



**Northern Virginia Transportation Authority**  
*The Authority for Transportation in Northern Virginia*

**PROJECT IMPLEMENTATION WORKING GROUP**

**Monday, August 18, 2014, 10:00am**  
**Fairfax Department of Transportation**  
**4050 Legato Road, Suite 400**  
**Fairfax, Virginia 22033**

**SUMMARY NOTES**

**I. Call to Order/Welcome** **Chairman Nohe**

- Chairman Nohe called the meeting to order at 10:05am.
- Attendees:
  - **PIWG Members:** Chairman Nohe; Board Member Hynes (Arlington County); Council Member Rishell (City of Manassas Park); Rick Canizales (Prince William County); Bob Brown (Loudoun County); Tom Biesiadny (Fairfax County); Sarah Crawford (Arlington County); Jim Maslanka (City of Alexandria); Helen Cuervo, Maria Sinner (VDOT); Claire Gron (NVTC); Joe Swartz (VRE); Cynthia Porter-Johnson (PRTC); Rich Roisman (MWCOG/TPB); Richard West (Town of Dumfries); Mark Duceman (Town of Herndon).
  - **NVTA Staff:** Monica Backmon (Executive Director); Mike Longhi (CFO); Keith Jasper (Program Coordinator); Denise Harris (Program Coordinator).
  - **Other Staff:** Kimberly Bibbee (Prince William County).
  - **Other:** Nancy Hiteshue (Northern Virginia Transportation Alliance); David Dickson (Sierra Club NOVA).

**II. Meeting Summary of July 11, 2014, Meeting**

- Unanimously approved.

**Discussion/Information**

**III. NVTA Update** **Ms. Backmon**

- Ms. Monica Backmon informed the group that Deputy Secretary of Transportation, Nick Donahue will be present at the NVTA meeting on September 11, 2014, to discuss and answer questions regarding HB2. The Authority will also work toward formalizing and approving the standard project agreement with member jurisdictions and VDOT during this meeting.

#### **IV. Financial Committee Report**

**Mr. Longhi**

- Mr. Mike Longhi reported that the RFPs are out for underwriting and trustee services and those proposals are due early September. Revenue for 2014 (accrual period) is on target. NVTA staff are working with member jurisdictions on routine processes for certifications.
- Mr. Tom Biesiadny reported that the Financial Working Group is working with the NVTA staff to prepare for the Authority's discussion of Long-Term Benefit and will meet with the Technical Advisory Committee (TAC) in September.

#### **V. Discussion of Draft Project Selection Criteria**

**Mr. Jasper**

- Chairman Nohe explained the intent of the meeting is to discuss the Two-Year Program and the draft project selection criteria. He emphasized the importance of timeliness to ensure the program development schedule is met. The PIWG will first bring findings and draft discussion to the TAC, PCAC and JACC for review, come to a consensus regarding the recommendations made by these committees then make all necessary changes prior to NVTA review and approval. The Authority is scheduled to adopt the project selection criteria at its meeting on October 9, 2014.
- Mr. Keith Jasper reviewed the components of the draft project selection criteria, the 33 highway projects and 19 mass transit projects, and the funds available for the Two-Year Program. He pointed out that some projects that received FY2014 funding are also being considered for about \$170 million funding from the Two-Year Program.
- Mr. Brown questioned whether these are ongoing projects and Ms. Backmon emphasized the need for accurate, detailed information from the jurisdictions to distinguish continuing projects from new projects. Mr. Jasper urged jurisdictions to provide this critical information so that the database of funding requests is current, correct and consistent prior to application of project selection criteria.

#### Suggested criteria and rating system

- Mr. Jasper continued to explain the selection criteria, summarizing the three-tier approach. While Tier I contains five pass/fail criteria, including the addition of HB599, Tiers II and III run parallel in that Tier II determines a quantitative score for each of the projects and Tier III allows for other important considerations that do not lend themselves to a scoring system. Mr. Jasper noted that five projects (four highway, one transit) failed Tier I because they are not in the long-range plan or any of the alternative plans. Also, the five Commonwealth Transportation Board (CTB)-nominated projects do not fully comply with Tier I and are ineligible for funding. Tier I criteria are similar to the FY2014 selection process with the addition of HB599

project evaluation and ratings. Chairman Nohe added that Tier 1 ensures that we comply with our own rules and the law.

