Trust** – The Master Indenture of Trust approved on July 24, 2013, further specifies that all amounts transferred from the NVTa Fund are deposited to a Revenue Fund and are distributed as follows:

- 1. First, the 30 Percent Share is deposited in the Member Locality Distribution Fund;
  - a. And then from such Fund to the Operating Fund in an amount sufficient to fund the next 30 days of operations;
  - b. And then from such Fund to each locality its pro rata portion of the remaining 30 Percent Share (subject to reduction as described above);
- 2. Then the remaining amounts (the "Regional NVTa Funds") must be distributed in the following order of priority:
  - a. To fund all senior debt service requirements;
  - b. To fund all debt service reserve requirements (if due);
  - c. To fund subordinate debt service requirements (if due); and
  - d. To fund all rebate fund requirements (if due).
- 3. Once all debt service requirements are met, the remaining Regional NVTa Funds are deposited to the NVTa General Fund available for any other lawful purpose of the Authority, including the construction of "pay-as-you-go" projects.

## **II. Debt Management Planning**

### **A. Debt Affordability Criteria (Debt Capacity)**

- 1. Debt Capacity – For planning purposes, Debt Capacity for the issuance of new debt shall be calculated as a function of the projected Regional NVTa Funds, as defined in the Master Indenture of Trust.
  - a. It should be stressed that in accordance with the terms of the Master Indenture of Trust and the order of precedence defined in the Code of Virginia, debt service payments shall have precedence over all other obligations of the Authority.
  - b. Debt Capacity shall be projected forward a sufficient time to support the cash flow requirements of the Authority's adopted long range capital plan together with funds identified for pay-as-you-go construction.
- 2. Debt service coverage requirements:
  - a. NVTa strives to set policy targets for debt service coverage at the minimum levels necessary, in light of relevant criteria and methodologies of the credit rating agencies and recommendations of NVTa's Financial Advisor, to achieve a minimum of a AA category rating on senior lien debt.
  - b. For senior lien debt: The ratio of annual Regional NVTa Funds to annual senior lien debt service will be a minimum of 2.0 times. A proforma calculation for this ratio is included as Exhibit 1 to this policy.

- c. For subordinate lien debt: The ratio of annual Regional NVTAFunds minus annual debt service on senior lien debt to annual subordinate lien debt service will be a minimum of 1.30 times. A proforma calculation for this ratio is included as Exhibit 1 to this policy.
- 3. Treatment of Local Revenues:
  - a. Required Transfers – Authority revenues earmarked for transfer to the member localities, the 30 percent share will not be included in the debt capacity calculation or calculation of coverage requirements.
- 4. “Pay go” and reserve set asides – Any portion of Regional NVTAFunds not utilized for debt service due to coverage requirements will be set aside for pay-as-you-go capital financing and additional reserves as required by this policy over a reasonable period of time as determined by the Authority.
- 5. Reserve and liquidity levels
  - a. Debt Service Reserve Fund – Consistent with the provisions of the Master Indenture of Trust, each bond issue may include a Debt Service Reserve Fund (“DSRF”) funded from bond proceeds, Regional NVTAFunds or the NVTAGeneral Fund as determined by the Authority at the time of issuance. In considering the need for this structural feature, NVTAMay consider whether it is economically advantageous to have a DSRF and the potential impact on the existing credit ratings on the Authority’s outstanding bonds, among other factors.
  - b. Working Capital Reserve – The Authority will maintain a Working Capital Reserve account in its General Fund equal to at least six months of the budgeted, annual Regional NVTAFunds. Such funds may be used within a fiscal year to manage any mismatches in the actual receipt of revenue and the disbursement of funds for project construction to project implementing entities. If tapped, the Executive Director of the NVTAMay develop and submit to the Authority Board a plan to restore the Working Capital Reserve to its minimum level over a period not to exceed 18 months. The NVTAMay revisit the level of this reserve no later than June 30, 2015 to reflect its actual cash flow patterns and experience and periodically as needed.

## **B. Bond Structure**

- 1. Term of Bonds. NVTAMay strive to match the financing period with the economic life of the asset being developed in general conformance with the following guidelines:
  - a. Short term debt (less than ten years) normally should be used for projects with an economic life of 0 to 15 years, but may be used at any time to restructure the Authority’s outstanding debt portfolio to reduce the average life of the Authority’s bonds.
  - b. Terms of the bonds for major construction projects shall not exceed 30 years which is less than the 40 year maximum term of debt permitted under Section 15.2-4519.B.1.
  - c. The Authority will attempt to achieve an average bond life for all aggregate outstanding debt of less than 20 years in order to ensure that significant debt capacity is available to meet the future needs of the Authority.
- 2. Capitalized Interest. The Authority intends to pay interest on all debt obligations when due from current revenues unless the capitalization of interest shall be deemed necessary and prudent or the best interest of the Authority for any project specific

financing. If used, the capitalized interest period and amount shall not exceed that which is necessary to complete the construction period.

3. Debt Service Repayment Structure. It is the preference of the Authority to promote rapid repayment of debt principal in order to (i) achieve the objective of average bond life of less than 20 years, (ii) to maintain or improve the credit rating, and (iii) to execute the capital program in the most cost effective manner. The Authority may choose to structure debt repayment so as to wrap around existing obligations or to achieve other financial planning goals.
4. Call Provisions. Optional redemption provisions on NVT A debt, if any, shall be determined based upon the market conditions at the time of issuance with advice from the Financial Advisor. The Authority will select the call provision most likely to result in the lowest cost of funds while providing reasonable opportunity and flexibility for future refinancing to achieve future debt service savings.

### **C. Types of Debt**

1. Revenue Bonds. NVT A expects to issue revenue bonds, either on a senior lien or subordinate basis, as its primary form of debt. The debt capacity of the Authority to issue revenue bonds shall be governed by this Debt Management Policy.
2. Lease Purchase Agreements. Lease purchase debt for which the asset is pledged, in addition to Authority revenues, as security for the debt payment may not be issued unless the Board adopts specific policies in this regard.
3. Variable Rate Debt (short or long term). The Authority may issue variable rate debt to achieve a lower cost of capital, improve cash flow efficiencies or manage interest rate risk and in no case shall variable rate debt exceed ten percent of the total debt of the NVT A. Any commercial paper program that is used as an interim financing tool shall not be included in the calculation of the ten percent (10%) maximum variable rate debt limit. The NVT A will revisit this threshold periodically to reflect market conditions, credit rating agency criteria, and NVT A's liquidity and cash flow experience. Any changes to the threshold must be approved by the Board.
4. Commercial Paper/Interim Financing. The Authority may establish a commercial paper program or other forms of interim construction financing such as bond anticipation notes if economically advantageous to manage the Authority's cash flow, improve efficiency or reduce negative arbitrage. The Authority may create its own program or use a pool legally available to it within the Commonwealth.
5. Federal or State or other Conduit Pool Loan Programs. The Authority may use pooled loan programs supported by available Regional NVT A Funds if cost effective (e.g., sales through the Virginia Resources Authority). Such debt may be senior or subordinate lien as negotiated with the issuing authority with such coverage and other requirements as determined by the issuing agency and consistent with the Master Indenture of Trust.
6. Unrated Debt. The Authority may issue unrated debt if deemed in its best interests.
7. Derivative Structures. The Authority shall not make use of derivative structures (swaps, hedges, etc.) for at least five years after adoption of this policy. Such structures shall not be used thereafter unless the Board shall adopt specific policies in this regard.



**D. Refinancing Outstanding Debt**

1. Minimum Savings Threshold. The Authority establishes a minimum present value savings threshold of three percent (3%) of the refunded bond principal amount. The present value savings will be net of all costs related to the refinancing.
2. Restructuring. The Authority may restructure debt when it is in the best financial interest of the Authority to do so. Such refundings will be limited to restructuring to meet anticipated revenue expectations, achieve costs savings, mitigate irregular debt service payments, release reserve funds, consolidate multiple series of outstanding debt, or remove unduly restrictive bond covenants.
3. Term of Refunding Issues. The Authority will normally refinance bonds within the original term of the existing debt. However, after careful evaluation, the Authority may consider maturity extension when necessary to achieve a desired outcome, provided that such extension is permissible under the Master Indenture of Trust.

**E. Use of Credit Enhancement**

1. Bond Insurance. Bond insurance may be obtained to achieve a higher credit rating than NVTAs' uninsured debt when cost effective.
2. Letters of Credit. Letters of Credit may be obtained when cost effective.

**F. Additional Bonds**

1. NVTAs anticipates new money bond sales in a frequency adequate to meet its cash flow needs.
2. Additional bond issuance shall not exceed any of the limits prescribed in the Debt Affordability section of these policies in any fiscal year.
3. Subsequent bond sales will be on parity with prior issuances of senior or subordinate lien bonds, as appropriate.
4. Additional bond issuances should be planned to remain within capacity/affordability limits based on careful forecasts of revenues reasonably anticipated to be received over the course of the following six years.

**G. Capital Financial Plan**

1. Beginning in FY 2015, NVTAs shall adopt a multi-year capital plan. The capital plan will be developed in accordance with all applicable statutory requirements. The Authority shall make every effort to coordinate the timing of the adoption of its capital plan to benefit the capital planning processes of the Authority's member jurisdictions and of impacted state and regional authorities.
2. The Authority will review and update the long-term comprehensive transportation plan for the region at least every five years.

**III. Debt Management Administration**

**A. Selection of Advisors and Other Providers**

1. Financial Advisor. The Authority will use the services of a Financial Advisor to assist in the implementation and execution of bond policies, sales and other financial analyses as necessary. The Financial Advisor will be selected through a competitive process in accordance with the Code of Virginia and other procedures that the Authority may establish under such terms and compensation as the Authority may determine. A selection advisory committee shall include the Chief Financial Officer

and other members appointed by the Executive Director, including at least three knowledgeable staff members from member jurisdictions, which will include the top three revenue contributing jurisdictions and a rotation of up to two of the remaining contributing jurisdictions. The Executive Director shall make every effort to ensure that each member jurisdiction is given the opportunity to participate in the selection process.

2. Bond Counsel. The Authority will use the services of Bond Counsel to assist in the implementation and execution of bond policies, sales and other legal analyses as necessary. The Bond Counsel will be selected through a competitive process in accordance with the Code of Virginia and other procedures that the Authority may establish under such terms and compensation as the Authority may determine.
3. Other Services. The Authority may obtain the services of other advisors as necessary to implement its debt program under such terms and conditions as may be determined by the Authority. Such services may include, but are not limited to, trustee and fiscal agent services, specialized financial analytical services, special tax or disclosure counsel, rebate and arbitrage compliance services, audit services and other services that may be necessary.
4. Other Jurisdiction Contracts. The Authority may use any contract for consultant services issued by a member jurisdiction or agency of the Commonwealth provided that the terms and conditions of the contract permit its use by other jurisdictions or governmental entities of the Commonwealth and the contract was competitively bid or issued through a request for proposal.

#### **B. Methods of Issuance**

1. Competitive Sales. NVT A shall issue debt on a competitive basis whenever practical.
2. Negotiated Sales. NVT A may issue bonds via negotiated sale based on an evaluation of current market conditions and the economic advantages to NVT A, especially for the first few series of bond issues until the Authority has gained sufficient market acceptance and recognition as a regular issuer.
3. Private Placements. NVT A is permitted to use private placement financings based on an evaluation of current market conditions and the economic advantages to NVT A.

#### **C. Underwriter Selection (if negotiated sale)**

1. NVT A will always use a formal, competitive, open selection process to choose an underwriter.
2. NVT A's Financial Advisor may not participate in any sale as an underwriter (senior manager, co-manager, or part of a syndicate) while under contract to the Authority or as otherwise prohibited by applicable MSRB Rules.
3. NVT A will determine the selection process for appointing any co-managing underwriters.
4. NVT A may competitively select a pool of underwriters who may be used to underwrite bond sales over a multi-year period. The period in which an underwriter can be used may exceed more than one financing and more than one year; the period of use will be established at the time of the initial underwriter selection.
5. Underwriter selection shall be conducted in accordance with applicable procurement statutes and procedures established by the Authority. A selection advisory committee shall include the Chief Financial Officer and other members appointed by the

Executive Director, including at least three knowledgeable staff members from member jurisdictions, which will include the top three revenue contributing jurisdictions and a rotation of up to two of the remaining contributing jurisdictions. The Executive Director shall make every effort to ensure that each member jurisdiction is given the opportunity to participate in the selection process.

**D. Public Notices and Hearings**

1. Notices of public hearing shall be published and public hearings held prior to Board approval of any debt issuance if required by and in conformance with federal law, where applicable, and the Virginia Code.
2. NVT A shall post any such notices of public hearing to be published on its website and in a paper or papers of general circulation within the jurisdictions embraced by the NVT A. Regardless of whether such publication is required by federal or Virginia law; provided that the failure to effect any such local publication shall not invalidate any Board action unless the local publication is required by laws.

**IV. Provisions Pertaining to the 30 Percent Share: NVT A Role as a Conduit Issuer**

- A. NVT A may act as a conduit issuer for any member locality utilizing a separate Trust Indenture specifically for the member's issuance of debt secured by their 30 Percent Share. Member localities may agree to a Master Indenture with allowance for Supplemental Indentures specifically for the conduct of its initial and subsequent issues.
- B. Debt Service for any NVT A conduit debt issued for individual member localities may be paid directly to the member locality's trustee for an issue secured by the member locality's 30 Percent Share of NVT A revenues. Localities may pledge other revenues as needed. The aggregate of all revenues pledged must meet a minimum coverage ratio of 1.00 times.
- C. Localities may agree to a joint issue for projects that benefit more than one locality, however, such joint ventures shall at a minimum clearly establish jurisdictional shares and responsibility for debt service payments.
- D. Any debt issued by NVT A directly for the benefit of an individual member locality must not have any impact on the NVT A's credit rating, debt capacity/affordability or marketing of other NVT A debt.
- E. Conduit debt issued by NVT A on behalf of a locality shall not have any negative fiscal or operational impact on NVT A or on any of the other member localities. The NVT A and its other member localities shall be protected in the event of default or non-appropriation by the obligated member.
- F. All costs of issuance will be borne entirely by the member locality in a manner of their choosing, which may included capitalization of such costs. NVT A may charge a fee for its services in addition to normal costs of issuance.

**V. Provision Pertaining to the 30 Percent Share: Operating Reserve**

- A. Operating Reserve— The Authority will maintain an operating reserve account in the Member Locality Distribution Fund sufficient to fund to at least twenty percent (20%) of operating expenses. This operating reserve may be used, at the discretion of NVTa's Executive Director, to cover unanticipated increases in the Authority's operating budget. If used, the Executive Director will present a plan to the NVTa Board for refilling the reserve during the next ensuing fiscal year budget process. The Authority will invoice each member locality for their proportionate contribution necessary to refill the reserve to three months of operating expenses.

## **VI. Investment Policies**

- A. The Authority will establish separate, written investment policies consistent with applicable sections of Virginia Code and that provide for maintenance of sufficient cash on hand to meet daily operating, capital and debt service requirements in conformance with the expected schedule and actual receipt of revenues from all sources.

## **VII. Debt Management Monitoring & Responsible Parties**

- A. Post Issuance Compliance Procedures. The Authority will establish appropriate accounting and reporting procedures to ensure the timely payment of debt service, the satisfaction of all debt service coverage requirements and financial covenants and compliance with applicable federal tax and securities laws. Prior to issuance of any tax-exempt debt, the NVTa will develop separate, written Post Issuance Compliance procedures.
- B. Arbitrage rebate compliance. The Authority will sell the minimum amount necessary to meet construction requirements consistent with Federal arbitrage restrictions and comply with all necessary reporting requirements. The Authority will attempt to size its sale amounts so as to qualify for the two year spend down exception test.
- C. Secondary market disclosure (Rule 15c2-12 compliance). Continuing Disclosure shall at a minimum include the year-end financial audit in addition to other documents designated by the Authority. The Authority shall ensure that any local jurisdiction constituting a "material obligor" with respect to any of the Authority's debt within the meaning of Rule 15c2-12 agrees to provide the continuing disclosure required under the Rule.
- D. NVTa's Executive Director or his designee will be responsible for the implementation of this Debt Management Policy with the advice and input from NVTa's legal counsel and Financial Advisor.
- E. NVTa's Executive Director and Chief Financial Officer will review and update this Debt Management Policy at least every five years.

Exhibit 1: Proforma Debt Service Coverage Calculation Methodology

*Figures shown below are for illustrative purposes only.*

- Annual Regional NVT A Funds = **(A)** = \$210,000,000
- Debt Service on Senior Lien Debt = **(B)** = \$7,000,000
- Debt Service on Subordinate Lien Debt = **(C)** = \$1,000,000
- Debt Service Coverage Requirement for Senior Lien Debt = **(A / B)** = \$210,000,000 / \$7,000,000 = 30.0x
- Debt Service Coverage Requirement for Subordinate Lien Debt = **(A-B) / C** = (\$210,000,000 - \$7,000,000) / \$1,000,000 = 203.0x

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Martin E. Nohe and Members  
Northern Virginia Transportation Authority

**FROM:** Chairman Christopher Zimmerman  
Vice Chairman, Gary Garczynski  
Project Implementation Working Group  
Northern Virginia Transportation Authority

**SUBJECT:** Six Year Program Call for Projects

**DATE:** December 9, 2013

---

**Recommendation.** Approval of the Call for Projects for the first three years of the Northern Virginia Transportation Authority Fiscal Year 2014-2019 Six Year Program.

**Suggested motion.** *I move approval of the Call for Projects for the first three years of the Northern Virginia Transportation Authority Fiscal Year 2014 – 2019 Six Year Program.*

**Background.** Pursuant to its charge to consider how projects might be implemented and to recommend actions that the NVTa can take to successfully undertake transportation projects, the Project Implementation Working Group (hereafter, the “Group”) has prepared the attached proposed Six Year Program Call for Projects. This recommendation includes a draft interim schedule that integrates, to the extent possible, the NVTa Six Year Program planning process with the Commonwealth’s Six Year Program, the Virginia Department of Transportation’s Northern Virginia Significant Projects Evaluation and Rating Study, and the regional Transportation Improvement Program (TIP).

**Scope.** The Northern Virginia Transportation Authority (NVTa) was established by the Virginia General Assembly on April 17, 2002. The Authority embraces the Cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park and the Counties of Arlington, Fairfax, Loudoun and Prince William. Among other things, the Authority was given the following responsibilities:

- The Authority shall prepare a regional transportation plan for Northern Virginia, to include, but not necessarily be limited to, transportation improvements of regional significance, and shall from time to time revise and amend the plan.
- Once the plan is adopted, the Authority may construct or otherwise implement the transportation facilities in the plan.
- The Authority may contract with others to provide transportation facilities or to operate its facilities, or it may provide and/or operate such facilities itself.

- The Authority may prepare a plan for mass transportation services and may contract with others to provide the necessary facilities, equipment, operations, etc., needed to implement the plan.

On April 3, 2013, the Virginia General Assembly approved comprehensive transportation funding legislation (HB2313) which raises approximately \$300 million per year in new funding for transportation for Northern Virginia through a series of regional taxes and fees. The NVTa established five working groups to make recommendations regarding the implementation of HB 2313 to include the development of a Six Year Program. The NVTa approved the first fiscal year of the FY 2014 – FY 2019 Six Year Program at its July 24, 2013 meeting, and has directed the Project Implementation Working Group (PIWG) to continue to develop its Six Year Program.

In the meantime, the National Capital Region Transportation Planning Board (TPB) has begun planning for the FY 2015-2020 Transportation Improvement Program (TIP) and 2014 Constrained Long Range Plan (CLRP) for the Washington region. Project submissions for these documents are due on December 13, 2013. TPB will release the projects submitted for public comment on January 16, 2014. Any projects requiring inclusion in TPB's air quality conformity analysis must be released for public comment at this time. Projects may subsequently be deleted prior to TPB final adoption of project submissions on February 19, 2014; however no additional projects may be added. Any regionally significant project not included in this adoption by TPB will need to undertake an individual air quality conformity analysis or wait for the FY 2016-2021 TIP cycle which will begin in December-January of the following year.

NVTa is in the process of developing its Six Year Program and will not be prepared to submit projects by the upcoming TPB deadline.

This Call for Projects is being issued to allow NVTa to undertake a condensed schedule for development of the first three years of a Six Year Program (FY 2014, FY 2015 and FY 2016). The PIWG has recommended this approach to allow implementation of some transportation projects and services.

### **NVTa's Vision**

The following vision was originally adopted by the Transportation Coordinating Council of Northern Virginia in 1999 and was ratified by NVTa in September 2006:

"In the 21st century, Northern Virginia will develop and sustain a multimodal transportation system that supports our economy and quality of life. It will be fiscally sustainable, promote areas of concentrated growth, manage both demand and capacity, and employ the best technology, joining rail, roadway, bus, air, water, pedestrian, and bicycle facilities into an interconnected network."

This vision guided NVTa's development of its Long-Range Transportation Plans, including the most recent TransAction 2040 plan and will guide its decision-making related to its short-term Six Year Program.

### **Six Year Program and Funding Levels**

As indicated above, NVTa has approved the first fiscal year of its FY 2014 – FY 2019 Six Year Program. It will now consider programming the remaining FY 2014 funds, along with two fiscal years (FY 2015 and FY 2016) of what will ultimately be a Six Year Program. The development of the Six Year Program will be coordinated with the Virginia Department of Transportation's (VDOT) Rating Study (HB 599), VDOT's Six Year Program and the TPB's Transportation Improvement Program.

It is anticipated that the three regional taxes and fees passed by the 2013 General Assembly on April 3, 2013, will raise approximately \$300 million per year. Chapter 766 (HB2313) of the 2013 Acts of Assembly requires that 30 percent of the revenues received by the Authority be distributed on a pro rate basis, with each locality's share being the total of fee and taxes received by the Authority that are generated or attributable to the locality. The revenues must be used solely by the applicable locality for additional urban and secondary road construction; for other capital improvements that reduce congestion; for other transportation capital improvements which have been approved by the most recent long range transportation plan adopted by the Authority; or for public transportation purposes.

The remaining 70 percent of the revenues received by the Authority plus other funds as provided by the law, shall be used by the Authority to fund (i) transportation projects selected by the Authority that are contained in the regional transportation plan and that have been rated in accordance with § 33.1-13.03:1 of the Code of Virginia; or (ii) mass transit capital projects that increase capacity. The rating requirement does not apply to FY 2014 regional funds. The Authority shall give priority to selecting projects that are expected to provide the greatest congestion reduction relative to the cost of the project and shall document this information for each project selected. Such projects selected by the Authority for funding shall be located (a) only in localities embraced by the Authority or (b) in adjacent localities but only to the extent that such extension is an insubstantial part of the project and is essential to the viability of the project within the localities embraced by the Authority. The law also requires that the NVTa and the counties and cities embraced by the NVTa shall work cooperatively with towns with a population greater than 3,500 located within such counties for purposes of implementing the provisions of this act and to ensure that such towns receive their respective share of the revenues.



This Call for Projects will consider the programming unallocated FY 2014 revenues, as well as revenues from FY 2015 and FY 2016. The Financial Working Group is in the process of developing financial policies that will inform the amount of available Pay-As-You Go dollars available for allocation in the Six Year Program. They anticipate providing this additional guidance by Winter 2014.

### **Project Identification**

NVTA is requesting that its member jurisdictions, as well as the transportation agencies that serve Northern Virginia, identify proposed projects for the 70 percent revenues that NVTA will retain. The PIWG, in coordination with the Joint Agency Coordinating Committee (JACC), Technical Advisory Committee (TAC) and Planning Coordination and Advisory Committee (PCAC), will then prepare a draft Six Year Program (FY 2014 to FY 2016) for NVTA's and the public's consideration.

### **Coordination**

Since HB 2313 requires that each locality's long-term benefits be approximately equal to the funding raised in each jurisdiction, transportation agencies or others submitting proposed projects or services must coordinate with the staff(s) of the affected jurisdiction(s) prior to submission.

Conversely, any jurisdiction submitting a project or service that it will not implement directly must coordinate with the proposed implementing agency's staff prior to submission.

NVTA is seeking action from local governing bodies indicating support for projects and services submitted for NVTA consideration.

### **Review, Evaluation and Prioritization**

It is anticipated that the PIWG will review the project submissions following the January 31, 2014 submission deadline and undertake a project evaluation and prioritization exercise using criteria to be approved by the NVTA at a future meeting. Subsequently, the PIWG will coordinate with the Virginia Department of Transportation and Department of Rail and Public Transportation to avoid duplication of funding for projects.

Based on the outcome of the prioritization exercise and the coordination with state agencies, NVTA committees and workings groups, the PIWG will prepare a draft FY 2014 to FY 2016 of the FY 2014 -2019 Six Year Program. The PIWG will submit a recommended Six Year Program to the NVTA to be released for public comment. Ultimately, the NVTA will be asked to consider adopting a Six Year Program for the first three fiscal years of the plan.

**Schedule**

Project Submission Forms are due to the NVTA by Friday, January 31, 2014. An interim schedule of activities associated with the development of this Six Year Program is included as Attachment B.

**Submission Forms and Instructions**

NVTA jurisdictions and agencies will receive an electronic invitation along with instructions on how to submit projects on or around Friday, December 13, 2013. A copy of the Project Submission Form is included as Attachment A. Completed forms should be submitted electronically to NVTA by Friday, January 31, 2014.

**Attachments.**

- A. Project Submission Form**
- B. Interim NVTA Six Year Program Schedule**

# Northern Virginia Transportation Authority

## PROJECT DESCRIPTION FORM

\* Required

**Submitting Agency: \***

This is a required question

**Project Title \***

**Project Type \***

☐ Roadway

☐ Multimodal

☐ Transit

☐ Other:

**Project Description \***

No more than 2 paragraphs

**Route Number (if applicable) or Corridor \***

VA State Route Number or NVTA Corridor Number located within

**Total Project Cost \***

Enter as \$xx.xx for NVTA funds being requested

**Total Funds Required \***

Total of all funds needed to complete project (\$xx.xx)

**Phase(s) of Project Covered by Funding \***

- ☐ Study
- ☐ Preliminary Engineering
- ☐ Final Design
- ☐ Right-of-way
- ☐ Construction

**Project Milestones -Study Phase**

Start of Study Phase (month/year)

**Project Milestones -Preliminary Engineering**

Start of PE (month/year)

**Project Milestones -Final Design**

Start of Final Design (month/year)

**Project Milestones -Right-of-Way**

ROW acquisitions completed (month/year)

**Project Milestones -Construction**

Completion (month/year)

**Project is in Transaction\_2040 \***

- ☐ Yes
- ☐ No

**Project in current CLRP \***

- ☐ Yes
- ☐ No

**Project in current TIP \***

- ☐ Yes
- ☐ No

**Project is Air Quality Neutral \***

- ☐ Yes
- ☐ No
- ☐ Not Sure

**Project Leverages other Funding \***

- ☐ Local
- ☐ State
- ☐ Federal
- ☐ Other:

**What Regional benefit(s) does this project offer?**

**How does the project reduce congestion?**

**How does project increase capacity**

Mass Transit Projects only

**How does project improve auto and pedestrian safety?**

List internet links below to any additional information in support of this project

Send pictures with Project Title to: [NVTaform@gmail.com](mailto:NVTaform@gmail.com) \*

Use Project Title in the email "Subject line"

- ☐ Will be sending picture by email
- ☐ Will not be sending a picture

**PLEASE PRINT A COPY OF THIS FORM FOR YOURSELF  
BEFORE SUBMITTING**

For assistance please contact XXXXXX at XXXXXXXX



Northern Virginia Transportation Authority

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# VIII.B

## Northern Virginia Transportation Authority

### Proposed Schedule for the Six Year Program of Projects

October 17, 2013	TPB Releases Final Call for Projects – Transportation Agencies begin Submitting Project Information through On-Line Database
November 2013	VDOT – Confirm with CTB the priorities for development of the SYIP, FFY Strategy determined & districts begin updating schedules and estimates for SYIP update.
November 20, 2013	TPB CLRP/TIP Releases Final Call for Projects – state agencies begin submitting project information through on-line database.
<b>November 22, 2013</b>	<b>VDOT Rating Study Project Selection Model (HB599) Stakeholder Meeting</b>
December 2013	DEADLINE - VDOT Urban Priorities Due & District coordinates with MPOs to provide regional priorities
<b>December 3, 2013</b>	<b>VDOT Rating Study (HB599) Project Selection Model Input Session #1</b>
<b>December 12, 2013</b>	<b>NVTA issues Six-Year Program Call for Projects</b>  <b>VDOT/NVTA Joint Work Session on VDOT Rating Study (HB599) Project Selection Model</b>
December 13, 2013	DEADLINE – Transportation Agencies Complete On-Line Submission of Draft Project Inputs  VDOT provides obligation information to non-attainment MPOs for TIPs
December 27, 2013	VDOT provides annual list of obligations for public release
<b>January 2014</b>	<b>VDOT issues VDOT Rating Study (HB599) Call for Project Nominations</b>  <b>Discuss NVTA Six Year Program planning and process with NVTA Technical Advisory Committee (TAC) and Planning Coordination Advisory Committee (PCAC)</b>

VDOT Central Office Programming starts working on draft scenario of SYIP based on estimates/schedules in the PCES system as of December 30 & District Programming coordinates RSTP/CMAQ amounts and instructions to MPOs.

**January 10, 2014**      **VDOT distribute Draft Project Evaluation Model (PEM) for review and comment.**

January 16, 2014      CLRP project submissions and draft Scope of Work released for public comment.

**January 23, 2014**      **DEADLINE: Comments on Draft Project Evaluation Model (PEM) due to VDOT.**

TPB briefed on Project Submissions and Draft Scope of Work

**January 31, 2014**      **DEADLINE – Project submissions for NVT A Six Year Program due to Project Implementation Working Group**

**VDOT Stakeholder Input Session on VDOT Draft PEM**

**February 2014**      **JACC reviews project submissions for NVT A Six Year Program**

VDOT provides project list to MPOs

CLRP & TIP Project Submissions and Draft Scope of Work Release for Public Comment

DRPT – Commuter Assistance Grant Applications Due

VDOT – Central Office Programming continues working on draft scenario of SYIP, CO and District Management review preliminary working draft of the interstate system & CO and District have MPO/PDC Meetings on SYIP development, etc.

**February 6 or 13, 2014**      **NVT A approves Project Implementation Working Group project nominations for VDOT Rating Study (HB 599).**

**VDOT work session with NVT A on VDOT PEM.**

**February 14, 2014**      **DEADLINE – Project nominations for VDOT Rating Study (HB 599) due to VDOT.**

February 15, 2014      TPB CLRP public comment period ends



February 19, 2014	TPB reviews Public Comments and is asked to Approve Project Submissions and Draft Scope of Work
March 2014	VDOT – Draft SYIP Public Hearing dates determined, Final appropriation amounts received, District Programs MPO RSTP/CMAQ allocations and special program funding based on MPO strawman & Project managers update estimates and schedules.
<b>March 13, 2014</b>	<b>NVTA action on projects selected by VDOT for Rating (HB599)</b>  <b>NVTA discusses Six Year Program Process, Project Prioritization and Project Development.*</b>
<b>March – October 2014</b>	<b>VDOT Rating Study (HB 599) conducts project evaluation and rating.</b>
April 2014	VDOT – Begin SYIP public hearings, Final Allocations determined & Final CMAQ/RSTP allocations coordinated with MPO
April 7, 2014	VDOT – Draft SYIP release
May 2014	VDOT – Complete SYIP public hearings and review comments
May 2, 2014	DEADLINE - Transportation agencies finalize CLRP forms and inputs to FY 2015-2020 TIP. Submissions must not impact conformity inputs; note that the deadline for changes affecting conformity inputs was February 19, 2014.
May 15, 2014	FY14-19 SYIP adopted by the CTB
May 21, 2014	TPB Receives Status Report on Conformity Assessment
June 2014	VDOT – SYIP to be adopted by CTB and posted to external website, Begin discussions on districts/divisions/DPRT on bonus federal Obligation Authority & Central Office Programming submit budget posting information from final SYIP to Financial Planning.
June 12, 2014	Draft CLRP & TIP and Conformity Assessment Released for Public Comment at Citizens Advisory Committee (CAC)
June 18, 2014	TPB releases Conformity Assessment for Public Comment

July 2014	VDOT – District to Submit request for potential Bonus OA projects
<b>July 10, 2014</b>	<b>Tentative Meeting - Report to the Authority on preliminary results of VDOT Rating Study (HB 599)</b>
July 12, 2014	TPB Conformity Assessment Public Comment Period Ends
July 16, 2014	TPB Reviews Public Comments and Responses to Comments, and is Presented the Draft CLRP & TIP and Conformity Assessment for Adoption
August 2014	VDOT – Central Office Submits Bonus OA request to FHWA & Kick off FY- 14 Systematic Review of SYIP Projects
<b>October 2014</b>	<b>VDOT releases draft Rating Report (HB 599)</b>
<b>November 13, 2014</b>	<b>NVTA to receive briefing on VDOT draft Rating Report (HB 599)</b>
<b>December 2014</b>	<b>VDOT releases Final Rating Report (HB 599)</b>
<b>December 11, 2014</b>	<b>NVTA to receive briefing on VDOT Final Rating Report (HB 599)</b>
<b>* TO BE DETERMINED: Date of NVTA Six-Year Plan approval including associated working group, committee and public approval process.</b>	

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Martin E. Nohe and Members  
Northern Virginia Transportation Authority

**FROM:** Monica Backmon, Chairman, Jurisdiction and Agency Coordination Committee

**SUBJECT:** NVTa Approval of the Reallocation of Regional Surface Transportation Program and Congestion Mitigation Air Quality Program Funds for Loudoun County

**DATE:** December 12, 2013

---

**Purpose.** To seek NVTa approval of Loudoun County's Regional Surface Transportation Program (RSTP) and Congestion Mitigation Air Quality (CMAQ) funds.

**Explanation:** On September 11, 2008, the NVTa delegated the authority to approve requests to reallocate Congestion Mitigation and Air Quality (CMAQ) and Regional Surface Transportation Program (RSTP) funding between projects that were previously approved by the NVTa to the Jurisdiction and Agency Coordinating Committee (JACC). However, since the receiving projects are new projects, the Authority will need to approve the transfer requests before any funds can be reallocated.

Loudoun County requested the reallocations below. The JACC approved these requests on October 10, 2013.

Transfer from UPC100425 Lexington Drive to Route 772 Transit Bridge (New Project)

FY2015 RSTP \$2,000,000

FY2016 RSTP \$5,498,105

FY2017 RSTP \$8,502,000

Transfer from UPC102935 Route 7 Pedestrian Bridge Supplemental Park to UPC100472 Leesburg and Park and Ride Lot Bridge Supplemental Park

FY2017 CMAQ \$900,000

Transfer from UPC100425 Lexington Drive Overpass to Route 606 Widening Shared Use Path (New Project)

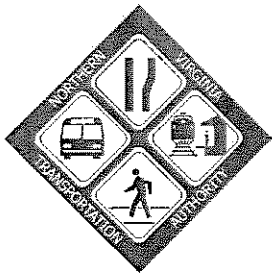
FY2015 RSTP \$1,500,000

Transfer from UPC102935 Route 7 Pedestrian Bridge Supplemental Park to Route 606 Widening Shared Use Path (New Project)

FY 2017 CMAQ \$3,800,000

Since Loudoun County is requesting transfers to projects not previously vetted through the Authority, NVTa approval is required before these transfer requests can be approved.

**Attachment(s):** Letter to VDOT NOVA District Administrator Cuervo, Loudoun County transfer request



## IX. ATTACHMENTS

# Northern Virginia Transportation Authority

*The Authority for Transportation in Northern Virginia*

3060 Williams Drive ♦ Suite 510 ♦ Fairfax, VA 22031

[www.TheNoVaAuthority.org](http://www.TheNoVaAuthority.org)

December 12, 2013

Mr. Helen Cuervo  
District Administrator  
Virginia Department of Transportation  
4975 Alliance Dr. Suite 4E-342  
Fairfax, Virginia 22030

Reference: Request to Reallocate Regional Surface Transportation Program and Congestion Mitigation Air Quality Funds for Loudoun County

Dear Ms. Cuervo:

On September 11, 2008, the NVTa delegated the authority to approve requests to reallocate Congestion Mitigation and Air Quality (CMAQ) and Regional Surface Transportation Program (RSTP) funding between projects that were previously approved by the NVTa to the Jurisdiction and Agency Coordinating Committee (JACC).

On October 10, 2013, Loudoun County requested such reallocations. The reallocation requests are noted below:

- Transfer from UPC100425 Lexington Drive to Route 772 Transit Bridge (New Project)  
FY2015 RSTP \$2,000,000  
FY2016 RSTP \$5,498,105  
FY2017 RSTP \$8,502,000
- Transfer from UPC102935 Route 7 Pedestrian Bridge Supplemental Park to UPC100472 Leesburg and Park and Ride Lot Bridge Supplemental Park  
FY2017 CMAQ \$900,000
- Transfer from UPC100425 Lexington Drive Overpass to Route 606 Widening Shared Use Path (New Project)  
FY2015 RSTP \$1,500,000
- Transfer from UPC102935 Route 7 Pedestrian Bridge Supplemental Park to Route 606 Widening Shared Use Path (New Project)  
FY 2017 CMAQ \$3,800,000

Please take the necessary steps to reallocate these funds in the Transportation Improvement Program and the State Transportation Improvement Program. Thank you very much.

Sincerely,

Martin E. Nohe  
Chairman

Cc: Jan Vaughn, Transportation Planning Section, VDOT  
Dic Burke, Transportation Planning Section, VDOT  
Bob Brown, Loudoun County



Loudoun County, Virginia

[www.loudoun.gov](http://www.loudoun.gov)

Office of the County Administrator

1 Harrison Street, S.E., 5th Floor, P.O. Box 7000, Leesburg, VA 20177-7000

Telephone (703) 777-0200 • Fax (703) 777-0325

At a business meeting of the Board of Supervisors of Loudoun County, Virginia, held in the County Government Center, Board of Supervisors' Meeting Room, 1 Harrison St., S.E., Leesburg, Virginia, on Wednesday, September 18, 2013 at 4:00 p.m.


IN RE: FY 2015 – FY 2020 SIX YEAR BUDGET FOR REGIONAL SURFACE  
TRANSPORTATION PROGRAM (RSTP) AND CONGESTION MITIGATION  
AIR QUALITY (CMAQ) REGIONAL FUNDING (COUNTYWIDE)

Mr. Letourneau moved that the Board of Supervisors endorse staff's recommended plan, as amended, for use of FY2015 through FY2020 RSTP and CMAQ funds as reflected in the revised chart of the September 18, 2013 staff report; which moves the proposed funding for the Braddock Road and Pleasant Valley intersection to the Route 606 widening project and direct staff to forward a copy of this plan to the Northern Virginia Transportation Authority for submission to the Commonwealth Transportation Board.

Mr. Letourneau further moved that the Board endorse the Town of Leesburg's submission for FY2020 funding for the Sycolin Road Widening Phase IV project.

Seconded by Mr. Reid.

Voting on the Motion: Supervisors Buona, Clarke, Delgaudio, Higgins, Letourneau, Reid, Volpe, Williams and York - Yes; None – No.

  
DEPUTY CLERK FOR THE LOUDOUN  
COUNTY BOARD OF SUPERVISORS

(9-FY 2015 – FY 2020 SIX YEAR BUDGET FOR REGIONAL SURFACE TRANSPORTATION PROGRAM (RSTP) AND CONGESTION  
MITIGATION AIR QUALITY (CMAQ) REGIONAL FUNDING (COUNTYWIDE)

**September 18, 2013 Board of Supervisors Business Meeting Item  
#9 Alternative Motion**

**Revised Chart Proposed FY 2015 to FY 2020 RSTP and CMAQ Funding Plan**

<b>Project</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>
<b>Broadlands South Park and Ride Lot</b>	<b>75,000</b>	<b>77,388</b>	<b>79,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Lowes Island Park and Ride Lot</b>	<b>29,000</b>	<b>30,000</b>	<b>31,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Leesburg Area Park and Ride Lot</b>	<b>2,650,283</b>	<b>0</b>	<b>900,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Western Loudoun Park and Ride Lot</b>					<b>150,000</b>	
<b>George Washington Blvd. Overpass</b>	<b>1,367,000</b>	<b>0</b>	<b>4,098,000</b>	<b>0</b>	<b>2,000,000</b>	<b>\$9,578,000</b>
<b>Route 772 Transit Bridge</b>	<b>2,000,000</b>	<b>5,498,105</b>	<b>8,502,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Route 606 Widening</b>	<b>1,500,000</b>		<b>3,800,000</b>			
<b>One Loudoun Park and Ride Lot</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,500,000</b>	<b>0</b>



## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Martin E. Nohe and Members  
Northern Virginia Transportation Authority

**FROM:** Monica Backmon, Chairman, Jurisdiction and Agency Coordination Committee

**SUBJECT:** Approval of the Programming of FY20 Congestion Mitigation Air Quality (CMAQ) and Regional Surface Transportation Program (RSTP) Funds

**DATE:** December 12, 2013

---

**Purpose.** The JACC recommends that the Northern Virginia Transportation Authority endorse the attached list of projects for funding for FY20 CMAQ program and the Regional RSTP.

**Background:** Based on past practice, the JACC established Friday, September 27, 2013, as the submission deadline for FY 20 CMAQ and RSTP applications. The Authority previously approved the FY19 applications in November 2012, but due to a surplus and subsequent deficits, adjustments were made to CMAQ and RSTP projects. VDOT has informed the JACC that FY 2019 estimated funding levels for CMAQ and RSTP should be used for FY 2020.

The funding available for distribution is:

**Projected FY 2020 Regional Funding**  
(subject to change based on final Federal allocations)

▪ CMAQ	\$ 30,149,418
▪ RSTP	<u>\$ 41,285,448</u>
	\$ 71,434,866

VDOT provides the local matches for both the CMAQ and the RSTP funds, provided that the projects utilize the funds within established timelines. For the CMAQ program, the recipient has 24 months to obligate the funds and then 48 months to expend the funds. For the RSTP program, the recipient has 12 months to obligate the funds and then 36 months to expend the funds.

For FY 2020, the NVTA received over 40 CMAQ and RSTP applications, totaling \$112,566,710. The JACC reviewed the projects submitted, and recommends that the NVTA endorse the attached list of CMAQ and RSTP projects for submission to VDOT and the Commonwealth Transportation Board for approval.

Jurisdiction and Agency Coordinating Committee members and I will be available at the NVTA meeting on December 12, 2013, to answer questions.