- Mr. Brown requested adding the year where applicable to plans, such as the MWCOG/TPB Constrained Long Range Plan (CLRP.) He questioned whether mass transit projects need to be included in the TransAction 2040 long range plan based on the legal language regarding highway projects receiving 70 percent funding “or transit projects that increase capacity...” Ms. Backmon believed, based on the bond validation process, the projects selected for FY14 and beyond were all included in the TransAction 2040 plan and these projects had been vetted through a plan that the Authority initiated and approved. She recommended speaking to an attorney for confirmation of how the language is to be interpreted.
- For Tier II, Mr. Jasper discussed how the detailed HB599 rating will be incorporated for highway projects within the reducing roadway congestion criterion. The final HB599 rating (0-100 for rating congestion impact) will be divided by 100 and multiplied by its weighting. Since this cannot be applied to transit projects, other screening approaches were discussed. Mr. Jasper suggested assigning a high (1 point), medium (2/3 point) or low rating (1/3 point) for transit projects and then applying the weighting for those criteria.
- Mr. Rick Canizales emphasized that for projects in the TransAction 2040 plan criteria had already been scored. However, ten projects (seven highway, three transit) were not in the plan but were in the 2010 CLRP. Criteria for these ten projects would need to be scored as part of the project selection process. Board Member Hynes noted that this should be stated clearly. She emphasized the need to be transparent about how we rate transit projects and clearly define how we distinguish between significantly, moderately and minimally.
- Chairman Nohe suggested developing an extrapolation process where the group can look to similar projects in the TransAction 2040 plan to compare with each project under analysis. He noted that this will be an important discussion to have with the Authority. Ms. Backmon reiterated that getting the correct information back from the jurisdictions is imperative to ensure each project is evaluated fairly prior to going to the Authority for recommendation.
- Mr. Jim Maslanka suggested adding another column to the chart for funds likely to be received from NVTA. Mr. Jasper agreed this would be good information to have available.
- Mr. Biesiadny noted that, for the short term (next 2 ½ years), if projects are not included in the jurisdictions’ Comprehensive Plans this could be a fatal flaw. He proposed that the Land Use criterion identifying that a project is supported by a Comprehensive Plan be removed from Tier II and added to Tier I (pass/fail). Ms. Backmon further stated that the Authority relies on the jurisdictions to take ownership of completing the project and updating their Comprehensive Plans with their projects. She explained that the NVTA informs citizens of what projects are advancing and if the project is not in the Comprehensive Plan, there seems to be an automatic delay.
- The group discussed how to redistribute the 5 points in Tier II. The group decided to replace the Tier II selection criterion “Project is supported by a comprehensive plan” with “Supports intra- and inter-connector activity.” Chairman Nohe requested that

this change be added as an appendix to the documentation for the committees to review.

### Suggested weightings

- Chairman Nohe cautioned that the NVRTA would not want to invest millions of dollars for a road project that may not be completed because of the HB2 process. Although 5 points are allocated for cost sharing, this can be positive or negative depending on the source of the funds. Mr. Jasper explained this is another reason why we look at Tiers II and III in parallel: cost sharing is a positive factor in Tier II (worth 5 points) but is re-evaluated in Tier III as a possible negative factor depending on what strings are attached to the funding.
- Mr. Longhi noted that some jurisdictions may have documented the total project cost without fully knowing the sources of non-NVRTA funds. This information needs to be defined to better understand the full financial needs of each project.
- Mr. Jasper explained that Tier II Project Readiness refers to readiness in two ways: the phase of the project (e.g., in right of way or construction versus study or planning) and how quickly the project can be implemented in terms of number of years; for a total of 25 points. Board Member Hynes questioned if 15 points being associated with right-of-way readiness leaves transit projects at a disadvantage. Mr. Canizales responded that the contract is usually already in hand for buses and railcars. He recommended that, in these instances, the project should get the full 15 points.
- Regarding Urgency and Level of Service, Mr. Canizales clarified that transit facilities will be given the score associated with that corridor. Since there is a level of service for each segment of road, a bus running within that segment of road will receive that same level of service; thus, a transit center or station will be scored according to the corridor it services. Mr. Canizales pointed out that most of these criteria come from the TransAction 2040 plan.
- Chairman Nohe stated that Project Readiness and Urgency (worth a total of 30 points) are topics that work in tandem; a project that is still under study does not relieve any congestion. Mr. Canizales added that “Urgency” (as taken from the TransAction 2040 plan) refers to a level of service, the severity of a congested corridor and is not time-based.
- In response to Mr. Brown’s question regarding whether the Authority would fund construction of a project as opposed to waiting for a study to be completed, Chairman Nohe explained that we have to be careful because it creates public expectation that projects will be completed in a timely manner. Studies need to be funded but it would be a waste of money to fund projects that do not end up getting built. Mr. Biesiadny also pointed out that, for the NVRTA to consider funding any of these projects, they must be evaluated for HB599. Some projects may have been submitted to get through the HB599 evaluation process so they will be eligible for funding.
- Ms. Backmon stated that the Authority will do the first bond issuance in October and with about \$770 million in funding requests and only \$373 million in available revenue, the appropriate funding mechanism is a policy decision that will have to be determined.