CMAQ/RSTP Allocations for Northern Virginia - FY20

X.ATTACHMENT

FY 2020 CMAQ/RSTP Proposed Allocations  
Fall 2013 Strawman

FY2020 CMAQ Estimate \$ 30,149,418

CMAQ FUNDS

	Overall Ranking	FY 2020	
		Requested	Proposed
OFF-THE-TOP PROJECTS/REGIONAL		\$ 857,115	\$ 557,115
COG/TPB - Commuter Connections Operations Center (UPC 52726)		\$259,115	\$259,115
VDOT/COG - Metropolitan Area Transportation Operations Coordination (MATOC), (UPC 101293)		\$400,000	\$100,000
VDOT - Clean Air Partners (UPC 52725)		\$198,000	\$198,000
CMAQ BALANCE REMAING FOR JURISDICTIONAL ALLOCATIONS		\$ -	\$ 29,592,303

JURISDICTIONAL ALLOCATIONS\*

		Requested	Proposed
ALEXANDRIA, CITY		\$ 320,000	\$ 1,720,000
DASH Bus Replacement (UPC 11740); PM 2.5	1 of 12	\$1,400,000	\$1,400,000
Bicycle Sharing Initiative (UPC 100420, 103744)	5 of 12	\$320,000	\$320,000
Braddock Road Metro Multimodal Connections (UPC 100421)	10 of 12	\$0	\$0
ARLINGTON COUNTY		\$ 6,530,000	\$ 4,919,000
Traffic Signal Optimization (UPC 99179)	1 of 5	\$500,000	\$500,000
Commuter Services Program (ACCS),(UPC T100)	2 of 5	\$6,180,000	\$4,419,000
Transportation System Management & Communications Plant Upgrade (UPC101689)	3 of 5	\$100,000	\$0
Capital Bikeshare (UPC 99518)	4 of 5	\$250,000	\$0
DUMFRIES, TOWN			\$ -
FAIRFAX, CITY		\$ 255,000	\$ -
Bicycle Improvements (was RSTP request)	6 of 9	\$ 255,000	\$0
FAIRFAX COUNTY		\$ 15,600,000	\$11,778,453
Columbia Pike Streetcar Project (UPC 100471); PM 2.5	4 of 8	\$15,000,000	\$11,178,453
Countywide Transit Stores (UPC T207)	6 of 8	\$600,000	\$600,000
FALLS CHURCH, CITY		\$ -	\$ -
HERNDON, TOWN		\$ 300,000	\$ 44,850
Herndon Trails to Metrorail	3 of 3	\$300,000	\$44,850
LEESBURG, TOWN		\$ -	\$ -
LOUDOUN COUNTY		\$ -	\$ -
MANASSAS, CITY		\$ -	\$ -
MANASSAS PARK, CITY		\$ -	\$ -
PRINCE WILLIAM COUNTY		\$ -	\$ -
PURCELLVILLE, TOWN		\$ -	\$ -
VIENNA, TOWN		\$ 330,000	\$ 330,000
Sidewalks to Metrorail (UPC 104326)	1 of 1	\$330,000	\$330,000
Total Jurisdictional		\$ 23,335,000	\$18,792,303

AGENCY ALLOCATIONS

		Requested	Proposed
PRTC (Prince William, Manassas, Manassas Park)		\$ 3,100,000	\$ 3,100,000
PRTC Commuter Assistance Program (UPCT183)	1 of 2	\$350,000	\$350,000
Commuter Bus Replacements (45 ft. Buses), (UPC T158); PM 2.5	2 of 2	\$2,750,000	\$2,750,000
WMATA (Arlington, Alexandria, Fairfax City, Fairfax County, Falls Church)		\$ 6,615,000	\$ 4,500,000
Virginia Metrobus Replacement (UPC 12878); PM 2.5	1 of 1	\$6,615,000	\$4,500,000
VRE		\$ 5,700,000	\$ 1,700,000
VRE Quantico Station Pedestrian and Parking Improvements (PWC)		\$1,700,000	\$1,700,000
Crystal City VRE Station Improvements (Arl Co)		\$2,000,000	\$0
Backlick Road Platform Ext (FFX Co)		\$2,000,000	\$0
VDOT		\$ 1,500,000	\$ 1,500,000
VDOT - Traffic Signal Timing Optimization (77184)		\$1,500,000	\$1,500,000
Total Agency		\$ 16,915,000	\$ 10,800,000

TOTAL CMAQ \$ 41,107,115 \$ 30,149,418

CMAQ PM 2.5 Set Aside Requirement \$ 7,537,355  
Total CMAQ PM 2.5 Allocation \$ 19,828,453  
CMAQ PM 2.5 Allocation as a Percentage of Total CMAQ 65.8%

\*Includes Fairfax County reductions in FY14-19 - \$143,007

CMAQ/RSTP Allocations for Northern Virginia - FY20

FY 2020 CMAQ/RSTP Proposed Allocations  
Fall 2013 Strawman

FY2020 RSTP Estimate \$ 41,285,448

RSTP FUNDS

	Overall Ranking	FY 2020	
		Requested	Proposed
OFF-THE-TOP PROJECTS/REGIONAL		\$ -	\$ -
RSTP BALANCE REMAING FOR JURISDICTIONAL ALLOCATIONS			\$ 41,285,448
JURISDICTIONAL ALLOCATIONS*		Requested	Proposed
ALEXANDRIA, CITY		\$ 3,290,000	\$ 2,019,372
Transit Store (UPC T99)	2 of 12	\$0	\$0
Transit Analysis Study (UPC 100492)	3 of 12	\$500,000	\$500,000
Transportation Demand Management (UPC 82847)	4 of 12	\$600,000	\$600,000
Bicycle Parking at Major Metro Stops (UPC 100466)	6 of 12	\$100,000	\$100,000
Transitway Enhancements (UPC 79794)	7 of 12	\$0	\$0
Van Dorn-Beauregard Bicycle Facility	8 of 12	\$1,250,000	\$819,372
Parking Ratio Study	9 of 12	\$0	\$0
Parking Technologies (UPC 102943)	11 of 12	\$500,000	\$0
Bicycle and Pedestrian Improvements	12 of 12	\$340,000	\$0
ARLINGTON COUNTY			\$ -
DUMFRIES, TOWN			\$ -
FAIRFAX, CITY		\$ 4,690,000	\$ 694,000
Bridge Deck Evaluation	1 of 9	\$150,000	\$150,000
Pedestrian Improvement Study	2 of 9	\$300,000	\$300,000
Pedestrian Improvements	3 of 9	\$2,200,000	\$244,000
Traffic Signal Rehabilitation	4 of 9	\$1,250,000	\$0
Bicycle Master Plan	5 of 9	\$150,000	\$0
Traffic Signal Cabinet Upgrade	7 of 9	\$400,000	\$0
Traffic Signal Battery Back Up	8 of 9	\$175,000	\$0
Pavement Temperature Sensors and Traffic Counters	9 of 9	\$65,000	\$0
FAIRFAX COUNTY		\$ 33,000,000	\$ 18,272,076
Tysons Corner Roadway Improvements (UPC 100478)	1 of 8	\$9,000,000	\$7,965,000
Route 236/Beauregard Street Intersection Improvements (UPC 102894)	2 of 8	\$5,000,000	\$4,000,000
Route 7 (Reston Ave to Reston Pkwy), (UPC 99478)	3 of 8	\$5,000,000	\$4,307,076
Rolling Road (Old Keene Mill to FCP), (UPC 5559)	5 of 8	\$9,000,000	\$2,000,000
I-66 and Route 28 Improvements (UPC 103317)	7 of 8	\$5,000,000	\$0
FALLS CHURCH, CITY		\$ 300,000	\$ 343,000
Pedestrian, Bicycle and Traffic Calming Improvements (UPC 100411) (see RSTP)	1 of 1	\$300,000	\$343,000
HERNDON, TOWN		\$ 3,500,000	\$ 700,000
East Elden Street Widening & Improvements (UPC 50100)	1 of 3	\$3,000,000	\$600,000
Herndon Parkway Intersections (at Van Buren Street, Sterling Road & Spring Street), (UPC 89889)	2 of 3	\$500,000	\$100,000
LEESBURG, TOWN		\$ 1,500,000	\$ 1,410,000
Route 15 (South King Street) Widening Phase II, (UPC 17687)	1 of 2	\$0	\$0
Sycolin Road Widening Phase IV, (UPC 102895)	2 of 2	\$1,500,000	\$1,410,000
LOUDOUN COUNTY		\$ 9,578,000	\$ 8,397,000
George Washington Blvd Overpass @ Route 7	2 of 3	\$9,578,000	\$8,397,000
MANASSAS, CITY		\$ 6,054,000	\$ 962,000
Liberia Avenue Widening (UPC 102903)	1 of 1	\$6,054,000	\$962,000
MANASSAS PARK, CITY		\$ 727,595	\$ 358,000
Intersection Improvements on Manassas Drive @ Euclid Avenue (UPC 76683)	1 of 1	\$727,595	\$358,000
PRINCE WILLIAM COUNTY		\$ 8,820,000	\$ 8,130,000
Route 1 Widening (Featherstone Dr to Mary's Way) (UPC 104303)	1 of 1	\$8,820,000	\$8,130,000
PURCELLVILLE, TOWN		\$ -	\$ -
VIENNA, TOWN		\$ -	\$ -
Total Jurisdictional		\$ 71,459,595	\$ 41,285,448
TOTAL RSTP		\$ 71,459,595	\$ 41,285,448

\*Includes Fairfax County reductions in FY14-19 - \$210,594 & Arlington County reductions in FY10 for TransAct 2040 Study - FY \$550,694

CMAQ/RSTP Allocations for Northern Virginia - FY20

FY 2020 CMAQ/RSTP Proposed Allocations  
Fall 2013 Strawman

Breakout of Proposed Agency Allocations					
	\$ 4,500,000	\$ 2,200,000	\$ 3,100,000	\$ 1,500,000	
	WMATA	VRE	PRTC	VDOT	Total Proposed Allocations
ALEXANDRIA, CITY	\$ 784,404	\$ -	\$ -		\$ 4,523,776
ARLINGTON COUNTY	\$ 1,243,119	\$ -	\$ -		\$ 6,162,119
DUMFRIES, TOWN					\$ -
FAIRFAX, CITY	\$ 27,523	\$ -	\$ -		\$ 721,523
FAIRFAX COUNTY	\$ 2,389,908	\$ -	\$ -	\$ 988,800	\$ 33,429,237
FALLS CHURCH, CITY	\$ 55,046	\$ -	\$ -		\$ 398,046
HERNDON, TOWN		\$ -	\$ -		\$ 744,850
LEESBURG, TOWN		\$ -	\$ -		\$ 1,410,000
LOUDON COUNTY		\$ -	\$ -	\$ 166,800	\$ 8,563,800
MANASSAS, CITY		\$ -	\$ 262,759		\$ 1,224,759
MANASSAS PARK, CITY		\$ -	\$ 97,710		\$ 455,710
PRINCE WILLIAM COUNTY		\$ 1,700,000	\$ 2,739,532	\$ 344,400	\$ 12,913,932
PURCELLVILLE, TOWN					\$ -
VIENNA, TOWN		\$ -			\$ 330,000
	\$ 4,500,000	\$ 1,700,000	\$ 3,100,000	\$ 1,500,000	\$ 70,877,751

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Martin E. Nohe and Members  
Northern Virginia Transportation Authority

**FROM:** Monica Backmon, Chairman  
Jurisdiction and Agency Coordinating Committee

**SUBJECT:** DRAFT 2014 State and Federal Legislative Program

**Date:** December 6, 2013

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**RECOMMENDATION:** *Authority approve the attached 2014 Legislative Program.*

**Background:** Significant changes to the Authority's Legislative Program were necessary due to the actions of General Assembly and Governor during the 2013 Session. As such, the Draft program was distributed to the Authority at its October 24, 2013, meeting. Those changes included:

- Updating the transportation funding position to reflect the enactment of HB 2313.
- Updating the WMATA Funding position to reflect the needs of the system.
- Updating the Pedestrian Safety position to note the importance of access to transit.
- Adding language to support Maximizing the Use of Existing Facilities.
- Adding language noting the importance of ongoing coordination between the Authority and the Commonwealth.

Following the Authority's October meeting, small changes have been made to reflect ongoing activities. For example, the October draft noted that Authority had initiated a bond validation proceeding. The current draft notes that the Circuit Court ruled in the Authority's favor.

Additionally, two new items have been added by request of the JACC, which are highlighted below. These changes include:

- Adding language to the State Transportation Funding statement pertaining to changes in the statewide transit formulas.
- Adding language to the Federal program expressing support for the Federal Marketplace Fairness Act. HB 2313 included language noting that should Congress enact the Act, the state could begin collecting these taxes. The majority of these funds will be provided for transportation purposes.

**Attachments:**

DRAFT 2014 State and Federal Legislative Program

**Coordination:**

Jurisdiction and Agency Coordinating Committee

**Northern Virginia Transportation Authority  
2014 Legislative Program  
*DRAFT: December 6, 2013***

**STATE**

***TRANSPORTATION FUNDING***

The passage of HB 2313 was the result of bipartisan cooperation throughout the Commonwealth, as the Governor, General Assembly, localities and the business community worked vigilantly to enact a transportation funding package that provides substantial new resources in addressing statewide transportation needs that had long been underfunded. Of particular interest to Northern Virginia was the inclusion of a regional package generating \$300 million annually in increased Northern Virginia revenues. This funding is a significant step towards addressing the transportation needs of Northern Virginia, estimated in the TransAction 2040 Long-Range Transportation Plan at approximately \$950 million per year in additional funding. It is critical, that Northern Virginia continues to receive its fair share of statewide revenues, as required by HB 2313, and that any potential changes to the HB 2313 statewide revenues generate funds at least equal to the law as enacted.

NVTA initiated a bond validation proceeding related to the regional funds to test the validity of the bonds, processes, and authorizing statute. The Fairfax County Circuit Court ruled in NVTA's favor on all matters. It is imperative that no changes be made to the Northern Virginia portions of HB 2313 or to the code sections specifically related to NVTA, as it begins implementing these new funding provisions.

Additionally, ongoing coordination between Commonwealth and NVTA, other regional agencies, and local governments is essential as we all work to implement HB 2313's regional provisions. This is especially critical as VDOT continues work on the evaluation required by HB 599/SB 531 (2012), which will directly impact NVTA and its future actions.

Due to legislative changes in 2012, the Commonwealth Transportation Board now has the authority to allocate up to \$500 million to priority projects before funds are provided to the construction fund. Due to this provision, the secondary and urban construction programs will receive no new funds until 2017, despite the additional transportation revenues. This is especially alarming as localities have not received funds for this program since FY 2010. Further, this change gives the CTB significant authority in allocating statewide resources, resulting in funds being allocated to a few large projects, rather than funds being provided equitably to localities throughout the state through the normal funding formula. It is imperative that the region receives its share of the statewide funds. It is recommended that this set aside be eliminated or modified to, at the very least, ensure equitable distribution of funds to each region.

During the 2013 Session, the General Assembly passed SB 1140, which changed the

methodology for distribution of new transit funding. NVTA is concerned about implementation decisions that go beyond the intent of the legislation; in particular, DRPT's method of counting Metrorail riders could negatively impact transit operating assistance for WMATA compact jurisdictions. Such calculations should be based on boardings and alightings at stations within the Commonwealth, rather than residency or other methodologies not based specifically on ridership. Additionally, NVTA is opposed to DRPT's decision to change the allocation of state funds for capital costs from the non-federal cost of a project to the total project cost. As several Northern Virginia transit systems do not receive federal funds, this change increases the local share our localities must pay while reducing the share for those other systems in the Commonwealth that provide far less local funding.

A modern, efficient, multimodal transportation system is essential to the Commonwealth, and is intrinsically tied to continued economic development and the ability to compete in a global economy. We must all work together to maintain and build the multimodal infrastructure that Virginia needs to remain an active and dynamic participant in a 21st Century economy. *(Revises previous transportation funding position)*

#### **WMATA FUNDING**

The Commonwealth must work with the Federal Government to ensure that it, too, provides sufficient resources to address transportation needs. The Commonwealth is a valuable partner in ensuring that WMATA continues to move ahead with important safety and infrastructure capital improvements in its system. As part of the federal Passenger Rail Investment and Improvement Act (PRIIA) of 2008, WMATA received a 10-year, \$1.5B federal authorization to address urgent capital needs. The region matches these federal funds with \$50M each annually from DC, MD, and VA. The capital funding is used to support areas such as: meeting safety requirements of the NTSB, repairing aging rail track, investing in new rail cars, fixing broken escalators and elevators, rehabilitating decaying rail stations and platforms, modernizing the bus fleet, and improving bus facilities. *(Revises and reaffirms previous position).*

#### **VRE TRACK ACCESS FEES**

Since its inception, VRE has received money from the Commonwealth through the Equity Bonus Program for the track access fees. MAP-21 eliminated the Equity Bonus Program while keeping the level of program funding the same through the first two years of the law. If VRE is unable to resolve this potential funding shortfall then there will be significant budgetary ramifications which could include reductions in service, 58% jurisdiction increase in subsidies, and/or a 28% fare increase. NVTA supports the inclusion of VRE track access funding within the Commonwealth's transportation budget. If this does not occur then NVTA supports a separate appropriation through eligible federal pass through money for track access fees within its capital program. *(Revises and Reaffirms Previous Position)*

#### **SECONDARY ROAD DEVOLUTION/LOCAL MAINTENANCE PROGRAMS**

NVTA opposes any legislation that would require the transfer of secondary road construction and maintenance responsibilities to counties, especially if these efforts are not accompanied with corresponding revenue enhancements. While there are



insufficient resources to adequately meet the maintenance and improvement needs of secondary roads within the Commonwealth, the solution to this problem is not to simply transfer these responsibilities to local government that have neither the resources nor the expertise to fulfill them. Further, NVTa also opposes any legislative or regulatory moratorium on the transfer of newly constructed secondary roads to VDOT for the purposes of ongoing maintenance.

Additionally, NVTa is opposed to changes to maintenance allocation formulas detrimental to localities maintaining their own roads. Urban Construction Funds are already far below what is needed and localities must already find other ways to fund new construction initiatives and changing current formulas or requiring additional counties to maintain their roads could lead to a reduction in Urban Construction and Maintenance Funds, placing a huge extra burden on these localities. *(Reaffirms previous position).*

### **EQUAL TAXING AUTHORITY FOR COUNTIES, CITIES AND TOWNS**

NVTa supports granting counties the authority cities and towns currently have to enact local excise taxes, including the cigarette tax, admissions tax, and meals tax. Doing so would allow counties to raise additional revenues for transportation projects. *(Reaffirms previous position)*

### **BASE REALIGNMENT AND CLOSURE (BRAC) RECOMMENDATIONS**

NVTa supports the inclusion of sufficient funding to ensure significant fiscal resources to address the enormous planning and transportation issues associated with the Base Realignment and Closure Commission recommendations. This is particularly critical, because the BRAC relocations have occurred, and Northern Virginia localities are facing significant shortfalls in the capacity of current infrastructure to support the additional military and civilian jobs. *(Reaffirms previous position).*

### **PEDESTRIAN AND TRANSIT SAFETY**

Safe access to transit facilities can be improved through infrastructure improvements and better traffic safety laws. NVTa supports revisions to Virginia's existing pedestrian legislation to clarify the responsibilities of drivers and pedestrians in order to reduce the number of pedestrian injuries and fatalities that occur each year. In particular, support legislation that would require motorists to stop for pedestrians in crosswalks at unsignalized intersections on roads where the speed is 35 mph or less and at unsignalized crosswalks in front of schools. This issue is of special importance for pedestrians with physical or sensory disabilities, who are at particular risk of injury when crossing streets. Further, strong safety records depend on strong safety practices and training and NVTa supports training programs for transit systems, pedestrians and bicyclists. *(Revises and reaffirms previous position.)*

### **MAXIMIZING USE OF EXISTING FACILITIES**

High performance, high capacity transit requires smart usage of existing road facilities. Localities in cooperation with the Commonwealth (DRPT and VDOT) should ensure that urban design standards for transportation system components allow for the efficient movement of vehicles; accommodate safe pedestrian and bicyclist movement; and encourage user-friendly access to transit. More flexibility in the design of transit

infrastructure and facilities that enhance safety should be provided. Additionally, localities with cooperation of the Commonwealth, should to identify existing facilities that can be flexed or used by transit vehicles on an as needed or scheduled basis in order to maximize the efficient use of roadways to expand capacity. Examples are:

- The conversion of shoulders for bus use during peak rush hour - with safety practices and improved infrastructure - will improve service and expand capacity on important corridors.
- Express Bus, Commuter Bus, and Bus Rapid Transit as well as Light Rail and Streetcar; and
- Expanded use of Buses in HOT lanes.

*(New Position)*

## **CHAPTER 729 PLANNING**

Land use provisions included in legislation during the 2012 Session changed transportation planning requirements for jurisdictions. Specifically, the Virginia Department of Transportation (VDOT) and the Commonwealth Transportation Board (CTB) can decide whether local transportation plans are consistent with their current priorities. If they decided this is not the case, they are able to withhold funding for transportation projects in counties. While the NVTa is appreciative of efforts to better coordinate local and state transportation planning, the Authority is concerned that these provisions essentially transfer the responsibility for land use planning from local governments to the Commonwealth. Land use and zoning are fundamental local responsibilities and these provisions can override the work done by our local governments and our residents, property owners, and the local business communities on land use and transportation plans. *(Reaffirms previous position)*

## **TRANSPORTATION COORDINATION AND REGIONAL STUDIES**

NVTa believes it is critical for ongoing coordination between the Authority and the Commonwealth. Additionally, it is vital that the Commonwealth involve local and regional officials in any studies or audits related to funding, planning, operations, organizational structure and processes related to agencies in the Transportation Secretariat. This is essential as VDOT continues work on the evaluation created by HB 599 (2012), which will directly impact NVTa and its future actions. Further, NVTa recommends that the Code of Virginia be amended to specify that transportation studies related to facilities wholly within one VDOT construction district, should be managed by that construction district rather than the VDOT Central Office. Regional VDOT staff is better equipped to address the concern of the affected citizens and local governments. *(Revises and reaffirms previous position)*.

## **FEDERAL**

### **SURFACE TRANSPORTATION PROGRAM REAUTHORIZATION**

In July 2012, Congress passed a two-year transportation reauthorization bill, Moving Ahead for Progress in the 21st Century (MAP-21). This bill provides \$120 billion for federal transportation programs from July 2012 – September 2014. The bill does not direct funding towards specific projects. The U.S. Department of Transportation

(USDOT) is currently developing rules for many of the programs, in consultation with state departments of transportation, Metropolitan Planning Organizations (MPOs) and other stakeholders.

As discussions on the rulemaking and possible future legislation continue, NVTA believes that a number of significant issues should be considered, including:

- The level of Federal investment in the nation's transportation infrastructure, including both maintenance of the existing system and expansion, must increase significantly;
- The distribution of funding within the Federal Surface Transportation Program must be simplified and the number of funding programs streamlined.
- The time required to complete the federal review process of significant new transportation projects must be reduced, and the approval process must be consistent across all modal administrations. In addition, federal implementation regulations should be streamlined;
- To recognize the uniqueness of metropolitan areas, greater decision-making authority for determining how transportation funding is spent should be given to local governments and regional agencies, such as the Northern Virginia Transportation Authority;
- Energy efficiency and environmental protection must be addressed in the development of transportation projects; however environmental reviews should be conducted within specified timeframes, so that a project's environmental impacts can be identified and adequately addressed; and
- Safety and security must continue to be an important focus of transportation projects.

*(Revises and reaffirms previous position)*

#### **DEDICATED FUNDING FOR WMATA**

WMATA is the only major transit provider in the country without a permanent dedicated revenue source for a significant part of their revenue base. Congress passed legislation that authorizes \$1.5 billion for WMATA over ten years, if the region adopts a dedicated funding source(s) and provides an additional \$1.5 billion to match the federal funds. All three signatory jurisdictions have passed the compact amendments required to receive the federal funding, and the non-Federal matches are in place. This authorization must continue to be accompanied by annual appropriations. *(Revises and reaffirms previous position).*

#### **FUNDING FOR THE VIRGINIA RAILWAY EXPRESS**

NVTA supports the Virginia Railway Express efforts to secure federal funding for the following capital projects: high capacity railcars, positive train control; train storage of rail equipment, station parking expansion, platform extensions and additions, and expansion of commuter rail service. *(Updates previous position.)*

#### **LIMITS ON COMMUTER RAIL RELATED LIABILITY**

NVTA calls upon Congress to approve legislation to broaden the applicability of existing statutory language in 49 USC, 28301 related to commuter rail related liability. The

language should be amended to reflect the existing liability standard of a \$250M annual aggregate limit while broadening the cap beyond passenger rail related claims for property damage, bodily injury or death so that they apply to all claims brought by third parties. *(Reaffirms previous position)*

#### **FUNDING FOR TRANSPORTATION EMERGENCY PREPAREDNESS**

NVTA calls upon Congress to provide increased security funding to local and regional transportation agencies in the metropolitan Washington area. *(Reaffirms previous position.)*

#### **FUNDING FOR THE METROPOLITAN AREA TRANSPORTATION OPERATIONS COORDINATION (MATOC) PROGRAM**

NVTA calls upon Congress to provide increased funding to transportation agencies in the metropolitan Washington area to continue funding for MATOC's operations. *(Reaffirms previous position)*

#### **COMMUTER PARITY**

NVTA supports legislation that would permanently create parity between the level of tax-free transit benefits employers can provide to employees for transit and for parking benefits, as a way to make transit service more attractive to commuters who currently drive alone. In addition, NVTA supports legislation to permanently extend the current transit benefit to all branches of the federal government. *(Revises and reaffirms previous position.)*all branches of the federal government. *(Revises and reaffirms previous position)*

#### **MARKETPLACE FAIRNESS ACT**

NVTA supports passage of the Marketplace Fairness Act, as it will directly impact our region's road capacity and transit needs. The Commonwealth of Virginia's recently passed transportation funding bill, HB2313, depends on federal passage of the Marketplace Fairness Act. Should Congress enact the legislation, the Commonwealth can begin collecting these taxes. Over half of the revenues generated from these sales taxes will be allocated to the Commonwealth's Transportation Trust Fund (construction and transit), with the remainder being provided for local needs and public education. If the Marketplace Fairness Act is not enacted by January 1, 2015, the Commonwealth's gas tax will increase by 1.6% per gallon, but these funds will be primarily toward road maintenance. *(New position)*

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Martin E. Nohe and Members  
Northern Virginia Transportation Authority

**FROM:** John Mason, Interim Executive Director

**SUBJECT:** Criteria for Selection of Future Office Site

**DATE:** December 5, 2013

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1. **Recommendation.** Approval of proposed criteria to serve as guidance for selection of future NVTa office site.
2. **Suggested motion.** *I move approval of the proposed criteria for selection of future NVTa office site.*
3. **Background.** At its meeting of October 24, 2013 the Authority directed that criteria be drafted for the purpose of guiding selection of any future office location.
4. **Scope.** This paper is focused on identifying criteria for a future NVTa office location. The potential consolidation of regional agencies was previously addressed in "Report of the Northern Virginia Agency Efficiency and Consolidation Task Force," dated November 9, 2012. As this report is addressing future location of NVTa, potential sharing of selected functions is included as one of several factors to be considered, however it does not address the complexities of potential consolidation itself nor does it make any recommendation in this regard.
5. **Authority guidance.**
  - a. Organizational Working Group guidance – 2007
    - 1) Short walk to Metro or bus routes
    - 2) Easy auto access
    - 3) Sufficient parking
    - 4) Employee and visitor friendly (pedestrian access nearby restaurants, shops, offices with doors and windows)
    - 5) Professional building management with a solid reputation
    - 6) Central location and/or easily accessible
    - 7) Conference room space (shared if possible).
    - 8) Within NVTa budget (up to \$30 per square foot) [Note: May not be the appropriate guideline going forward.]
    - 9) Furnished
    - 10) Flexible term of at least one year

- 11) Up to six offices with option to expand.
  - b. Authority guidance/comments – October 24, 2013
    - 1) Authority guidance (in motion)
      - a) Cost savings through consolidation [Note: The term “consolidation” was used in the maker’s motion, however it is assumed that intent may have been a generic use of the word with the intent to achieve potential cost savings for appropriate consolidation of common functions as opposed to formal consolidation of multiple organizations.]
      - b) Site served by regional transit
    - 2) Additional comments
      - a) Public space, ideally a public building
      - b) Very accessible
      - c) Ideally meetings and public hearings held in same place.
- 6. Criteria.** Proposed criteria to be used in considering future NVTa office location are rank ordered by these priorities:
- a. First priority (essential)
    - 1) Reasonable lease cost in the context of other regional agencies and within NVTa budget guidance
    - 2) Minimum of six (6) offices and storage space approximately equivalent to one interior office, with option to expand (not anticipated in immediate future)
    - 3) Reasonably central location from the perspective of nine (9) jurisdictions
    - 4) Meeting/conference facilities easily accessible (preferably first floor), to include availability during non-regular working hours with appropriate HVAC
    - 5) Accessible by the public, i.e., no inconveniences or obstacles to public access to public meetings or offices
    - 6) Served by regional transit, with the understanding that such service is within comfortable walking distance and includes good service in midday and evenings (as that is when most meetings occur)
    - 7) Professional building management with a solid reputation
    - 8) Capabilities needed for telephone and internet services
    - 9) Teleconference capability not constrained by sharing.
  - b. Second priority (important)
    - 1) Opportunity for cost reductions from potential sharing of selected functions (e.g., reception, conference space, workroom and storage space, back office functions) by co-location of multiple regional agencies
    - 2) Meetings and public hearings held at same location
    - 3) Employee and visitor friendly
    - 4) Individual offices for NVTa staff with doors (lockable) and windows
    - 5) Appropriate janitorial services (for offices)
    - 6) NVTa listing on building directory
    - 7) Furnished (basic office furniture in good condition)
    - 8) Minimum term of three (3) year term with option to renew.

c. Third priority (preferred)

- 1) HVAC adjustable for each office
- 2) Café within building or within walking distance
- 3) Garage parking available (in addition to surface parking)
- 4) Break/lunch room/kitchen facilities
- 5) Wellness/exercise facilities.

**Coordination:**

Working Group and Staff Coordinators

Council of Counsels

**APPOINTMENT OF NOMINATING COMMITTEES**



## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Martin E. Nohe and Members  
Northern Virginia Transportation Authority

**FROM:** Helen Cuervo, VDOT NoVA District Administrator

**SUBJECT:** NoVA Significant Projects Evaluation and Rating Study – Update

**DATE:** December 9, 2013

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I am happy to share with the Authority and its members an update on the progress of the NoVA Significant Projects Evaluation and Rating Study since the Authority's October 24, 2013 meeting, and briefly outline the planned next steps. We look forward to continued collaboration with the NVTa on this important study.

**Activity since Oct. 24, 2013**

1. We have continued discussions about the specific tasks currently underway, the next steps and the study schedule with the NVTa's JACC and PIWG at their November and December meetings. Work is continuing to develop a detailed schedule for the next few months that is coordinated with the planned meeting schedule of the NVTa and its PIWG.
2. The study team met with the representatives of the NVTa member jurisdictions and transit agencies (11/22/2013) to review the Project Selection Model (PSM) developed for use in this study. In response to comments received from the representatives and the NVTa's Project Implementation Working Group the proposed PSM was revised and finalized (12/2/2013). Subsequently the study team met with the representatives of the NVTa member jurisdictions and transit agencies (12/3/2013) and conducted a pair-wise comparison of the criteria and project attributes included in the revised PSM and recorded the inputs.

The study team intends to use the inputs to develop a set of numeric values for each criteria and project attribute in the PSM. This proposed PSM with the numeric values will be reviewed with the Northern Virginia members of the CTB and subsequently presented to the NVTa members in a workshop scheduled for Dec. 12, 2013.

The PSM uses a set of eleven specific criteria to help identify and select significant transportation improvement projects that reduce congestion. The criteria is sorted into three categories: (1) the degree of significance of a transportation improvement project, (2) the degree to which the project is likely to

reduce congestion, while also (3) improving mobility during a homeland security emergency. Ten of the eleven criteria in the PSM are grouped as sub-criteria or project attributes under the first two categories of criteria (five each) and one under the homeland security category. Since the study team anticipates most projects nominated to be analyzed to have more than one of the eleven attributes in the PSM, the relative importance of the criteria and the project attribute had to be established.

The PSM is intended to be applied to each project nominated by the NVTa and the CTB for technical analysis and rating in the VDOT/DRPT study. The first round of project evaluations<sup>1</sup> will be limited to about 30 projects. For the purposes of this study a project is defined as a single highway, transit, technology or large scale travel demand management project or a package of complementary projects that together could significantly reduce congestion and improve mobility during a homeland security emergency.

3. The study team briefed the NVTa member jurisdictions and transit agencies on the next task of identifying a set of measures of effectiveness (MOEs) to be extracted from the technical analysis conducted on each of 30 projects. The MOEs will be used to assess each project's ability to reduce congestion and to the extent possible improve mobility during homeland security emergency situation. Based on this discussion, a meeting with the NVTa member jurisdictions and transit agencies will be held (In January, 2014) to present the technical analysis methods to be used to in this study. At this session we will also discuss the congestion and mobility related MOEs that can be obtained from the analysis. Preparatory work on this task is currently underway.
4. Based on feedback received from members of the NVTa, VDOT is currently discussing the possibility of updating this study in 2015. The purpose of this update is to analyze a set of additional projects so as to develop a larger set of significant transportation improvement projects that have been evaluated and rated with regard to the project's ability to reduce congestion. The legislative requirement is for the study to be updated once every four years.

### **Next Steps:**

- 1. Finalize the Project Selection Model- December 2013**
2. Develop Project Evaluation Model (MOEs) – January 2014
3. Provide system-wide congestion estimates (Baseline for year 2020) – January/February 2014
4. NVTa and CTB Review of Project Evaluation Model – February 2014
5. Project Nominations by NVTa and CTB – February 2014
6. Selection of projects to be analyzed and rated – March 2014
7. Preliminary assessment of congestion reduction by each project – June 2014
- 8. Detailed congestion reduction estimates and project ratings – Dec. 2014**

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<sup>1</sup> The detailed evaluation of the selected 30 projects will be conducted using travel demand forecast modeling and traffic operational simulation modeling. Measures of effectiveness, defined with input from the study stakeholders in the next task of this study, will be used to develop the final congestion rating for each project.

**NORTHERN VIRGINIA TRANSPORTATION AUTHORITY**  
**MEMORANDUM**

**TO:** Chairman Martin E. Nohe and Members  
Northern Virginia Transportation Authority

**FROM:** Monica Backmon, Chairman,  
Jurisdiction and Agency Coordination Committee

**SUBJECT:** Proposed CY 2014 Meeting Schedule and Work Program

**DATE:** December 12, 2013

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**Purpose.** To brief the Authority of the JACC recommendation of the Calendar Year (CY) 2014 Meeting Schedule and Work Program.

**Explanation:** The JACC met to discuss a proposed NVTa work program for CY 2014. In preparing the proposed CY 2014 work program, the JACC reviewed the CY 2013 work program and noted progress made on each of the items included in the work program.

The proposed work program continues many of the activities undertaken by the NVTa during CY 2013. It must be noted that the CY 2013 meeting scheduled was revised substantially in April 2013 to reflect activities that were required for HB 2313 implementation.

For CY2013, the JACC recommended that the Authority meets at 6:00pm at the Northern Virginia Regional Commission (NVRC) offices, prior to the scheduled NVRC meetings. This recommendation was made to ensure that meetings of regional entities were more efficient, as recommended within the 2012 Efficiency and Consolidation Task Force Report. However, given the robust activities required for the Authority to implement HB 2313, in addition to carrying out other mandates, the JACC recommends that the Authority meets the second Thursday of each month. This should allow the Authority to conduct business without interfering with the start of the NVRC meetings. In the event that the Authority decides to continue the existing practice of meeting the 4<sup>th</sup> Thursday of the month prior to NVRC meetings, the JACC recommends that the Authority meets the 2<sup>nd</sup> Tuesday of the month at certain milestone points consistent with the implementation of HB599. This is necessary to provide the Commonwealth Transportation Board and VDOT with information prior their scheduled actions and deadlines.

Additionally, two meetings are currently scheduled for February. In years passed, NVTa has held a meeting, in coordination with either NVTC or NVRC, to coincide with the annual VACO/VML meeting in Richmond. This meeting has generally had few action items associated with it, instead being used to discuss the legislative session. However, important discussion and action items pertaining to HB 2313 and HB 599 are required this February, which will require a meeting in Northern Virginia.

As done in years past, the schedule includes one public forum in January 2014 to give the public the opportunity to comment on NVTAs 2014 Work Program and transportation issues. Other opportunities for public comment are scheduled to allow the public to comment on transportation issues and NVTAs legislative program and the Six-Year Program.

**Attachments:** Proposed CY 2014 Meeting Schedule, Work Activities, and Work Program

**Coordination:** Jurisdiction and Agency Coordinating Committee

Proposed CY 2014 Meeting Schedule  
Northern Virginia Transportation Authority  
3060 Williams Drive, Suite 510, Fairfax, VA 22031  
DRAFT: December 12, 2013

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- January 23, 2014 – 5:30 p.m.
- **February 6, 2014– 5:30 p.m. (Joint Meeting with NVRC in Richmond) VaCo/VML Day schedule**

*and/or*

**February 13, 2014-7:00 p.m.**

- March 13, 2014 – 7:00 p.m.
- April 10, 2014-7:00 p.m.
- **\*\*July 10, 2014—7:00 p.m. Tentative\*\***
- September 11, 2014-7:00 p.m.
- October 9, 2014-7:00 p.m.
- November 13, 2014-7:00 p.m.
- December 11, 2014-7:00 p.m.

Alternate Proposed CY 2014 Meeting Schedule  
Northern Virginia Transportation Authority  
3060 Williams Drive, Suite 510, Fairfax, VA 22031  
DRAFT: December 12, 2013  
(Meeting Dates 2<sup>nd</sup> and 4<sup>th</sup> Thursday of the Month)

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- January 23, 2014 – 5:30 p.m.
- **February 6, 2014– 5:30 p.m. (Joint Meeting with NVRC in Richmond) VaCo/VML Day schedule**

*and/or*

**February 13, 2014-7:00 p.m.**

- March 13, 2014 – 7:00 p.m.
- April 24, 2014-5:30 p.m.
- **\*\*July 10, 2014—7:00 p.m. Tentative\*\***
- September 25, 2014-5:30 p.m.
- October 23, 2014-5:30 p.m.
- November 13, 2014-7:00 p.m.
- December 11, 2014-7:00 p.m.

Proposed CY 2014 Work Activities  
Northern Virginia Transportation Authority  
DRAFT: December 12, 2013

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Continuation of Past Activities

- Adopt an FY 2015 NVTB Budget
- Participate in Securing Federal Appropriation of Dedicated Funding for WMATA
- Discuss and Participate in the Regional TIP/CLRP Update-Financial Analysis of the CLRP
- Discuss regional air quality issues, including strategies to reduce greenhouse gases
- Participate in I-66 Tier 1.5 EIS
- Adopt Testimony to CTB Transportation Meetings (Pre-Allocation and Draft Six-Year Program Public Hearings)
- Seek Public Input on Transportation Issues
- Endorse an FY 2015-FY2020 CMAQ/RSTP Project List
- Endorse a 2015 Legislative Program
- TransAction 2040-Update

New Activities

- Implementation of HB2313
- Develop Six-Year Program
- Implementation of HB599
- SuperNoVA Action Plan

Proposed CY 2014 Work Program  
Northern Virginia Transportation Authority  
DRAFT: December 12, 2013

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**January 2014 (NVTa Annual Meeting)**

- Public Discussion – Open Forum on NVTa’s 2014 Work Program and Transportation Issues
- Approval of 2014 Work Program and Meeting Schedule
- Discuss TPB/MWAQC/MWCOG Issues, if any

**February 6, 2014 (VaCo/VML Day in Richmond; Joint Meeting with NVRC)**

- Discuss Relevant Transportation Legislation Introduced During the General Assembly Session
- Discuss TPB/MWAQC/MWCOG Issues, if any

**February 13, 2014**

- NVTa Approve Project Implementation Working Group Project Recommendations for VDOT (HB599) Rating Study

**March 2014**

- NVTa Action on VDOT (HB599) Projects Selected for Evaluation
- Discuss NVTa Six Year Program

**April 2014**

- Adopt Testimony for CTB Public Hearing on Six Year Improvement Program
- Receive Briefing on Regional Air Quality Activities
- Discuss CLRP Financial Analysis

**July 2014**

- \*\* Tentative Meeting- Report to NVTa on VDOT Preliminary Results of VDOT’s Rating Study

**September 2014**

- Discuss Update to TransAction 2040
- Approve Budget to Update TransAction 2040

**October 2014**

- Adopt Testimony for Fall CTB Public Hearing on Six Year Improvement Program
- Receive Briefing on Regional Air Quality Activities
- Discuss TPB/MWAQC/MWCOG Issues

**November 2014**

- Receive Briefing on VDOT’s Draft Report Detailed Analysis and Project Ratings (HB599)
- Receive Briefing on NVTa’s Draft Six Year Program (tentative)



**December 2014**

- Public Discussion/Open Forum on Transportation Issues and Legislative Program
- Establish Nominating Committee for 2015 Officers
- Accept FY 2015 Audit, if necessary
- Adopt 2015 Legislative Program
- Adopt FY 2021 CMAQ/RSTP Project List
- Discuss Proposed CY 2015 Work Program and Meeting Schedule
- Receive Briefing on a Major Regional Transportation Studies or Projects, if necessary
- Discuss TPB/MWAQC/MWCOG Issues, if any
- Receive Briefing on VDOT Final Rating Report (HB599) *Tentative*

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Martin E. Nohe and Members  
Northern Virginia Transportation Authority

**THROUGH:** John Mason, Executive Director

**FROM:** Michael Longhi, Chief Financial Officer

**SUBJECT:** FY 2014 Financing Strategies

**DATE:** December 12, 2013

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**1. Purpose:** Introduce the strategic approach for accomplishing the NVTa financing objectives related to the project list approved on July 24, 2013.

**2. Background:**

- a. The July 24, 2013 Resolution – Authorizing the Issuance of Transportation Facilities Revenue Bonds (the “Bond Resolution”) forms the basis for the first debt financing by the Authority.
- b. The approved Debt Policy includes the approaches to bond issuance noted below.

**3. Financing Approach:**

- a. Objectives:
  - i. Establish NVTa’s initial financing reputation through an orderly entrance to the bond market consistent with the credit reputations and expectations of the member jurisdictions.
  - ii. Ensure cash availability to facilitate the FY2014 bond projects approved by NVTa in the Bond Resolution.
  - iii. Ensure sufficient additional capacity so as to allow NVTa the ability to address unforeseen project based contingencies.
- b. Strategy:
  - i. Establish immediate access to interim construction financing/bond anticipation notes using a line of credit as permitted in the Bond Resolution (Item 9 page5).
  - ii. Concurrently proceed with permanent financing through revenue bonds, with sale and settlement prior to the end of FY2014.
  - iii. The amount of bonds will be based on draws on the line of credit and jurisdiction project cash flow projections.
  - iv. Once revenue bonds are established, resize (lower) the line of credit to serve as a backup facility to provide flexibility for the Authority in future activities.
- c. Next Steps:
  - i. Convene the Debt Subcommittee, in January 2014, to initiate the detailed efforts of preparing for the line of credit and revenue bond activities.
  - ii. The attached draft critical path, prepared by the Authority’s Financial Advisor, shows the initial calendar for the above strategy. Major steps include:

1. Circulate term sheet to financial institutions to solicit proposals for interim construction financing/bond anticipation notes using a line of credit (mid-December to mid-Jan with facility available by mid-February)
2. Assemble remaining financing team for long-term bond sale (via RFP solicitations) for Trustee/paying agent, printer & underwriting syndicate (January - February)
3. Develop & assemble data required for disclosure documents & rating presentations (December – March)
4. Sell & settle long-term bonds, timing TBD based on market conditions, targeted for April – May 2014, no later than June 30, 2014.

**Coordination:**

Tom Biesiadny (Financial Working Group)

JoAnne Carter – NVTA Financial Advisor (Public Financial Management)

Arthur Anderson – NVTA Bond Counsel (McGuire Woods)

**Attachment:** NVTA FY 2014 Plan of Finance, Draft Critical Path

**Northern Virginia Transportation Authority**  
**FY2014 Plan of Finance**  
**Draft Critical Path**

<b>Timeframe</b>	<b>Activity</b>	<b>Financing</b>
Mid-December 2013	Distribute RFP for Line of Credit Facility	Line of Credit
December 2013	Develop RFPs for Additional Financing Team Members (printer, trustee/paying agent, underwriters)	Long Term Bonds
Mid- January 2014	Proposals for Line of Credit Facility received & evaluated	Line of Credit
January 2014 – February 2014	RFPs issued for & Proposals received for Additional Financing Team Members (printer, trustee/paying agent, underwriters)	Long Term Bonds
Mid-February 2014	Line of Credit Facility delivered & available for FY2014 (bond list projects only) drawdown as required for projects	Line of Credit
January 2014 – March 2014	Data collection & development for disclosure document, rating agency presentation	Long Term Bonds
March – April 2014	Board consideration of Resolution for Bond issue	Long Term Bonds
April 2014	Rating agency meetings	Long Term Bonds
May 2014	Negotiated sale & settlement of bonds	Long Term Bonds
NLT June 30, 2014 (if not sooner)	Settlement of bonds	Long Term Bonds
July 2014	Resize Line of Credit	Line of Credit

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Martin E. Nohe and Members  
Northern Virginia Transportation Authority

**THROUGH:** John Mason, Executive Director

**FROM:** Michael Longhi, Chief Financial Officer

**SUBJECT:** HB 2313 Funding Status

**DATE:** December 12, 2013

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1. **Purpose:** To update the Authority on HB 2313 funding
2. **Background:** NVTa receives funding through sales tax, grantors tax and transient occupancy tax (TOT). Revenues are received monthly from the Commonwealth for transactions that occurred in proceeding months. The attached report reflects funding received through November 2013 on a cash basis.
3. **Comments:**
  - a. NVTa is receiving revenue streams for the first time, therefore no prior annual month-to-month transaction history is available for comparison and evaluation purposes.
  - b. Based on a straight line projection with the receipts received thus far:
    - i. Grantors Tax is running approximately 15% above projections
    - ii. Sales Tax is running approximately 9% below projection for the first three months of the year.
    - iii. TOT receipts have not developed a pattern to analyze at this point. The closure of the Federal Government will have a negative impact on TOT receipts for the second fiscal quarter and potentially the third quarter.
  - c. No changes in the revenue estimates are recommended at this time. Member jurisdictions are being consulted for any updates to their original revenue estimates for a January update to the Authority. Information on the impact of the Federal Government closures on TOT will be included.
  - d. Fees of \$372,000 have been deducted by the Virginia Department of Taxation from the sales tax receipts received from the Commonwealth, through November. The Department of Taxation points to the Appropriation Act (Chapter 806, Item 275, Paragraph B) as authorizing the department to recover costs in administering the tax. The above reference specifically refers to HB 2313. Once one-time costs have been recovered, the ongoing costs are estimated by the Department of Taxation at less than \$10,000/month. The Legal Working Group is reviewing the deductions.

**Coordination:**

T. Biesiadny (Financial Working Group)  
S. Kalkwarf (NVTC)

**Attachment:** NVTa Statement of Revenues Received by Jurisdiction, November 30, 2013

# XVII. ATTACHMENT

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY STATEMENT OF REVENUES RECEIVED, BY JURISDICTION IN WHICH REVENUE WAS GENERATED JULY 1, 2013 THROUGH NOVEMBER 30, 2013 (CASH BASIS)

Grantors Tax		Received		FY 2014	Annualized Actual	Projected
Transaction Months	4	To Date	Annualized	Projection	To Projection	Variance
City of Alexandria		\$ 971,487	\$ 2,914,461	\$ 3,391,565	\$ (477,104)	
Arlington County		\$ 1,306,045	\$ 3,918,136	\$ 4,574,287	\$ (656,151)	
City of Fairfax		\$ 117,902	\$ 353,706	\$ 289,079	\$ 64,627	
Fairfax County		\$ 5,633,396	\$ 16,900,187	\$ 15,169,980	\$ 1,730,207	
Falls Church		\$ 113,155	\$ 339,466	\$ 261,761	\$ 77,705	
Loudoun County		\$ 3,054,474	\$ 9,163,421	\$ 6,093,105	\$ 3,070,316	
City of Manassas		\$ 107,530	\$ 322,590	\$ 271,303	\$ 51,287	
City of Manassas Park		\$ 127,290	\$ 381,870	\$ 148,806	\$ 233,064	
Prince William County		\$ 1,904,189	\$ 5,712,567	\$ 4,476,903	\$ 1,235,664	
Total Grantors Tax Revenue		\$ 13,335,468	\$ 40,006,405	\$ 34,676,789	\$ 5,329,616	15%

Regional Sales Tax*		Received		FY 2014	Actual to
Transaction Months	3	To Date	Annualized	Projection	Projection
City of Alexandria		\$ 3,568,817	\$ 14,275,269	\$ 15,806,507	\$ (1,531,238)
Arlington County		\$ 5,277,688	\$ 21,110,751	\$ 24,473,867	\$ (3,363,116)
City of Fairfax		\$ 1,883,425	\$ 7,533,698	\$ 6,462,525	\$ 1,071,173
Fairfax County		\$ 23,243,704	\$ 92,974,816	\$ 104,977,104	\$ (12,002,288)
Falls Church		\$ 506,423	\$ 2,025,692	\$ 2,470,340	\$ (444,648)
Loudoun County		\$ 9,025,269	\$ 36,101,075	\$ 39,833,324	\$ (3,732,249)
City of Manassas		\$ 1,100,967	\$ 4,403,868	\$ 4,568,248	\$ (164,380)
City of Manassas Park		\$ 276,186	\$ 1,104,743	\$ 920,350	\$ 184,393
Prince William County		\$ 7,797,324	\$ 31,189,296	\$ 32,943,958	\$ (1,754,662)
Total Sales Tax Revenue*		\$ 52,679,802	\$ 210,719,208	\$ 232,456,223	\$ (21,737,015) -9%

Transient Occupancy Tax (TOT)		Received		FY 2014	Actual to
Transaction Months	**	To Date	Annualized	Projection	Projection
City of Alexandria		\$ 660,519		\$ 3,570,388	
Arlington County		\$ 2,048,783		\$ 8,890,830	
City of Fairfax		\$ -		\$ 345,984	
Fairfax County		\$ 910,611		\$ 9,984,936	
Falls Church		\$ -		\$ 141,857	
Loudoun County		\$ 469,062		\$ 806,445	
City of Manassas		\$ 15,352		\$ 77,750	
City of Manassas Park		\$ -		\$ -	
Prince William County		\$ 255,569		\$ 530,452	
Total TOT Revenue		\$ 4,359,896		\$ 24,348,642	
Total Revenue Received		\$ 70,375,166	\$ 275,074,255	\$ 291,481,654	\$ (16,407,399) -6%

*Annualized Total Revenue Includes total projection for TOT.*

\*The Regional Sales Tax is reported net of the following fees:

October Receipt	\$ 210,894
November Receipt	\$ 160,884
	<u>\$ 371,778</u>

\*\*TOT Revenues are not processed and distributed in a manner which currently permits monthly analysis. More actual transaction history is needed.

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

### MEMORANDUM

**TO:** Chairman Martin E. Nohe and Members  
Northern Virginia Transportation Authority

**THROUGH:** John Mason, Executive Director

**FROM:** Michael Longhi, Chief Financial Officer

**SUBJECT:** Projected Cash Flow For 70% Regional Funds

**DATE:** December 12, 2013

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1. **Purpose:** To update the Authority on the NVTA cash flow projections related to the 70% regional funding.
2. **Background:** NVTA is funded through taxes which are initially received by the Commonwealth. On a monthly basis, NVTA will distribute 30% of revenues directly to member jurisdictions. The remaining 70% of revenues will be used for pay as you go projects and to support bond funded projects approved by the Authority. Cash flow projections allow for the orderly planning of projects, ensure cash management and debt policy compliance and support financial best practices. For FY 2014, reserves are being funded for the first time which requires a larger transfer of cash than will occur in future years.
3. **Comments:** The attached presentation shows the flow of funds related to taxes received, interest on the 70% and projected bond proceeds.
  - a. Receipts: Funded through tax receipts. Interest is earned on the 70% funds and is used to partially offset NVTA operating expenses. Bond Proceeds are related to projected FY 2014 bond funded expenditures.
  - b. Distributions:
    - i. 30% Distributions – These distributions will occur monthly with the Authority approval and Member Jurisdiction adoption of the Memorandums of Agreement.
    - ii. Transfer to Reserves:
      1. The Working Capital Reserve is set by the debt policy at 6 months (50%) of the budgeted annual regional funds (70% funds).
      2. Based on 6 months of revenue, the amount of reserve will be approximately \$102 million. Substantial funding of the reserve is projected in FY 2014, with the balance being funded in FY 2015.
      3. Once funded, the annual level of the reserve will change based on changes in annual revenue.
      4. Setting an objective of aggressively funding this reserve prior to the issuance of debt will bolster NVTA's rating agency presentation.
      5. Should the Authority desire to authorize additional FY 2014 projects, a balance must be found between the timing of funding the reserve and those projects.
    - iii. PayGo Project Expenditures (70% funds) - Expenditures based on the project cash flow projections submitted by jurisdictions. We will continue to work closely with the member jurisdictions to monitor these projections.
    - iv. Bond Project Expenditures - Regional project expenditures related to the planned FY2014 bond sale.

- c. Summary: All regional funds are currently designated for projects or reserves. To consider additional FY 2014 projects, the timing of funding the reserves must be considered.

**Coordination:**

Jason Friess (Financial Working Group)

Tom Biesiadny (Financial Working Group)

Scott Kalkwarf (NVTC)

JoAnne Carter (PFM, Financial Advisor)

**Attachment:** NVTA 70% Account Year to Date, Through November 2013



# XVIII. ATTACHMENT

## NVTA 70% Regional Revenues Year to Date Results Through November 2013

	FY2014 Projected	Jul-Nov Projected	Jul-Nov Actual	Variance	
				\$	%
Opening Balance	\$0	\$0	\$0	\$0	
<b>Receipts</b>					
Sales Tax	232,456,223	58,114,056	52,679,802	(5,434,254)	-9%
Transient Occupancy Tax	24,348,642	6,087,161	4,359,896	(1,727,264)	-28%
Grantor's Tax	34,676,790	11,558,930	13,335,468	1,776,538	15%
<b>Tax Receipts</b>	291,481,655	75,760,146	70,375,166	(5,384,980)	-7%
Interest (Earned on 70% Regional Receipts) <sup>1</sup>	100,000	9,513	8,784	(729)	-8%
State/Federal Grants	0	0	0	0	
Bond Proceeds <sup>2</sup>	7,801,181	0	0	0	
Other	0	0	0	0	
<b>Total Receipts</b>	299,382,836	75,769,659	70,383,950	(5,385,709)	-7%
<b>Distributions</b>					
30% Distribution to Localities <sup>3</sup>	87,444,497	22,728,044	21,112,550	(1,615,494)	-7%
Transfer to Reserves <sup>4</sup>	87,979,159	53,032,102	49,262,617	(3,769,486)	-7%
PAYGO Project Expenditures	20,898,303	0	0	0	
Bond Project Expenditures <sup>2</sup>	7,801,181	0	0	0	
Debt Service	0	0	0	0	
Arbitrage Liability	0	0	0	0	
Interest to NVTA Operating <sup>1</sup>	100,000	9,513	8,784	(729)	-8%
Other	0	0	0	0	
<b>Total Distributions</b>	204,223,139	75,769,659	70,383,950	(5,385,709)	-7%
<b>Closing Balance Excluding Reserves</b>	95,159,697	0	0	0	
<b>Reserves</b>					
Working Capital Reserve (50% of Regional Funds) <sup>4</sup>	87,979,159	53,032,102	49,262,617	(3,769,486)	-7%
Pending 30% Distributions to Localities <sup>3</sup>	0	0	21,112,550	21,112,550	
Arbitrage Liabilities	0	0	0	0	
<b>Total Reserves</b>	87,979,159	53,032,102	70,375,166	17,343,064	33%
<b>Closing Balance Including Reserves</b>	\$183,138,856	\$53,032,102	\$70,375,166	\$17,343,064	33%

Summary of Available Balances				
Closing Balance Excluding Reserves	\$95,159,697	\$0	\$0	\$0
Reserved for FY2014 PAYGO Projects	(\$95,159,697)	\$0	\$0	\$0
Unencumbered Balances	\$0	\$0	\$0	\$0

### Notes:

<sup>1</sup> Interest earned on 70% NVTA Regional account swept monthly to NVTA Operating account

<sup>2</sup> FY14 Bond Expenditures paid from PAYG and reimbursed in June upon receipt of proceeds

<sup>3</sup> Distributions pending execution of MOA's, anticipated to occur in January 2014

<sup>4</sup> Anticipated to occur in January 2014 upon adoption of debt policies

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Martin E. Nohe and Members  
Northern Virginia Transportation Authority

**THROUGH:** John Mason, Executive Director

**FROM:** Michael Longhi, Chief Financial Officer

**SUBJECT:** NVTa Operating Budget

**DATE:** December 12, 2013

---

- 1. Purpose:** To update the Authority on the NVTa Operating Budget
- 2. Background:** NVTa is funded through the participating jurisdictions and interest earnings. The Memorandum of Agreement (MOA) between NVTa and the member City or County permits the appropriate jurisdictional share of NVTa operational costs to be deducted directly from the 30% distribution or to be billed to jurisdictions.
- 3. Comments:**
  - a. Pending the approval and execution of the MOAs, NVTa's operating resources are constrained to the cash on hand at the beginning of this fiscal year. Recognition of interest earnings on the 70% funding is also awaiting the MOA execution and disbursement of the 30% revenues to member jurisdictions.
  - b. Interest income is tied to the projected rate of regional (70%) project funding utilized by member jurisdiction as well as market rates. Interest earned on the 30% funding will be remitted to the member jurisdictions.
  - c. The majority of NVTa expenses to date are related to preparation for the first bond issuance (bond validation suit and development of debt policy). Those expenses are recognized as committed but are unpaid, pending receipt of cash related to the execution of the MOAs.
  - d. The rate of budgeted expenditures will increase as NVTa staff is hired, employee benefits are established and additional startup costs such as an accounting system are acquired.
  - e. Evaluation of prospective accounting systems is ongoing. Initial cost proposals for the system are in the \$30,000 range with web based or cloud hosting at approximately \$10,000/yr.
  - f. No changes to the operating budget are recommended at this time.

**Coordination:**

T. Biesiadny (Financial Working Group)  
S. Kalkwarf (NVTC)

**Attachment:** NVTa Operating Budget for FY 2014, through November 30, 2013

# XIX.ATTACHMENT

## Northern Virginia Transportation Authority Operating Budget - FY 2014 July 1, 2013 through November 30, 2013

	Approved Budget	Received	Anticipated	Projected Revenue
<b><u>INCOME:</u></b>				
Cash on hand	\$ 212,117.00	\$ 212,117.00	\$ -	\$ 212,117.00
Interest (70% Regional Revenues)	\$ 100,000.00	\$ -	\$ 100,000.00	\$ 100,000.00
Billed to Member Jurisdictions	\$ 591,595.00	\$ -	\$ 591,595.00	\$ 591,595.00
<b>Total Income</b>	<b>\$ 903,712.00</b>	<b>\$ 212,117.00</b>	<b>\$ 691,595.00</b>	<b>\$ 903,712.00</b>

	Approved Budget	Expended	Committed	Available Balance
<b><u>EXPENDITURES:</u></b>				
<b><u>Professional Service</u></b>				
Legal	\$ 125,000.00	\$ -	\$ 65,000.00	\$ 60,000.00
Public Outreach	\$ 30,000.00	\$ -	\$ -	\$ 30,000.00
Financial Services	\$ 80,000.00	\$ -	\$ 83,000.00	\$ (3,000.00)
<b>Professional Subtotal</b>	<b>\$ 235,000.00</b>	<b>\$ -</b>	<b>\$ 148,000.00</b>	<b>\$ 87,000.00</b>

### **Operational Expenses**

Start Up Expenses				
Office Space Build Out	\$ 4,000.00	\$ -	\$ -	\$ 4,000.00
One-time h/w,s/w	\$ 948.00	\$ -	\$ -	\$ 948.00
IT/Telecommunications	\$ -	\$ -	\$ -	\$ -
Computers/Installation	\$ 9,972.00	\$ 6,720.82	\$ 4,000.00	\$ (748.82)
<b>Start Up Subtotal</b>	<b>\$ 14,920.00</b>	<b>\$ 6,720.82</b>	<b>\$ 4,000.00</b>	<b>\$ 4,199.18</b>

Annual Expenses				
Telephone Service	\$ 1,650.00	\$ -	\$ -	\$ 1,650.00
Copier/Postage	\$ 9,000.00	\$ -	\$ -	\$ 9,000.00
Annual 3d party s/w costs	\$ 895.00	\$ -	\$ -	\$ 895.00
Monthly internet fee (Cox)	\$ 840.00	\$ -	\$ -	\$ 840.00
Cell phones	\$ 10,000.00	\$ -	\$ -	\$ 10,000.00
Lease Space	\$ 5,460.00	\$ -	\$ -	\$ 5,460.00
Mileage/Transportation	\$ 6,000.00	\$ 368.75	\$ -	\$ 5,631.25
Operating/Meeting Expenses	\$ 1,000.00	\$ 139.83	\$ -	\$ 860.17
Insurance	\$ 3,000.00	\$ 2,673.00	\$ -	\$ 327.00
<b>Annual Expenses</b>	<b>\$ 37,845.00</b>	<b>\$ 3,181.58</b>	<b>\$ -</b>	<b>\$ 34,663.42</b>

<b>Operational Subtotal</b>	<b>\$ 52,765.00</b>	<b>\$ 9,902.40</b>	<b>\$ 4,000.00</b>	<b>\$ 38,862.60</b>
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### **Personnel Expenses**

Salaries	\$ 342,628.00	\$ 30,473.48	\$ -	\$ 312,154.52
Benefits	\$ 122,700.00	\$ -	\$ -	\$ 122,700.00
<b>Personnel Subtotal</b>	<b>\$ 465,328.00</b>	<b>\$ 30,473.48</b>	<b>\$ -</b>	<b>\$ 434,854.52</b>

<b>Expense Subtotal</b>	<b>\$ 753,093.00</b>	<b>\$ 40,375.88</b>	<b>\$ 152,000.00</b>	<b>\$ 560,717.12</b>
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<b>Operating Reserve (20%)</b>	<b>\$ 150,619.00</b>	<b>\$ -</b>	<b>\$ 150,619.00</b>	<b>\$ -</b>
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<b>Total Expenditures</b>	<b>\$ 903,712.00</b>	<b>\$ 40,375.88</b>	<b>\$ 302,619.00</b>	<b>\$ 560,717.12</b>
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### **Billed to Local Governments** **\$591,595**

	<b><u>2010</u></b>	<b><u>Billed</u></b>
	<b><u>Population</u></b>	<b><u>Amounts</u></b>
Alexandria	6.30%	\$ 37,270
Arlington	9.40%	\$ 55,610
Fairfax City	1.00%	\$ 5,916
Fairfax County	48.00%	\$ 283,966
Falls Church	0.60%	\$ 3,550
Loudoun	14.20%	\$ 84,006
Manassas	1.70%	\$ 10,057
Manassas Park	0.60%	\$ 3,550
Prince William	18.20%	\$ 107,670
	<b>100.00%</b>	<b>\$ 591,595</b>

## **Organizational Working Group**

No written report.

**Financial Working Group  
Northern Virginia Transportation Authority**

**MEMORANDUM**

**TO:** Martin E. Nohe, Chairman  
Northern Virginia Transportation Authority  
  
Members  
Northern Virginia Transportation Authority

**FROM:** William Eulle, Chairman  
Financial Working Group  
Northern Virginia Transportation Authority

**SUBJECT:** Report of the Financial Working Group (Agenda Item XXI.)

**DATE:** December 12, 2013

**Recommendation:**

The Financial Working Group recommends that the Authority approve the following documents:

- Agenda Item IV: Memorandum of Agreement between NVTa and each City and County for Distribution of the 30 Percent Funding that NVTa is Allocating to the Jurisdictions
- Agenda Item V: Memorandum of Agreement between NVTa, Counties and Towns for Distribution of the 30 Percent Funding that NVTa is Allocating to the Jurisdictions
- Agenda Item VI: Interim Procurement Procedures
- Agenda Item VII: Revised NVTa Debt Policy

Each of these items is explained in detail earlier in the agenda.

**Other Updates:**

Since the October 24, 2013, Authority meeting, the Financial Working Group has met three times to continue its efforts to implement the financial aspects of HB 2313. Several subcommittee meetings were also held. Progress on each of the working group's activities is discussed below.

Martin E. Nohe, Chairman  
Members, Northern Virginia Transportation Authority  
December 12, 2013  
Page Two

#### Status of Action by the Treasury Board

Following the Authority's July 24, 2013, meeting, Chairman Nohe wrote to the Commonwealth Treasury Board seeking an exemption from typical Treasury Board approval for selling bonds supported by the three taxes that the Authority will be receiving from the Commonwealth as a result of HB 2313. The Authority's bond counsel also coordinated this issue with Treasury Board staff. The Treasury Board discussed the Authority's request at its November meeting; however, since no bond sale was pending, the Treasury Board decided to wait until the Authority has a more specific proposal to issue debt. The Board meets again on December 17, 2013. Agenda Item XVI (FY 2014 Financing Strategies) may provide the Treasury Board the information it needs to act upon the Authority's request.

#### Agreements

The Financial Working Group and the Legal Working Group have established a joint subcommittee to prepare four agreements for the Authority's consideration. Two on those agreements are on today's agenda (Agenda Items IV and V). Two additional agreements will be submitted for the Authority's consideration at a future meeting (possibly January 23, 2014). These agreements are:

- a) An agreement between the Authority and agencies implementing projects and services funded by the 70 percent funding that the Authority will be retaining for regional projects. Since the Authority will have limited capabilities to implement projects and services on its own, particularly in the short term, it will need to coordinate with local jurisdictions, regional transportation agencies and state transportation agencies, and potential others, to implement projects and services using the 70 percent funding that the Authority will retain. To accomplish this, the Authority will need to develop a standard agreement with these implementing agencies establishing appropriate policies and procedures to protect the Authority, outline reimbursement practices and specify documentation and records keeping requirements. STATUS: A draft of the project agreement has been developed and is being reviewed. It is anticipated that the standard agreement will be ready for the Authority's consideration at the January 23, 2014, meeting.

Martin E. Nohe, Chairman  
Members, Northern Virginia Transportation Authority  
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- b) An agreement between the Authority and the Commonwealth (Virginia Department of Transportation and the Department of Rail and Public Transportation) related to the roles and responsibilities of each agency associated with the collection and distribution of the regional transportation revenues, the implementation of projects and the applicability of the Authority's regional funding for local matches to state transportation funding.  
STATUS: VDOT and DRPT have prepared a draft agreement for the Authority's consideration. The Financial and Legal Working Groups are in the process of reviewing the agreement. It is anticipated that an agreement may be ready for the Authority's consideration at the January 23, 2014, meeting.

#### Debt and Financial Policies

A subcommittee of the Financial Working Group met several times with the Authority's financial advisors, bond counsel and members of the Legal Working Group to update the debt and financial policies in anticipation of a bond sale in Spring 2014. These policies were originally approved by the Authority in 2008. These policies address various aspects of NVTAA's financial requirements for a bond sale, including coverage ratios, reserve requirements, and the selection of future financial advisors and bond counsel, etc. The revised debt policy was considered by the Authority in Agenda Item VII. A schedule for debt related activities has also been prepared. This information is included in Agenda Item XVI. The Debt Subcommittee will meet again in January to work on the various documents needed to support short-term and long-term borrowings. It is anticipated that some of those documents may be ready for the Authority's consideration on January 23, 2014.

#### Cash Flow Procedures

A subcommittee of the Financial Working Group met with the Authority's financial advisor to prepare recommendations for cash flow procedures and documentation that will be needed to manage the distribution of the 70 percent funding that the Authority is retaining to implement regional projects and manage its bond proceeds. Implementing agencies have provided cash flow information for each of the individual projects. This information has been consolidated and a summary is provided in Agenda Item XVIII. This information will be used for the development of the Authority's debt issuances.



Martin E. Nohe, Chairman  
Members, Northern Virginia Transportation Authority  
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#### Revenue Collections

Through November 30, 2013, the Commonwealth has transferred \$70.375 million in transportation revenues to the Authority. The revenues collected and transferred are reported in Agenda Item XVII.

#### On-Going Activities

The Financial Working Group is still working on several additional tasks with the Executive Director and the Chief Financial Officer. These include:

- developing audit procedures;
- preparing a recommendation for the Authority related to the calculation of the long-term benefit that jurisdictions will receive from the implementation of the projects and services supported by the 70 percent of funding that the Authority will retain for regional projects.
- at the request of the Project Implementation Working Group, identifying the amount of funding available for the Authority's Six Year Program (FY 2015 to FY 2020)

Member of the Financial Working Group, the Council of Counsels and I will be available at the NVTA meeting on December 12, 2013, to answer questions.

Cc: Members, NVTA Jurisdiction and Agency Coordinating Committee  
Members, NVTA Financial Working Group  
Members, NVTA Legal Working Group



## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Martin E. Nohe and Members  
Northern Virginia Transportation Authority

**FROM:** Chairman Christopher Zimmerman  
Vice-Chairman Gary Garczynski  
Project Implementation Working Group  
Northern Virginia Transportation Authority

**SUBJECT:** PIWG comments on Implementation of HB 599

**DATE:** December 9, 2013

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**Purpose.** To update the Authority on PIWG comments related to the implementation of HB 599.

**Background.**

As directed by the Northern Virginia Transportation Authority (NVTa) on September 26, 2013, the Project Implementation Working Group (hereafter, the "Group") has taken the lead on discussions related to the coordination with the Virginia Department of Transportation's (VDOT) on the implementation of Chapter 768 (HB599) of the 2012 Acts of the General Assembly. The Group met twice since receiving this charge. At the November 8, 2013 meeting, VDOT provided an overview of their Draft Project Selection Framework dated November 1, 2013 (Attachment A). The Project Selection Framework used a three tier screening method and is designed to determine if projects are consistent with the CTB priorities, satisfy the overall intent of the law, and to cull the list of projects to be rated to no more than 25-30 projects. Pursuant to its charge, the Group prepared comments dated November 14, 2013 (Attachment B) outlining its concerns with the Draft Project Selection Framework and with the VDOT study's lack of coordination with the Authority.

In response to comments received, VDOT revised its Project Selection Framework (Attachment C) dated November 22, 2013 and postponed their scheduled November 22<sup>nd</sup> work session with the Authority so that they could gather stakeholder input on the revised document. VDOT held a stakeholder meeting on November 22<sup>nd</sup> where they presented a more simplified two tier project selection framework that reduced the number of selection criteria from 19 to 11. While VDOT made no change to the number of projects (25-30) that it will rate, staff clarified that the study will treat a package of projects as a single project provided that the package combines complimentary elements that work together to make the whole package effectively and efficiently serve to reduce congestion and to the extent possible improve mobility during a homeland security emergency. An example used was a Bus Rapid Transit (BRT) project could

include Park-and-Ride facilities, feeder bus services to the BRT stations and bike and pedestrian facilities serving the BRT stations.

VDOT made additional revisions to the Project Selection Framework in response to the stakeholder feedback from the November 22, 2013 meeting. On December 2, 2013 the Project Implementation Working Group met for the second time. VDOT staff summarized the November 22, 2013 stakeholders meeting and an overview of the Project Selection Framework dated December 2, 2013 (Attachment D).

One December 3, 2013, VDOT held its first stakeholder input session which was intended to gather input on the Project Selection Framework using a pair wise comparison of the various project selection model criteria. At the conclusion of the meeting, VDOT announced that they were postponing the planned January work session with the Authority so that they could provide additional time for stakeholder input on the next phase of the study – development of project evaluation criteria.

#### **Process.**

While VDOT has made a number of changes to their Project Selection Model in response to comments received by the stakeholders, they have resisted addressing some fundamental concerns about their process raised by the Group thus far. VDOT continues to insist on rating no more than 25-30 projects. The self-imposed limit on the number of projects to be rated may restrict or otherwise limit NVTAs ability to develop a Six Year Program even if the NVTAs submits 25-30 “packages” of projects. The law (HB599) provides that VDOT must rate a **minimum** of 25 projects at least every four years. This means that the 25-30 projects rated this year may be the only projects rated until CY 2017 (although we understand that VDOT intends on conducting more frequent project ratings, no firm commitment has been made to date). If VDOT restricts the number of projects to be rated and the rating occurs every four years it is likely that this process will interfere with NVTAs ability to fulfill its statutory obligations.

The eleven criteria VDOT has proposed for Project Selection are principally factual and that is as we think it should be, but one of the criteria is subjective –“congestion reduction potential”. We question the inclusion of this criterion because there is no factual basis for judging that until the project is evaluated, meaning that judgments about a candidate project’s congestion reduction potential at the project selection stage would be necessarily subjective. In our view, criteria that are inherently subjective have no place in a project selection decision.

The Group also believes another criterion needs to be added for project selection purposes, namely a requirement that projects be contained within the region’s transportation plan (TransAction 2040). This was raised in the course of discussions with VDOT at the November 8 and December 2, 2013 PIWG meetings. Finally, the Group has concerns about the manner in which VDOT envisions collecting input data for project selection purposes -- via a series of

“stakeholder” meetings made up of Northern Virginia jurisdictions and transit agencies and organizations as well as through work sessions with the NVTA—because it believes the NVTA would have been better served if the input data had been sought via the Project Implementation Working Group. That said, the Group has discussed with VDOT a process by which the Group will remain engaged in the development of the study by providing a forum for regional discussion. In order to remain engaged, VDOT needs to share information with the NVTA every step of the process. Moving forward, the Group has underscored the importance of VDOT affording the Group sufficient time to comment and discuss VDOT study materials, including the opportunity to discuss and evaluate the study model and technical methods intended to analyze regional transportation projects.

#### **Next Steps.**

VDOT intends on issuing a Call for Project Nominations in mid-January 2014 with project nominations due from the NVTA and the Commonwealth Transportation Board by mid-February 2014.

VDOT anticipates scheduling another stakeholder meeting in early January 2014, to discuss the Modeling and Technical Methods to Analyze Projects to include identifying the various congestion/mobility related Measures of Efficiency that can be obtained from the model or other technical analysis methods which can be used in project evaluation.

By January 10<sup>th</sup>, 2014 VDOT expects to distribute the Draft Project Evaluation Model (PEM) based on the discussion at the stakeholder meeting reference above. Comments on the draft PEM will be due to VDOT on January 23, 2014. A second stakeholder input session on the PEM will be held on January 31, 2014 to determine the relative importance of alternative MOEs to be used in project evaluation. A work session with the Authority has not yet been scheduled; however it is recommended that the Authority meet on the second Thursday of the month, in advance of when the Commonwealth Transportation Board is scheduled to act on a critical HB599 milestone to give the Authority time to provide input to VDOT prior to CTB action.

#### **Attachments.**

- A. VDOT “Draft Project Selection Framework” dated November 1, 2013
- B. PIWG Comment Letter on VDOT Draft Project Selection Framework
- C. VDOT “Revised Project Selection Model” dated November 21, 2013
- D. VDOT “Project Selection Model” dated December 2, 2013

# Evaluation and Rating of Significant Transportation Projects in Northern Virginia

## Draft Project Selection Framework

# XXII.A

Date: November 1, 2013

Dear Agency Stakeholder:

You / your agency has been identified as an important stakeholder to participate in the joint Virginia Department of Transportation (VDOT) – Department of Rail and Public Transportation (DRPT) study evaluating a set of significant transportation projects in and near Northern Virginia (herein referred to as the Rating Study). The study team looks forward to working with you throughout the study starting with obtaining your input on the components of a Project Selection Model (PSM) during an input session to be held at 10:00 AM to noon on November 14<sup>th</sup> at the VDOT Northern Virginia office (4975 Alliance Drive in Fairfax).

### *Rating Study Background*

In 2012, the General Assembly of the Commonwealth of Virginia enacted a law, Section 33.1-13.03:1, mandating VDOT conduct a study to evaluate and rate at least 25 significant transportation projects in and near Northern Virginia. This is the study herein referred to as the Rating Study. The project evaluation and rating will be based on the project's ability to reduce congestion and, to the extent possible, improve regional mobility during a homeland security emergency. Highway, mass transit, and technology projects will be considered in the evaluation process.

### *Project Selection Model*

The legislative mandate for this study is to select projects that are consistent with the priorities established by the Commonwealth Transportation Board (CTB) and evaluate a minimum of 25 transportation projects that are regionally significant and reduce congestion. The Northern Virginia Transportation Authority (NVTA) and the CTB will nominate projects to be considered for evaluation and rating by this study. The time and resources available to the Rating Study team will allow for the detailed evaluation and rating of about 25 to 30 projects. In order to determine if a nominated project meets the three legislative criteria (CTB priority, regional significance and congestion reduction) and to be able to select no more than 30 such projects (from a potentially larger number of projects) the study team will be developing an analytical/quantitative methodology (model) herein referred to as the Project Selection Model (PSM). Simply stated the PSM is a defined matrix of criteria and project attributes that will be used to select 25 to 30 projects from a larger set of projects nominated by NVTA and the CTB.

### *Your Participation*

Since you have been identified as the transportation representative of your jurisdiction / agency to help VDOT and DRPT conduct the study, you are being invited to participate in developing the PSM. Your input will be gathered in two steps: first your comments on the draft structure and components of the PSM is being sought (through this memorandum) and second the relative importance of each component of the PSM to your jurisdiction / agency will be sought and recorded during the interactive input session on

November 14<sup>th</sup>. The input received during the interactive session will be used to assign relative weights to each criteria and project attribute that are considered more important in the selection process.

The purpose of this memorandum is to provide you with a detailed description of the Draft PSM proposed to be used in the Rating Study. The study team is asking you to review the proposed components of the project selection model and provide any comments or suggestions you may have to [Valerie.Pardo@VDOT.Virginia.Gov](mailto:Valerie.Pardo@VDOT.Virginia.Gov) by 5:00 PM on November 7<sup>th</sup>. This will ensure time for the study team to consider your comments before the meeting on the 14<sup>th</sup>.

The study team has prepared a web-based video to serve as a companion piece to this memo. We strongly encourage you to take the time to view this video, as it provides valuable information as to how your input will be collected during the input session and used in the study. The video can be found at the following link: <https://decisionlens.webex.com/decisionlens/lr.php?AT=pb&SP=MC&rID=27377122&rKey=64dde1b2f118b26e>

### *Project Selection Model*

The proposed PSM has three assessment tiers.

Tier One will assess the project against the “priority principles” adopted by the CTB for this study. Since the legislation explicitly states CTB priorities as the objective/mandate, the first tier uses these priorities as the principal criterion that each project must meet. On October 17, 2013 the CTB adopted the following six priorities for this study. In adopting these six priorities the CTB resolved that the study will use these as overarching principles to be adapted to the regional context of the Rating Study. Each nominated project will be assessed to determine if it is consistent with at least one of these six priorities. Projects that meet this test will be advanced to the Tier Two assessment.

1. Preserve and Enhance Statewide Mobility Through the Region
2. Increase Coordinated Safety and Security Planning
3. Improve the Interconnectivity of Regions and Activity Centers
4. Reduce the Costs of Congestion to Virginia’s Residents and Businesses
5. Increase System Performance by Making Operational Improvements
6. Increase Travel Choices to Improve Quality of Life for Virginians

Tier Two assessments are based on the primary objectives defined by the legislation – projects should be regionally significant and reduce congestion. In recognition of the fact that regional significance and congestion reduction can be viewed from multiple perspectives, the Draft PSM includes several ways of identifying regional significance and congestion reduction. A proposed project does not need to satisfy all of the criteria, but projects that satisfy multiple criteria will have a higher probability of being selected.

Tier Three assessments will be used if more than 30 of the nominated projects advance past the Tier Two assessment (i.e., are found to be regionally significant and reduce congestion). Tier Three assessments are based on secondary objectives and priorities important to the region that can help in reducing the number of selected projects to no more than 30. Projects that satisfy several of the secondary criteria are more likely to be selected.

The Draft PSM presented below identifies a proposed set of project attributes to be used in measuring each criterion in the Tier Two and Tier Three assessments. *Please review the proposed set of attributes and provide your comments or suggest additional attributes for consideration by November 7<sup>th</sup> as noted above.*

### ***Tier Two Criteria***

The proposed criteria for the Tier Two assessments are summarized below. These criteria suggest five ways of gauging if a nominated project is regionally significant and three ways of estimating the likelihood that the project will reduce congestion. The proposed method of measuring and quantifying each of these criteria is outlined in the table provided later in this memo.

#### Regional Significance

1. The project affects residents from multiple jurisdictions.
2. The project affects a significant number of person trips.
3. The project connects regional activity centers (RAC).
4. The project connects regional travel facilities.
5. The project traverses multiple jurisdictions.

#### Congestion Reduction

1. The project improves travel on heavily congested facilities.
2. The project reduces the number of hours of heavy congestion.
3. The project has a high likelihood of significantly reducing congestion.

### ***Tier Three Criteria***

The proposed criteria for the Tier Three assessments are summarized below. These criteria suggest five ways of gauging the status or feasibility of a nominated project and potential ways of determining if the nominated project is consistent with multiple CTB priorities. The proposed method of measuring and quantifying each of these criteria is outlined in the table provided later in this memo.

#### Project Status and Feasibility

1. The project is included in a regional transportation plan.
2. The project is ready to implement.
3. The project can be completed relatively quickly.
4. The project's construction costs are affordable.
5. The decision to implement the project involves relatively few agencies.

#### Specific CTB Priorities

1. The project is on a state designated facility.
2. The project improves evacuation mobility or a safety deficiency.
3. The project addresses capacity bottlenecks between RACs.
4. The project reduces congestion costs to residences and businesses.
5. The project improves operations with smart system technologies.
6. The project provides additional travel options.

### *Methods of Measuring and Quantifying Project Attributes*

The proposed methods of measuring and quantifying the project selection criteria outlined above are defined in the table below. The table lists the specific criteria for the Tier Two and Tier Three assessments and a proposed set of project attributes under each criterion. A brief explanation of what is desired from each of these attributes is provided along with a proposed set of assessment values for each attribute. Note that a few of the proposed measures depend on data generated using the regional simulation model for existing and future baseline conditions. Corridor segment maps for Northern Virginia will be generated to show the distribution of trips based on the County of residents; the number of person trips in cars and transit vehicles; and the congestion severity and duration. These maps will be used to assist with project nomination and to quantify selection measures.

<b>Tier 2: Primary Selection Criteria</b>		
<b>2.A</b>	<b><u>Regional Significance</u></b>	
<b>2.A.1</b>	<i>The percentage of people traveling through the project site by jurisdiction of residence</i>	
	Projects that serve a high percentage of regional residents from multiple jurisdictions are preferred. (Alexandria, Arlington, Fairfax, Loudoun, Prince William, Other Virginia and DC/Maryland)	> 80% from one County/city area < 80% from one County/city area > 30% from two County/city areas > 20% from three plus County/city areas
<b>2.A.2</b>	<i>The number of person trips traveling through the project site</i>	
	Projects in Northern Virginia corridors with a high volume of auto, transit and truck use are preferred.	< 30,000 persons per day 30,000 - 100,000 100,000 - 200,000 > 200,000
<b>2.A.3</b>	<i>The viability of multi-modal connections between activity centers</i>	
	Projects that enhance or expand transit or HOV/HOT connections between major or multiple MWCOG regional activity centers (RACs) are preferred.	No transit/HOV between RACs Transit/HOV between minor RACs Transit/HOV between major RACs Transit/HOV between multiple RACs
<b>2.A.4</b>	<i>Improves connections between regional travel facilities</i>	
	Projects that enhance or complete connections between interstate highways, principal arterials or transit stations are preferred.	No connection Improves one connection Improves two or more connections
<b>2.A.5</b>	<i>The number of jurisdictions the project passes through</i>	
	Projects that traverse multiple Northern Virginia jurisdictions are preferred.	Located in one jurisdiction Located in two jurisdictions Located in three or more jurisdictions

## Tier 2: Primary Selection Criteria

2.B	<b><u>Congestion Reduction</u></b>	
2.B.1	<i>The current and future congestion severity at the project site</i>	
	Projects that attempt to address heavily congested locations are preferred. (Travel Time Index - TTI = congested travel time / free flow travel time)	No congestion (TTI < 1.15) Light congestion (TTI = 1.15 - 1.3) Moderate congestion (TTI = 1.3 - 2.0) Heavy congestion (TTI = 2.0 - 3.0) Severe congestion (TTI > 3.0)
2.B.2	<i>The current and future duration of congestion at the project site</i>	
	Projects that attempt to address locations that are heavily congested (TTI > 2.0) for many hours of the day are preferred.	< 2 hours of congestion per day 2 - 3 hours of congestion per day 3 - 5 hours of congestion per day 5 - 8 hours of congestion per day > 8 hours of congestion per day
2.B.3	<i>The likelihood that the project will significantly reduce congestion</i>	
	Projects with a high likelihood of reducing congestion by 25% or more are preferred.	Low likelihood Medium likelihood High likelihood



Tier 3: Secondary Selection Criteria		
3.A	<b><u>Project Status and Feasibility</u></b>	
3.A.1	<i>Is the project included in a regional transportation plan?</i>	
	Projects in the NoVA CLRP and TIP are preferred. Projects in TransAction 2040 are desirable.	Not in a regional plan
		Included in TransAction 2040
		Included in the CLRP or TIP
3.A.2	<i>What is the status of the project planning and development process?</i>	
	Projects further along in the project planning and development process are preferred.	No studies have been performed
		Completed feasibility studies
		Completed major regulatory reviews and/or public input processes
		Ready to move forward when funding becomes available
3.A.3	<i>How long will it take to complete the project?</i>	
	Projects that can be completed relatively quickly are preferred.	< 5 years
		5 - 10 years
		10 - 15 years
		> 15 years
3.A.4	<i>Is the project affordable?</i>	
	Projects that require less state and regional funding are preferred.	< \$5 million
		\$5 million - \$50 million
		\$50 million - \$500 million
		> \$500 million
3.A.5	<i>Does the project require coordination with other states or the District of Columbia?</i>	
	Projects that are wholly within Northern Virginia are preferred over projects that cross into Maryland or the District of Columbia.	Wholly in Northern Virginia
		Wholly in Virginia
		Partially in DC/Maryland

## Tier 3: Secondary Selection Criteria

3.B	<b><u>Specific CTB Priorities</u></b>	
3.B.1	<i>Preserve and Enhance Statewide Mobility through the Region</i>	
	Projects on NoVA facilities included in the Statewide Mobility System*, Corridors of Statewide Significance, and Super NoVA Corridors are preferred.	No
		Yes
3.B.2	<i>Increase Coordinated Safety and Security Planning</i>	
	Projects that improve mobility in the event of a Homeland Security emergency or address a significant safety deficiency are preferred.	No
		Yes
3.B.3	<i>Improve the Interconnectivity of Regions and Activity Centers</i>	
	Projects that address a capacity bottleneck between major activity centers are preferred.	No bottlenecks between RACs
		Bottlenecks between minor RACs
		Bottlenecks between major RACs
		Bottlenecks between multiple RACs
3.B.4	<i>Reduce the Cost of Congestion to Virginia's Residents and Businesses</i>	
	Projects that reduce travel times and accident rates for residents and businesses of Northern Virginia are preferred.	No cost reductions
		Reduces costs to residents
		Reduces costs to businesses
		Reduces costs to residents and businesses
3.B.5	<i>Increase System Performance by Making Operational Improvements</i>	
	Projects that invest in smart system technologies to improve operations and manage demand are preferred.	No technology improvements
		Technologies to improve operations
		Technologies to manage demand
		Technologies to improve operations and manage demand
3.B.6	<i>Increase Travel Choices to Improve Quality of Life for Virginians</i>	
	Projects that provide a new mode of travel or increase the frequency and coverage of transit service in Northern Virginia are preferred.	No new travel options
		Increases bus frequency or coverage
		Adds new transit/HOV options
		Adds high speed/high frequency transit options
<p>* SMS highways play an essential role in the movement of people and goods by ensuring that all regions of Virginia are reasonably accessible. The routes that comprise the SMS include National Highway System facilities, hurricane evacuation routes, multilane primaries that provide regional connectivity, as well as other primaries that serve vital links between jurisdictions.</p>		

### *Next Steps*

Based on your comments, the study team will review and update the PSM. At the meeting on November 14<sup>th</sup>, you, along with representatives from other jurisdictions / agencies in Northern Virginia, will participate in an interactive/moderated session during which you will provide input to the study team on the relative importance of each component (criteria and project attributes) of the PSM to you and your agency.

These individual preferences for each component will be combined to establish the relative importance of the group. The relative importance identified by the group will represent the quantifiable weights for each metric. The weighted matrix will be used to assess and assign a numeric score to each nominated project to determine which 25-30 projects will be further evaluated and assigned a rating.

Please note that the project selection model developed above will be shared with the CTB members from Northern Virginia and the NVTA Board before being presented to the CTB and used in the Rating Study. The NVTA's review of this proposed PMS is tentatively scheduled for November 22, 2013.



## Northern Virginia Transportation Authority

*The Authority for Transportation in Northern Virginia*

3060 Williams Drive ♦ Suite 510 ♦ Fairfax, VA 22031

[www.TheNoVaAuthority.org](http://www.TheNoVaAuthority.org)

### **Project Implementation Working Group Northern Virginia Transportation Authority**

November 14, 2013

Ms. Helen L. Cuervo, P.E.  
Northern Virginia District Administrator  
VDOT Northern Virginia Office  
4975 Alliance Drive  
Fairfax, VA 22030

Subject: VDOT Draft Project Selection Framework

Dear Ms. Cuervo:

Thank you for the opportunity to comment on the Virginia Department of Transportation's (VDOT) Draft Project Selection Framework dated November 1, 2013. The Northern Virginia Transportation Authority's (Authority) Project Implementation Working Group (PIWG) has reviewed the draft Project Selection Framework, and would like to offer the following technical comments and suggestions for your consideration.

### **Project Selection Framework**

#### **Ongoing Coordination with the Northern Virginia Transportation Authority**

The Authority has directed its Project Implementation Working Group (PIWG) to lead the discussion on the coordination with the VDOT on the implementation of HB599. As such, it is expected that any discussion related to the implementation of HB599 begin with this group. This includes but is not limited to the development of the project selection and project evaluation models, project selection framework, definition of baseline conditions, project solicitation and selection, project evaluation and analysis tools.

Section 33.1-13.03:1 of the Code of Virginia provides that the Virginia "Department of Transportation, in ongoing coordination with the Commonwealth Transportation Board, Department of Rail and Public Transportation, and the Northern Virginia Transportation Authority, shall evaluate all significant transportation projects." We remain concerned that VDOT developed the VDOT Study methodology without input from the Authority or its member jurisdictions prior to the Authority meeting on September 26, 2013. VDOT has had more than a year and a half to develop the implementation plan for the study, but did not have any meaningful discussions with the Authority prior to that meeting. We are now at the point where VDOT has developed an implementation schedule that provides little or no time for the Authority or its member jurisdictions

to react or provide input. Giving the Authority limited time to react to priorities and methodologies is not “coordination” nor shows any plan for “ongoing coordination.”

### **Critical Milestones**

Essential to our ability to work together effectively is an understanding on the part of all stakeholders of when decisions will be made and what information will be discussed at each respective decision point. Please provide updated dates and associated desired outcomes of all planned critical milestones throughout the VDOT Projects Ratings Study. Include a description of how VDOT intends to coordinate with the Project Implementation Working Group and subsequently, the Authority. Any subsequent changes to the schedule should be shared with the Authority in a timely manner.

### **Comment Period**

Thank you for extending the comment period on the draft VDOT Project Selection Framework (PSF) to 5:00pm on Friday, November 15, 2013. While we understand that VDOT is working under a tight study timeframe, it is important that sufficient time be provided to all stakeholders, including the PIWG, to comment. Providing less than a week to comment on critical aspects of the study framework, including the PSF, does not give stakeholders adequate time to discuss and fully coordinate their concerns, and as a result may sacrifice the quality of the end product. Like VDOT, the Authority must ensure the basis upon which projects are selected for funding enables us to meet our statutory obligations. Taking the time to make sure our work is properly coordinated will not only help us deliver a better outcome for Northern Virginia taxpayers, but is also necessary to comply with the law.

In the future, we encourage the Department to work with the PIWG in setting comment periods when soliciting information from the Northern Virginia on key study materials.

## **Project Selection Model**

### **Project List**

We understand that VDOT intends on conducting a “detailed evaluation and rating of 25-30 projects” at least every two years. As proposed, rating 25-30 projects may restrict or otherwise limit the Authority’s ability to develop a Six-Year Program consistent with our priorities and goals. As you know, the Authority is required to maintain geographic equity with regards to our funding program. If VDOT does not rate a sufficient number of projects, the Authority’s ability to meet its legal requirements will be seriously impeded. In addition, some projects selected to be rated may score poorly, and/or may not be eligible for NVTA funding, further limiting the Authority’s ability to develop an effective Six-Year Program.

Section 33.1-13.03:1 of the Code of Virginia sets minimum requirements only, leaving the Department flexibility to rate as many projects with whatever frequency is needed. While we understand that there are funding constraints, we believe that sufficient resources should be made available so as not to impede the Authority’s ability to meet its statutory obligations.

### **VDOT Study Methodology**

The original genesis for HB599 was a model that was prepared by VDOT’s Northern Virginia district staff, which was a relatively simple, straightforward approach to evaluating project benefits. The approach that VDOT is proposing to use for the Rating Study is overly complicated and unnecessarily time consuming. Since the Authority must rely on the study to identify highway projects to fund in the future, it is important that this study effort not be unduly burdensome or time

consuming. Further, using a straightforward approach would help address the previously stated concern about the insufficient number of projects, by allowing for additional ones to be evaluated.

The Project Selection Model (PSM) developed by VDOT staff introduces a complicated set of criteria in three tiers. The following are comments specific to each tier.

### **Tier One**

With regard to the Commonwealth Transportation Board's (CTB) Tier One priorities, we remain concerned that the "priority principles" are currently broadly described without specific reference to the Northern Virginia region. This is especially true with the priority "Preserve and Enhance Statewide Mobility through the Region," which does not specifically relate to improving regional mobility. As an alternative, we recommend modifying the priority to read as follows: "Preserve and Enhance Regional Mobility."

### **Tier Two**

Under the current proposal, VDOT states that it will use "two primary criteria to examine if a project is determined to be 1) regionally significant and 2) reduce congestion. These two criteria are directly derived from the legislative mandate for the study (to evaluate significant projects that reduce congestion)." Principal among the PIWG concerns with VDOT's project selection methodology is that it uses "congestion reduction" as a criterion to determine which projects it will rate in the study. This is not a legal requirement. Section 33.1-13.03:1 mandates the Department evaluate "all significant transportation projects." Once projects have been selected for evaluation, the Department shall then develop an "objective, quantitative rating for each project according to the degree to which the project is expected to reduce congestion and, to the extent feasible, the degree to which the project is expected to improve regional mobility in the event of a homeland security emergency." Put simply, using congestion reduction as a screening method to cull projects from a report studying congestion reduction puts the proverbial cart before the horse. We do not know the congestion reduction benefits of these projects until the study is complete.

In addition, using congestion reduction criteria to screen projects for rating duplicates similar activities already proposed in the Project Evaluation Model. It should also be noted that VDOT's proposed methodology makes no mention of screening projects for the other required study output, "improving regional mobility in the event of a homeland security emergency". In light of these facts, we request that VDOT remove the congestion reduction criteria from their Tier Two assessment, as it is inconsistent with the law.

### **Tier Two: Regional Significance**

The proposed criteria assume a definition of regional significance that is not consistent with the work of previous regional planning bodies, including the Metropolitan Washington Council of Governments (MWCOCG), the Transportation Planning Board (TPB), the Authority, and the Washington Metropolitan Area Transit Authority (WMATA). The definition of a regionally significant project does not need to be defined again by VDOT. In November 2012, the Authority and eight of nine member jurisdictions adopted TransAction 2040, which was prepared as required by the Authority's authorizing statute. VDOT participated in the development of TransAction 2040 and its precursors. TransAction 2040 defines the projects that NVTA believes are regionally significant. In addition, TransAction 2040 already evaluated congestion reduction benefits of projects contained within the plan. The measures used to evaluate projects in the TransAction 2040 plan have been vetted by the Authority and its member jurisdictions and regional transportation agencies, including VDOT and DRPT. It does not appear necessary for VDOT to take time to evaluate the criteria in Tier Two, since the data is readily available and fairly current.

In general, the criteria should be based on the utilization of transportation resources in Northern Virginia. Person trips are the most appropriate and widely available measure of transportation resource utilization.

Additionally, bicycle and pedestrian projects can be regionally significant. Biking and walking are transportation modes, used for literally hundreds of thousands of trips every day, with a massive effect on our transportation system. For example, as many as 9,000 bicyclists and pedestrians cross the Key Bridge between Arlington and DC on weekdays. A majority of those trips occur during rush hour, which is higher than car counts on many roads. Not only are such projects absolutely essential for access to transit and circulation within activity centers, they are also likely to be the most important elements of any large-scale emergency evacuation of the national capital area. In such a homeland security emergency, given the geographic layout of the region, the most realistic means of large-scale evacuation are through walking, biking, and emergency transit traveling in temporarily dedicated facilities. In these instances, the normal driving habits of regional commuters would overwhelm the network to the point of gridlock, and would be unacceptably inefficient and ineffective.

In addition to the overarching comments stated above, attached please find PIWG's specific comments on the proposed Regional Significance criteria.

### **Tier Two: Congestion Reduction**

As stated previously, we recommend removing these criteria altogether from the Tier Two assessment. The following comments apply to Project Selection and Project Evaluation Models.

The measurement of congestion reduction is not simple and cannot be overly simplified down to a small number of criteria which only measure whether single-occupant vehicles are in free-flow conditions. Measures of congestion must address the entire transportation system, regardless of mode, and must not bias investment towards road expansion projects. Measures need to be broad enough to accurately reflect both the benefits and long-term costs of all modes, including transit. Under the current proposal transit's benefits and road expansion costs will likely be under-reported, which will distort the study outcomes.

Congestion measurement should include the quantitative and qualitative measures used to evaluate and prioritize projects in TransAction 2040. For the purposes of the HB599 VDOT Rating Study, it is recommended that the following measures utilized in TransAction 2040 be considered:

- Multimodal Choice 1 – Total Home Based Work non-SOV Productions and Attractions
- Multimodal Choice 2 – Change in Transit Vehicle Miles
- Person-Throughput 1 – Person Miles Traveled by non-SOV
- Person-Throughput 2 – Person Miles Traveled by SOV
- Travel Time – Person Hours Traveled

These measures are commonly used to assess congestion and mobility across the country. Further, they are multimodal and person-centric, two features that are repeatedly cited as necessary in other sources on transportation performance measures. In addition to the overarching comments stated above, attached please find specific comments related to the VDOT proposed criteria.



**Tier Three**

VDOT should not be creating new factors or new definitions of factors. The Authority has used criteria for project selection and ranking since 1999 as part of the adopted 2020 Northern Virginia Regional Transportation Plan. These criteria were updated and supplemented by TransAction 2030 and TransAction 2040. VDOT lead the 2020 Transportation Plan effort and actively participated in the TransAction 2030 and TransAction 2040 Plans. The factors in the current TransAction 2040 Plan have been well vetted and regionally accepted.

In addition to the statements above, please see attached comments related to the proposed secondary project selection criteria.

**Measures of Effectiveness**

As noted in Chairman Nohe's letter to you dated October 16, 2013, Virginia Code Section 33.1-13.03:1 provides that VDOT may rely on the results of transportation modeling performed by other entities, including the Authority, which suggests, at a minimum, the CTB should be informed of the Authority's work and be asked whether that work should be used. Prior to notifying the CTB, we ask that you seek input from the PIWG as you develop the Project Evaluation Model, not just the Measures of Effectiveness. As requested at the September 26, 2013, Authority meeting, we wish to understand all aspects of the model including assumptions used to evaluate the projects.

Again, it is both the legal requirement and our desire that the Authority be closely involved throughout this process. If you have any questions or would like to discuss any of these comments, please contact me at 703-228-3131.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Christopher Zimmerman', with a long horizontal flourish extending to the right.

Christopher Zimmerman, Chair  
Project Implementation Working Group



## Tier 2: Primary Selection Criteria

2.A – Regional Significance	
	Comments
2.A.1.	<ul style="list-style-type: none"> <li>Eliminate this criterion completely. It is too similar to criterion 2.A.5.</li> <li>If the criterion is retained “affects” must be defined and “residents” is too limiting. This misses the impact on our transportation system caused by non-resident workers, visitors, and those who are traveling through the region.</li> <li>Both this criterion and 2.A.5. may prevent smaller jurisdictions from receiving regional funding for projects that rest entirely within a single jurisdiction though they are regionally significant. There are regionally significant projects in single jurisdictions that improve congestion and improve regional mobility during a homeland emergency situation. In addition, there may be future non Single Occupancy Vehicle (SOV) modes such as pedestrian and bike trails that may rise to the level of regional significance.</li> </ul>
2.A.2.	<ul style="list-style-type: none"> <li>In order to capture network effects, “corridors” should be the broad multimodal NVTa corridors (with accommodations for projects in the “other” corridor), not just 1 single specific facility.</li> <li>Person throughput should be per peak hour, not per day, since the peak hour is the period of highest congestion.</li> <li>If individual facilities are used, the person throughput cut lines should be lowered to 10,000, 30,000, 60,000, and &gt;100,000. Under current cut lines it will be difficult for non-Interstate or non-Metrorail projects to qualify, neither of which NVTa should be expected to fund.</li> </ul>
2.A.3.	<ul style="list-style-type: none"> <li>Change description to read “Projects that enhance or expand non-automobile or HOV connections within MWCog regional activity centers” to capture nodal projects.</li> <li>Change measures to: <ol style="list-style-type: none"> <li>Does not improve non-automobile or HOV facility inside an activity center. (worst)</li> <li>Improves non-auto or HOV facility inside one activity center.</li> <li>Improves non-auto or HOV facility inside multiple activity centers. (best)</li> </ol> </li> </ul>
2.A.4.	Is every connection equal? How are these counted? Connections between RACs should be on a per mile basis so as to normalize across projects of different lengths. Additionally, there should be some ‘bonus’ for connecting primary RACs that already exist, as opposed to extending the system to connect to RACs that are not solidified yet.
2.A.5.	<p>Change all references to “jurisdictions” to be “activity centers” instead. Given the broad range in size of jurisdictions in the region, activity centers are fairer. There are jurisdictions like Fairfax County that encompass 400 square miles with over 1.1 million residents that have projects that affect half of Northern Virginia’s residents which have clear regional benefits and should be considered despite the fact that they are geographically contained within one jurisdiction. Further, NVTa has determined that Fairfax County Parkway, the Loudoun County Parkway, and the Prince William County Parkway are all regional.</p> <p>This criteria as proposed could specifically penalize local jurisdictions’ transit projects as structurally, they often do not cross jurisdictional boundaries, yet do a lot to reduce congestion and support the region’s homeland security needs.</p>
2.A.6.	<p>New criterion proposed:</p> <ul style="list-style-type: none"> <li>Title: <i>Necessary to support regional travel.</i></li> </ul>

	<ul style="list-style-type: none"> <li>• Description: Projects that do not themselves move significant regional travel, but which are necessary for or improve the capability of those that do. (Examples include access to transit, maintenance and operations centers, etc).</li> <li>• Measures: <ol style="list-style-type: none"> <li>1. No change to support facilities. (worst)</li> <li>2. Improves access to or operationally supports local road or transit route serving only areas outside any activity center.</li> <li>3. Improves access to or operationally supports local road or transit route serving an activity center.</li> <li>4. Improves access to, or operationally supports, arterial or Interstate road, or fixed guideway transit route. (best)</li> </ol> </li> </ul>
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2.B – Congestion Reduction	
	Comments
2.B.1.	<i>Comments apply to both 2.B.1 and 2.B.2.</i>
2.B.2.	<p>TTI should be replaced by annual hours of travel delay per capita, or average peak period trip time per capita.</p> <p>If transit is included, congestion cannot only be measured based on travel time. This is where the rating scale/evaluation measures from TransAction 2040 could be used.</p> <p>TTI makes long-distance trips look better than short, local trips, which is counterproductive to reducing congestion. “The Travel Time Index is computed as a ratio where the denominator is the total amount of time spent traveling, places with longer average trip lengths will have lower travel time indices. All other things being equal, if trips get longer [in distance] (say the average commuter adds 5 more minutes to their trip), the larger will be the denominator in the equation, and the lower will be the Travel Time Index.”</p> <p>If it's not possible to replace TTI with another measure, then at minimum VDOT must use “threshold travel time” instead of "free flow travel time." The former is based on a threshold speed that an NVTA jurisdiction or the NVTA could set for each road segment. Using a threshold speed allows greater flexibility in setting speed and congestion targets.</p> <p>This is important because free-flow speed is rarely achieved anywhere since it requires nearly empty roads, and is not the most efficient use of the roadway in terms of moving people and vehicles.</p> <p>Any measure that encourages free-flow pushes us to an impossible and cost-ineffective plan. No community wants empty roads, and a jurisdiction or the region should be able to set different thresholds or goals for the wide variety of roads around the region. Jurisdictions or the NVTA may set the desired threshold speed below the free-flow speed.</p>
2.B.3.	<ul style="list-style-type: none"> <li>• How is “likelihood” defined?</li> <li>• Congestion reduction of 25% according to ANY of the congestion reduction criteria, not only highways.</li> </ul>
2.B.4.	<p>New criterion proposed:</p> <ul style="list-style-type: none"> <li>• Title: <i>The current and future congestion of transit.</i></li> <li>• Description: Projects that simultaneously increase transit ridership and reduce crowding levels within transit vehicles or facilities, by increasing the square footage per passenger</li> </ul>

	<p>at peak crush periods (excluding projects that divert transit riders onto roads).</p> <ul style="list-style-type: none"> <li>Measures: <ol style="list-style-type: none"> <li>No change. (worst)</li> <li>Square footage / passenger increases up to 50%.</li> <li>Square footage / passenger increases above 50%. (best)</li> </ol> </li> </ul>
<b>2.B.5.</b>	<p>New criterion proposed:</p> <ul style="list-style-type: none"> <li>Title: <i>The project does not induce future congestion.</i></li> <li>Description: Project does not induce increased per capita Vehicle Miles Traveled.</li> <li>Measures: <ol style="list-style-type: none"> <li>VMT/capita decreases (best)</li> <li>VMT/capita increases (worst)</li> </ol> </li> </ul>

### Tier 3: Secondary Selection Criteria

<b>3.A – Project status &amp; feasibility</b>	
	<b>Comments</b>
<b>3.A.1.</b>	<i>None.</i>
<b>3.A.2.</b>	Study should use NVTA definition of project readiness, rather than creating an entirely new definition.
<b>3.A.3.</b>	<p>Whether a project can be completed quickly or not should not be a factor in this study. A project that is cost effective in terms of relieving congestion should not be ranked lower or eliminated solely because it will take longer to implement. This is already addressed in the “project readiness” factor.</p> <p>Scoring timelines are too long to suit NVTA’s purposes, and too long to provide any benefit for true “shovel ready” projects. Propose changing measures to:</p> <ol style="list-style-type: none"> <li>&lt;2 years. (best)</li> <li>2-5 years.</li> <li>5-10 years.</li> <li>&gt; 10 years. (worst)</li> </ol>
<b>3.A.4.</b>	<p>The cost categories do not reflect the approximate levels difficulty / complication needed, and the larger categories are too broad for NVTA’s purposes. Propose changing measures to:</p> <ol style="list-style-type: none"> <li>&lt;\$5 million. (best)</li> <li>\$5-20 million.</li> <li>\$20-75 million.</li> <li>\$75-500 million.</li> <li>&gt; \$500 million. (worst)</li> </ol> <p>It should also be noted that some level of judgment is required when rating projects based on cost since some projects may be more expensive but more cost effective than a project that is in the lower cost tier but is less cost effective than the former.</p>
<b>3.A.5.</b>	<p>While it’s true that projects wholly within Northern Virginia are usually easier to implement than those that aren’t, other projects may still be important, and may sometimes actually be easier to implement if an outside agency provides significant support. Propose changing measures to:</p> <ol style="list-style-type: none"> <li>Wholly in NVTA geographic area. (best)</li> <li>Partially outside NVTA area, but the non-NVTA jurisdiction provides at least a fair share of financial support for the project.</li> <li>Partially or fully outside NVTA area, and the non-NVTA jurisdiction provides less than a fair share of financial support for the project. (worst)</li> </ol>

<b>3.B – Specific CTB priorities</b>	
	<b>Comments</b>
<b>3.B.1.</b>	This criterion should be removed. NVTa is not required to restrict spending to Corridors of Statewide Significance. To eliminate projects to study based on this criterion limits the Authority from meeting its statutory obligations and not adapted for a regional perspective. A possible alternative to this criterion is to reference NVTa corridors.
<b>3.B.2.</b>	<p>How will mobility improvement be defined?</p> <p>Emergency evacuation and safety should be listed separately as TA2040 does. These are really two different factors. Only emergency evacuation is required by code.</p> <p>With regards to emergency evacuation, there is an extremely high likelihood that in the event of an emergency, some or all of the Potomac River bridges connecting Arlington to DC would be closed to cars, as they were during the 2009 presidential inauguration. That allows vastly more efficient and dense movement of people, to a level not desirable during normal days, but necessary in extreme situations.</p> <p>It's therefore potentially likely that in an evacuation scenario, such closures would be extended beyond the bridges, through long segments of highways, allowing a combination of emergency transit, EMS, and pedestrians/bicyclists to move efficiently and safely. Even if bridges and surface highways are not intentionally closed to cars, it's extremely likely pedestrians would use and overwhelm them regardless of the rules.</p> <p>The criterion must therefore reflect the high likelihood that major road paths out of DC will not be viable for private automobiles during an emergency.</p> <p>Therefore, propose changing measures to:</p> <ol style="list-style-type: none"> <li>1. Project promotes travel options likely to be impractical during a homeland security emergency. (worst)</li> <li>2. Project is neutral regarding homeland security emergencies.</li> <li>3. Project improves reliability and/or accessibility of extreme high-capacity/efficiency travel, necessary for an emergency evacuation of the region (including Washington, DC).</li> </ol>
<i>cont. on next page</i>	
<i>cont. from prev. page</i>	
<b>3.B.3.</b>	<p>How are bottlenecks defined? Must include transit &amp; access to transit.</p> <p>Connectivity of RACs should be evaluated not based on bottlenecks, but on the number of RACs accessible within 30 or 45 minutes. There should be a 'bonus' for connecting to existing well-developed RACs.</p>
<b>3.B.4.</b>	Is this simply applying a dollar value to time lost? How will costs be defined or calculated? In general, "reduced travel times" and "accident rates" should be measured separately. These are two very different factors and both have already been considered elsewhere.
<b>3.B.5.</b>	Why favor only operations improvements that are achieved using smart system technologies? Any operations improvement is valuable. Propose broadening this criterion to include any operations improvement or demand management.
<b>3.B.6.</b>	<p>Modify measures as follows:</p> <ul style="list-style-type: none"> <li>• "Increase bus frequency or coverage" should change to become "Increase transit frequency, coverage, or capacity"</li> <li>• Add new measure to determine level of community support.</li> </ul>

# Evaluation and Rating of Significant Transportation Projects in Northern Virginia

## Revised Project Selection Model

# XXII.C

Date: November 21, 2013

Dear Agency Stakeholder:

Thank you for reviewing the draft Project Selection Model and providing comments. We received comments from 15 different jurisdictions or agencies. A specific response to each comment will be provided in a separate document. The Virginia Department of Transportation (VDOT) and the Department of Rail and Public Transportation (DRPT) have reviewed these comments and used them to revise the Project Selection Model (PSM). This document describes the revised PSM and also clarifies the intent and purpose of the project selection process as part of the Evaluation and Rating of Significant Transportation Projects in Northern Virginia study.

The following statements represent a summary of the intent of the authorizing legislation (§ 33.1-13.03:1) and the objectives of this study:

*Use transportation models and computer simulations to provide an objective, quantitative rating of 25 significant transportation projects selected according to priorities determined by the CTB, in coordination with NVTa.*

- *Significant projects in the CLRP, TransAction 2040, and other highway, rail, bus, and technology projects that could make a significant impact on mobility in and near the Northern Virginia Transportation District.*
- *Projects are expected to reduce congestion and improve regional mobility in the event of a homeland security emergency.*
- *Give priority to projects that most effectively reduce congestion in the most congested corridors and intersections.*

### **Project Selection Model**

The Project Selection Model (PSM) provides an objective and quantitative process by which to determine (1) the degree of significance of each nominated project and (2) the degree to which the nominated project is likely to reduce congestion, while also improving mobility during a homeland security emergency. The PSM will be used to select no more than 30 projects from all projects nominated by the NVTa and the CTB. The 30 selected projects will be analyzed and assigned a rating that reflects their estimated impact on congestion and, to the extent possible, their impact on mobility during a homeland security emergency situation.

Based on the study objectives and the comments received on the draft PSM, the study team has simplified the project selection process to focus on two assessment tiers. The first tier satisfies the requirement that the project is consistent with CTB priorities. The second tier utilizes a number of alternative criteria to

determine the degree of significance of the projects, and the degree to which the project has the potential to reduce congestion and improve mobility.

Tier One will assess the project against the “priority principles” adopted by the CTB for this study. Since the legislation explicitly states CTB priorities as the objective/mandate, the first tier uses these priorities as the principal criterion that each project must meet. On October 17, 2013 the CTB adopted the following six priorities for this study. In adopting these six priorities the CTB resolved that the study will use these as overarching principles to be adapted to the regional context of the Rating Study. Each nominated project will be assessed to determine if it is consistent with at least one of these six priorities in a regional context. Projects that meet this test will be advanced to the Tier Two assessment.

1. Preserve and Enhance Statewide Mobility Through the Region
2. Increase Coordinated Safety and Security Planning
3. Improve the Interconnectivity of Regions and Activity Centers
4. Reduce the Costs of Congestion to Virginia’s Residents and Businesses
5. Increase System Performance by Making Operational Improvements
6. Increase Travel Choices to Improve Quality of Life for Virginians

For the Tier two assessment, the study objectives were used to develop criteria that relate to the significance of a project and its ability to reduce congestion (while also improving mobility during a homeland security emergency). Tier two assessment will be used to confirm that the project is regionally significant and reduces congestion (the HB 599 requirements) and to limit the number of projects that will be evaluated to no more than 30.

For the purposes of this study, the PSM will be applied to all projects nominated by the NVTa or the CTB for evaluation. All projects must meet the overall HB 599 study objective, namely that:

*The project is a significant highway, rail, bus, technology, or travel demand management project that reduces congestion.*

Examples of projects that do not meet this objective include lighting projects, sound walls, landscaping, etc., and project that not directly affect the movement of vehicles and/or people.

The selected projects will be presented to NVTa and CTB for concurrence on which projects will be evaluated.<sup>1</sup>

The following criteria will be used in the Tier two assessment. Several of the criteria listed below are based on attributes of the proposed project, while other criteria are based on the travel conditions the project is designed to address. Estimates of the travel conditions at each project’s location will be derived from a baseline analysis of existing and future travel demand within Northern Virginia (to be provided to stakeholders prior to the nomination of projects).

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<sup>1</sup> The detailed evaluation of the selected 30 projects will be conducted using travel demand forecast modeling and traffic operational simulation modeling. Measures of effectiveness, defined with input from the study stakeholders in the next task of this study, will be used to develop the final congestion rating for each project.

Each of the criteria listed below has a potential maximum score of 100 points, but each criterion may not have equal weight in the overall score for the project. The weight assigned to each criterion will be based on the results of a stakeholder engagement session (scheduled for December 3<sup>rd</sup>) where the relative importance of each criterion will be assessed by the group.

1. The project is a highway, rail, bus, technology or large scale travel demand management project.

Yes → 100 points

2. The project is on a facility included in the Statewide Mobility System, Corridors of Statewide Significance, or in a Super NoVA corridor.

Yes → 100 points

3. The project is in a corridor that serves a high volume of person trips.

0 to 100 points proportional to the number of daily person trips in the corridor; with 200,000 or more person trips awarded the maximum score → 100 points

4. The project enhances or expands transit, HOV/HOT or roadway connections between major or multiple regional activity centers (RACs).

Improved access within RACs or between minor RACs → 25 points

Between major RACs → 75 points

Between multiple RACs → 100 points

5. The project enhances or completes connections between interstate highways, principal arterials or transit stations and park-&-ride lots.

Improves or adds one connection → 50 points

Improves or adds two or more connections → 100 points

6. The project is located in a heavily congested corridor.

Moderate Congestion (TTI = 1.3-2.0 or LoadFac = 1.0-1.2) → 25 points

Heavy Congestion (TTI = 2.0-3.0 or LoadFac = 1.2-1.4) → 75 points

Severe Congestion (TTI > 3.0 or LoadFac > 1.4) → 100 points

(TTI = travel time index = congested travel time / free flow travel time)

(LoadFac = transit passengers / vehicle seats)

7. The project corridor experiences moderate to heavy congestion for multiple hours of the day.

Congested during the peak hour only → 25 points

Congested for the whole peak period → 75 points

Congested during peak and off-peak periods → 100 points

8. The project is located in a corridor with significant person hours of delay.

Moderate Delay (100 person hours of delay per mile per day) → 25 points

Substantial Delay (500 person hours of delay per mile per day) → 75 points

Major Delay (1,000 person hours of delay per mile per day) → 100 points

**9.** The project adds person moving capacity to a congested location, facility or corridor.

Adds 10% to 25% person moving capacity → 50 points

Adds 25% or more to the person moving capacity → 100 points

**10.** The project has the potential to reduce vehicle trips on a congested facility or corridor.

Reduce vehicle trips by 5% to 10% → 25 points

Reduce vehicle trips by 10% to 25% → 75 points

Reduce vehicle trips by 25% or more → 100 points

**11.** The project improves regional mobility in the event of a homeland security emergency.

Improve mobility between jurisdictions → 50 points

Improves radial roadway or bus capacity or reversible capabilities → 100 points

Expands rail transit system → 100 points

### *Next Steps*

The study team plans to hold an open discussion session with stakeholders on November 22, 1:30-3:30pm, at the VDOT Northern Virginia office (4975 Alliance Drive in Fairfax). This session will provide an opportunity for the study team to present the revised PSM, explain their rationale for the various criteria included in the PSM and discuss the upcoming session to receive and record their preferences (weights) of the criteria. Subsequent to this meeting, the study team plans to hold a stakeholder workshop on Tuesday, December 3<sup>rd</sup>, from 9:30-11:30, to develop the relative weights assigned to each selection criterion.



# Evaluation and Rating of Significant Transportation Projects in Northern Virginia

## Project Selection Model

December 2, 2013

# XXII.D

The Virginia Department of Transportation (VDOT) and the Virginia Department of Rail and Public Transportation (DRPT) are conducting a study to evaluate all significant projects in and near the Northern Virginia District per the mandate of Virginia Code, section 33.1-13.03:1. The following statements represent a summary of the intent of the authorizing legislation and the objectives of this study:

*Use transportation models and computer simulations to provide an objective, quantitative rating of at least 25 significant transportation projects selected according to priorities determined by the Commonwealth Transportation Board (CTB), in coordination with the Northern Virginia Transportation Authority (NVTA).*

- *Significant projects in the Constrained Long Range Plan, TransAction 2040 Plan, and other highway, rail, bus, and technology projects that could make a significant impact on mobility in and near the Northern Virginia Transportation District.*
- *Projects are expected to reduce congestion and improve regional mobility in the event of a homeland security emergency.*
- *Give priority to projects that most effectively reduce congestion in the most congested corridors and intersections.*

Projects will be analyzed and assigned a quantitative rating that reflects their ability to reduce congestion and, to the extent possible, their ability to improve mobility during a homeland security emergency situation. The legislation also requires that the results of the study to be published on VDOT's website and for the study to be updated every four years.

Project nominations will be solicited from the CTB and NVTA. The first round of project evaluations<sup>1</sup> will be limited to evaluating up to 30 projects. For the purposes of this study a project is defined as either a single highway, transit, technology or large scale travel demand management project or a package of complementary projects that together could significantly reduce congestion and improve mobility during a homeland security emergency.

To select this package of 30 projects from all of the projects that are nominated and to ensure that projects are significant and reduce congestion, a Project Selection Model (PSM) has been developed in coordination with the CTB, NVTA, and study stakeholders. The PSM will be applied to all projects nominated for evaluation.

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<sup>1</sup> The detailed evaluation of the selected 30 projects will be conducted using travel demand forecast modeling and traffic operational simulation modeling. Measures of effectiveness, defined with input from the study stakeholders in the next task of this study, will be used to develop the final congestion rating for each project.

### *Project Selection Model*

The Project Selection Model provides an objective and quantitative process by which to determine (1) the degree of significance of each nominated project and (2) the degree to which the nominated project is likely to reduce congestion, while also improving mobility during a homeland security emergency. All projects must meet the overall legislative requirements, namely that:

*The project is a significant highway, rail, bus, technology, or travel demand management project that reduces congestion.*

Examples of projects that do not meet this objective include lighting projects, sound walls, landscaping, etc., and project that do not directly affect the movement of vehicles and/or people in and near Northern Virginia.

The PSM was developed based on the study objectives and the inputs from the representatives of the Northern Virginia jurisdictions and transit agencies. The PSM includes two assessment tiers. The first tier satisfies the requirement that the project is consistent with CTB priorities. The second tier utilizes a number of alternative criteria to determine the degree of significance of the project, and the degree to which the project has the potential to reduce congestion and improve mobility.

Tier One will assess the project against the “priority principles” adopted by the CTB for this study. Since the legislation explicitly states CTB priorities as the objective/mandate, the first tier uses these priorities as the principal criterion that each project must meet. On October 17, 2013 the CTB adopted the following six priorities for this study. In adopting these six priorities the CTB resolved that the study will use these as overarching principles to be adapted to the regional context of the Rating Study. Each nominated project will be assessed to determine if it is consistent with at least one of these six priorities in a regional context. Projects that meet this test will be advanced to the Tier Two assessment.

1. Preserve and Enhance Statewide Mobility Through the Region
2. Increase Coordinated Safety and Security Planning
3. Improve the Interconnectivity of Regions and Activity Centers
4. Reduce the Costs of Congestion to Virginia’s Residents and Businesses
5. Increase System Performance by Making Operational Improvements
6. Increase Travel Choices to Improve Quality of Life for Virginians

The Tier Two assessment will be used to confirm that the project is a significant transportation project that reduces congestion. Additional consideration is given to projects that also improve mobility during a homeland security emergency (the HB 599 requirements).

There are a total of 11 criteria in Tier two of the PSM. Five of the criteria are associated with the significance of the nominated project; five are specific to assessing the project’s potential to reduce congestion; and one measure addresses the project’s potential to improve mobility during a homeland security emergency. A description of each criterion and its associated quantitative thresholds are described below. Several of the criteria are based on attributes of the proposed project, while other criteria are based on the travel conditions the project is designed to address.

Some of the criteria use quantitative estimates of travel conditions, the magnitude of travel, or congestion at the project's location. Prior to the nominating of projects by the CTB and NVTA, the study team will provide a Baseline analysis that estimates travel and congestion for the study year 2020. The estimates from this Baseline analysis will be used in assessing the nominated project against the criterion.

Each of the criteria listed below has a potential maximum score of 100 points, but each criterion may not have equal weight in the overall score for the project. The weight assigned to each criterion will be based on the results of a stakeholder engagement session (scheduled for December 3<sup>rd</sup>) where the relative importance of each criterion will be assessed by the group.

The maps corresponding to criteria #2 and #4 are located on the VDOT project website at [http://www.virginiadot.org/projects/northernvirginia/evaluating\\_significant\\_projects.asp](http://www.virginiadot.org/projects/northernvirginia/evaluating_significant_projects.asp) under the Resources section of the page.

### ***Tier Two Criteria***

#### **1. Significance- Project Type**

The project is a highway, rail, bus, technology or large scale travel demand management project.

Yes → 100 points

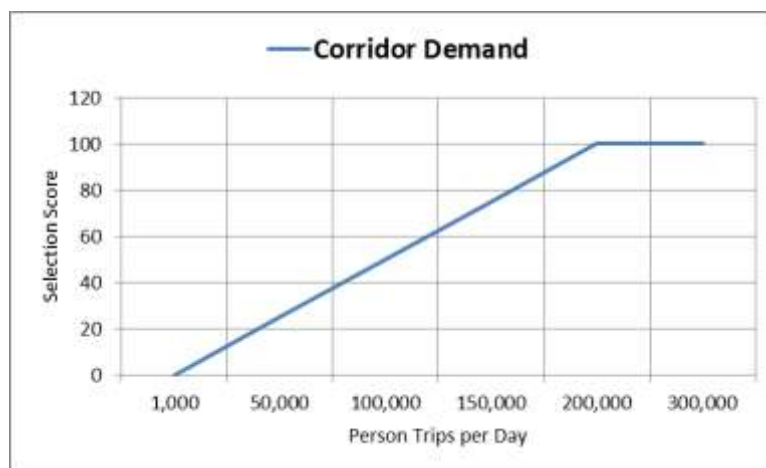
#### **2. Significance- Designated Corridors**

The project is on a facility in/near Northern Virginia and included in the Statewide Mobility System, Corridors of Statewide Significance, in a Super NoVA corridor or in a TransAction 2040 corridor.

Yes → 100 points

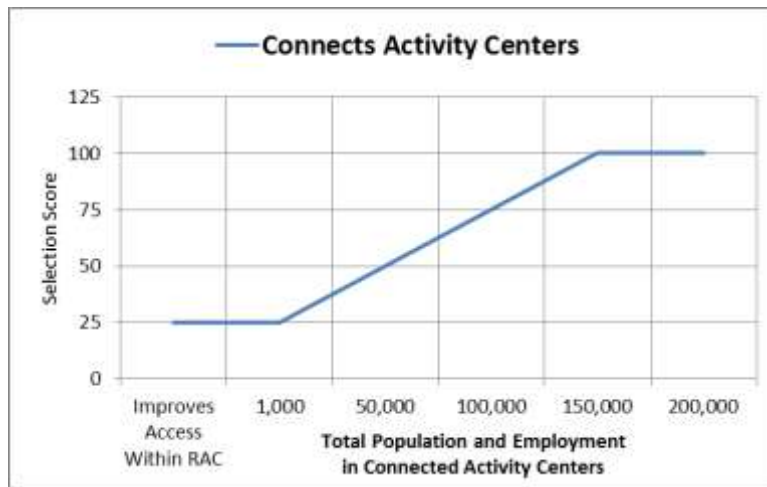
#### **3. Significance- High Travel Volume**

The project is in a corridor that serves a high volume of person trips.



#### 4. Significance- Connects Regional Activity Centers (RACs)

The project enhances or expands transit, HOV/HOT or roadway connections between non-contiguous regional activity centers (RACs).



#### 5. Significance- Connects Major Facilities

The project enhances or completes connections between interstate highways, principal arterials or transit stations, park-&-ride lots and DCA or IAD airports.

Improves or adds one connection → 50 points

Improves or adds two or more connections → 100 points

#### 6. Congestion Reduction Potential- Congestion Severity

The project is located in a heavily congested corridor.

Moderate Congestion (peak hour TTI = 1.3-2.0 or Load Factor) → 25 points

Heavy Congestion (peak hour TTI = 2.0-3.0 or Load Factor) → 75 points

Severe Congestion (peak hour TTI > 3.0 or Load Factor) → 100 points

(TTI = travel time index = congested travel time / free flow travel time)

(Load Factor = transit passengers / vehicle seats)

Load Factors	Local Bus	Express Bus	Metrorail	Commuter Rail
Moderate	1.0-1.15	0.9-1.0	100-110 ppc	0.9-1.0
Heavy	1.15-1.3	1.0-1.1	110-120 ppc	1.0-1.1
Severe	> 1.3	> 1.1	> 120	> 1.1

#### 7. Congestion Reduction Potential- Congestion Duration

The project corridor experiences moderate to heavy congestion for multiple hours of the day.

Congested during the peak hour only → 25 points

Congested for the whole peak period → 75 points

Congested during peak and off-peak periods → 100 points

## **8. Congestion Reduction Potential- Person Hours of Delay**

The project is located in a corridor with significant person hours of delay.

Moderate Delay (100 person hours of delay per mile per day) → 25 points

Substantial Delay (500 person hours of delay per mile per day) → 75 points

Major Delay (1,000 person hours of delay per mile per day) → 100 points

## **9. Congestion Reduction Potential- Adds Capacity**

The project adds person moving capacity to a congested location, facility or corridor.

Adds 10% to 25% person moving capacity → 50 points

Adds 25% or more to the person moving capacity → 100 points

## **10. Congestion Reduction Potential- Reduces Vehicle Trips**

The project has the potential to reduce vehicle trips on a congested facility or corridor.

Reduce vehicle trips by 5% to 10% → 25 points

Reduce vehicle trips by 10% to 25% → 75 points

Reduce vehicle trips by 25% or more → 100 points

## **11. Homeland Security Mobility- Facility and Operational Improvements**

The project improves regional mobility in the event of a homeland security emergency.

Improve mobility between jurisdictions or activity centers → 50 points

Improves radial roadway or bus capacity or reversible capabilities → 100 points

Expands/extends rail transit system → 100 points

### ***Next Steps***

VDOT and DRPT will use the inputs received from the northern Virginia jurisdictions and transit agencies on December 3, 2013 to finalize the process of selecting up to 30 projects from all those nominated to be analyzed and rated in this study. The final PSM will then be presented to the NVTa for concurrence and to the CTB as an action item. The PSM will be part of the package provided to the NVTa and the CTB as reference documents to assist them in nominating projects to be evaluated and rated in this study.

**Public Outreach Working Group**

No written report.

## Northern Virginia Transportation Authority

### MEMORANDUM

**TO:** Martin E. Nohe, Chairman  
Northern Virginia Transportation Authority

Members  
Northern Virginia Transportation Authority

**FROM:** David Snyder  
Legal Working Group, Chairman  
Northern Virginia Transportation Authority

**SUBJECT:** Legal Working Group Seventh Interim Report

**DATE:** November 21, 2013

#### **Background and Recommendations:**

On Monday, November 18, 2013, NVTA's Legal Working Group held a meeting in the City of Falls Church.

I presided at that meeting. Also in attendance were Steve MacIsaac, Angela Horan, Ellen Posner, Rob Dickerson, Cindy Mester, and Tom Biesiadny.

The meeting was called to order at 9:30 a.m., at which time participant introductions were made.

An agenda was circulated and approved by the participants.

The next order of business was a brief mention of the previous Legal Working Group Report relative to the Group's October, 2013, meeting and whether there were any updates needed. There being none noted, the Legal Working Group then discussed matters pertinent to the development of the various Memoranda of Agreement necessary for NVTA's management and distribution of HB 2313 funds.

The Legal Working Group discussed the status of: 1) NVTA's MOA with its constituent counties and cities regarding the management and distribution of the 30% funds under HB 2313; 2) the status of the MOA as between NVTA's constituent counties and their respective qualifying towns regarding the management and distribution of those towns' shares of their constituent counties 30% funds; 3) the draft MOU as between NVTA and the Commonwealth regarding the use of NVTA's funds as local match funds for VDOT/VDRPT grants and other programs; and 4) the status of the development of a standardized project agreement as between NVTA and its recipient agencies for the management and distribution of all 70% project funds.

Ellen Posner and Steve MacIsaac reported that substantial progress had been made toward the development of the 30% MOAs with an eye toward having NVTA consider and approve the

final versions of these MOAs at NVTA's December 12, 2013, meeting. The Legal Working Group reiterated its recommendation that, in order to ensure fairness region-wide and in order to facilitate uniformity and ease of administration region-wide, there should be only one standardized MOA as between NVTA and its constituent cities/counties and one standardized MOA as between NVTA's constituent counties and their respective towns. For essentially the same reasons, the Legal Working Group also agreed that, in consideration of the requirements of HB 2313's Enactment Clause 8, NVTA needs to formally approve the County/Town MOA and that both MOAs should be submitted to NVTA for approval at the same time.

Tom Biesidany advised that both MOAs were scheduled for discussion at NVTA's Financial Working Group meeting on November 19, 2013, and that NVTA's FWG/LWG MOA joint subcommittee was scheduled to meet Thursday, November 21, 2013, to address any outstanding, major issues.

With regard to the Commonwealth/NVTA MOU, Steve MacIsaac advised that he had made an outreach to Rick Walton at VDOT in order to communicate NVTA's counsel and staff concerns with regard to the draft that the Commonwealth had forwarded to NVTA. In particular, Mr. MacIsaac advised that, in order to fulfill its statutory mission, NVTA needed clarity from the Commonwealth that both VDOT and VDRPT would agree that HB 2313's 30% and 70% funds could be used for local match purposes. The Legal Working Group was of the opinion that, in consultation with NVTA's Council of Counsels, NVTA's Interim Executive Director and its JACC should prepare a letter to the Commonwealth's Secretary of Transportation for NVTA's consideration; in which letter NVTA would request that the Commonwealth acknowledge that NVTA could use its 70% and 30% funds to match VDOT and VDRPT grants. That letter would be submitted to NVTA for consideration and action at its January, 2014 meeting.

The Legal Working Group next discussed the issue regarding State Department of Taxation's imposition of what appeared to be an "additional" sales tax administrative fee (beyond what it already imposes for its Northern Virginia-related sales tax collections) in collecting NVTA's HB 2313 sales tax. Mr. Biesiadny advised that NVTA's staff is continuing to look into that matter and would report back to NVTA with its findings. The Legal Working Group suggested that once staff had reported its findings to NVTA, NVTA might want to formally address this matter by a letter directed to state Treasury.

The Legal Working Group next discussed the development of a standardized project agreement as between NVTA and its project funding recipient agencies with regard to the 70% funds. Ellen Posner suggested that, in the development of such a project agreement, NVTA's joint FWG/LWG MOA subcommittee might want to consider using a variant of the VDOT standardized project agreement that most Northern Virginia localities use for their joint VDOT/locality project funding. She indicated that she would make a copy of that standardized project agreement available for the MOA subcommittee's review and discussion at its November 21, 2013, meeting.

Ellen Posner then delivered a brief update regarding NVTA's bond validation proceeding. She advised that NVTA's Council of Counsels had become apprised that Delegate Marshall had filed an untimely notice of appeal with the Fairfax County Circuit Court in that proceeding, NVTA had been advised as to this development, and NVTA's counsel would address that matter appropriately.



The last item discussed by the Legal Working Group was the upcoming meeting and conference call that VDOT staff had initiated and requested with members of NVTAs staff and counsel regarding HB 2313's Enactment Clause 17. Because NVTAs has not directed either its staff or counsel to seek any legislative changes to any aspect of the NVTAs Act, including but not limited to HB 2313; and because NVTAs is in the process of implementing the NVTAs Act, HB 2313, and its statutory mission as originally envisioned and as adopted by the legislature (including but not limited to NVTAs having successfully initiated a bond validation proceeding regarding the validity of NVTAs implementation process); and because NVTAs technical staff and counsel see no legal reason to seek any amendments to the NVTAs Act or HB 2313, the Legal Working Group unanimously agreed that there was no legal reason for NVTAs technical or legal staff to request that any changes be sought on NVTAs behalf at this juncture.

The Legal Working Groups next meeting will be held either on December 19, 2013, or December 20, 2013, 2:30 p.m. in the City of Falls Church or at such other location to be determined by the Chair.

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Martin E. Nohe and Members  
Northern Virginia Transportation Authority

**FROM:** Monica Backmon, Chairman, Jurisdiction and Agency Coordination Committee

**SUBJECT:** JACC Approval of the Reallocation of Congestion Mitigation Air Quality  
Program Funds for the City of Manassas

**DATE:** December 12, 2013

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**Purpose.** To inform the Authority of JACC approval of the City of Manassas request to reallocate Congestion Mitigation Air Quality Program Funds

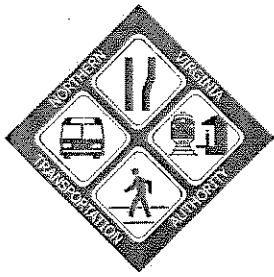
**Explanation:** On September 11, 2008, the NVTA delegated the authority to approve requests to reallocate Congestion Mitigation and Air Quality (CMAQ) and Regional Surface Transportation Program (RSTP) funding between projects that were previous approved by the NVTA to the Jurisdiction and Agency Coordinating Committee (JACC).

On November 14, 2013, the City of Manassas requested such reallocations. The reallocation requests are noted below:

- Transfer from UPC100473 Traffic Signal Improvements to UPC82843 VMS Boards \$67,000 in CMAQ

NVTA's delegation requires that the JACC notify the NVTA of these requests. The JACC approved these requests on November 14, 2013. Unless otherwise directed, I will send the attached letter to VDOT NOVA District Administrator, Helen Cuervo, asking that the funds be reallocated.

**Attachment(s):** Letter to VDOT NOVA District Administrator Cuervo, City of Manassas, transfer request



XXV.ATTACHMENTS

## Northern Virginia Transportation Authority

*The Authority for Transportation in Northern Virginia*

3060 Williams Drive ♦ Suite 510 ♦ Fairfax, VA 22031

[www.TheNoVaAuthority.org](http://www.TheNoVaAuthority.org)

December 12, 2013

Mr. Helen Cuervo  
District Administrator  
Virginia Department of Transportation  
4975 Alliance Dr. Suite 4E-342  
Fairfax, Virginia 22030

Reference: Request to Reallocate Congestion Mitigation Air Quality Funds for the City of Manassas

Dear Ms. Cuervo:

On September 11, 2008, the NVTA delegated the authority to approve requests to reallocate Congestion Mitigation and Air Quality (CMAQ) and Regional Surface Transportation Program (RSTP) funding between projects that were previous approved by the NVTA to the Jurisdiction and Agency Coordinating Committee (JACC).

On November 14, 2013, the City of Manassas requested such reallocation. The reallocation request is noted below:

- Transfer from UPC100473 Traffic Signal Improvements to UPC82843 VMS Boards  
\$67,000 in CMAQ funds

Please take the necessary steps to reallocate these funds in the Transportation Improvement Program and the State Transportation Improvement Program. Thank you very much.

Sincerely,

Monica Backmon  
NVTA JACC Chairman

Cc: Jan Vaughn, Transportation Planning Section, VDOT  
Dic Burke, Transportation Planning Section, VDOT  
Patrick Moore, City of Manassas



DIRECTOR OF PUBLIC  
WORKS & UTILITIES  
Michael C. Moon

**CITY OF MANASSAS  
MANASSAS, VA 20110  
PUBLIC WORKS &  
UTILITIES DEPARTMENT**

8500 Public Works Drive  
Manassas, VA 20110

Facsimile: 703/330-4429  
Telephone: 703/257-8378

MAYOR  
Harry J. Parrish II

CITY COUNCIL  
Andrew L. Harrover, V. Mayor  
Marc T. Aveni  
Ian T. Lovejoy  
J. Steven Randolph  
Jonathan L. Way  
Mark D. Wolfe

CITY MANAGER  
W. Patrick Pate

November 14, 2013

Monica Backmon, Chairman  
Jurisdiction and Agency Coordinating Committee  
Northern Virginia Transportation Authority  
4031 University Drive, Suite 200  
Fairfax, VA 22030

Dear Ms. Backmon:

The City of Manassas requests the following:

Transfer \$67,000 in CMAQ funds from UPC 100473, Traffic Signal Improvements to  
UPC 82843 VMS Boards.

The VMS Boards project was combined in August of 2013 with UPC 100483 Variable  
Messaging Boards. The revised engineer's estimate for the combined project is now \$389,940  
with the inclusion of all conduit installation required at 5 installation sites.

If you have any questions, please contact me at 703.257.8266 or [pmoore@ci.manassas.va.us](mailto:pmoore@ci.manassas.va.us)

Sincerely,

Patrick Moore  
Assistant Director, Public Works

Cc: Jan Vaughn, Urban Program Manager, VDOT  
Gene Jennings, Deputy Director Public Works  
Mike Moon, Director Public Works and Utilities