### Modal balance

- Mr. Jasper described another alternative for evaluating transit and highway projects. He suggested one rating scale for highway and another rating scale for transit. Rather than have one total dollar amount, having two separate dollar amounts so highway projects compete with other highway projects and transit projects compete with other transit projects. A certain percentage would go to highway projects and a percentage would be designated for transit projects. It was noted that, for FY14 funds, 60 percent was given to highway projects and 40 percent was allocated for transit projects.
- Mr. Biesiadny cautioned that only allowing a certain percentage to go to either highway or transit, depending on what you request, could prevent a large highway or transit project from getting enough funding to be completed. Mr. Jasper agreed and suggested that we won't know how this will work until after reviewing the HB599 ratings in December. If highway projects score 80-90 points, only highly rated transit projects would compete. We need to know how the majority of highway projects will score in order to know which methodology is most robust.
- Mr. Canizales stated that over time, when we get to the Six-Year Plan, we will know how the Two-Year Plan works and we can adjust accordingly. He was in favor of rating transit projects separately from highway projects without assigning dollar amounts. He recommended giving the NVTA two lists showing how highway projects rated and how transit projects rated separately and the total funding available. He suggested leaving modal balance and geographic balance out of the project selection criteria as it should be part of the NVTA selection process at completion.
- Mr. Longhi emphasized the need for flexibility based on what projects are needed. While this year there may be all highway projects, next year transit projects may be of most importance. Policymakers will need to allocate projects geographically and modally. Mr. Longhi agreed that it makes sense to administer the ratings separately.
- Board Member Hynes pointed out that, while everything is expressed here as congestion reduction, we can refine this in that we are talking about moving people—person throughput as a way to measure congestion reduction. Mr. Canizales responded that we do not have the data to understand the person throughput for each corridor but it may be something we can look at through the update of TransAction 2040. Ms. Backmon added that, although for this Two-Year Program the data is unavailable, there will be analysis of the transit projects for later programs. She emphasized that information is being extrapolated from the jurisdictions to ensure projects are evaluated fairly.
- Mr. Biesiadny also suggested the addition of “modal balance” to the Tier III criteria and Ms. Backmon concurred.

### Continuity of project funding/Project funding requests vs. revenues

- Mr. Jasper discussed continuity of funding as a factor and the possibility of capping the money or percentage scaling so that every project gets a certain percentage of their requested funds. Chairman Nohe pointed out that the public expectation is to get the projects done. If you cap project funding, you run the risk of never completing projects because the money isn't there. Mr. Maslanka agreed and stated that some jurisdictions have large projects instead of multiple smaller projects so putting a cap on the total amount of the project would hinder completion of those larger projects.

- Ms. Backmon added since there is an expectation for projects that are ready and regionally significant to get funded, if there is a cap on this, it may appear that the Authority is not addressing the regionally significant component. Priority should be given to the projects that have the highest congestion reduction relative to cost. Mr. Biesiadny pointed out that, because the NVTA money allows projects to move forward that in many cases could not otherwise progress, setting an artificial cap is unfavorable. Chairman Nohe agreed capping funds is not a viable option and this should also be noted in the appendix provided to the committees.

#### Cost sharing

- In response to Mr. Brown's question regarding the cost-sharing criterion in Tier III, Mr. Canizales explained that cost-sharing can be re-evaluated qualitatively as a negative within Tier III because the money is based on a grant that has not yet been received or HB2 money that the State has not yet provided. Mr. Brown questioned what kind of documentation is needed to show funding and Mr. Canizales explained that project readiness is proven with inclusion of the project in the Comprehensive Plan and the Capital Improvement Program (CIP.)
- In response to Board Member Hynes' query regarding cost-sharing, Mr. Canizales explained that the cost sharing criterion in Tier II refers to actual dollars in-hand allocated for the project. Mr. Jasper added that for the Tier II project readiness criterion the assumption would be that the funding is in place. Board Member Hynes questioned how cost sharing is defined within project readiness in Tier II and Mr. Canizales explained this refers to the actual phase of the project, and not the details of funding. He stated that, for project readiness, two different factors are considered: the phase of the project (without NVTA funding) and in what timeframe the project can be implemented. Mr. Canizales, Ms. Backmon and Chairman Nohe agreed that this should be further clarified.

#### Geographic balance

- Council Member Rishell questioned whether there is any financial consideration when referring to geographic balance. Mr. Biesiadny stated that the money cannot be assigned to one part of the region. Residents throughout the region must be able to say there are projects within their region. Chairman Nohe explained that the law says we must allocate funds to the benefit of a jurisdiction based on the amount they have contributed. Council Member Rishell expressed concern that the inner jurisdictions (such as Arlington or Alexandria) could, depending upon the outcome of the long-term benefit discussion, have a large percentage of the funding directed inward, thereby leaving less funding to allocate to other parts of the region.
- Mr. Canizales emphasized that this is project selection for the 2 ½ year plan and we need to look at projects throughout the region but we must separate this process from the process of determining long-term benefit. Chairman Nohe explained that when the Authority adopts a plan, there will be projects inside and outside the Beltway, big and small, all throughout the region. If projects are funded and none are in a particular county, this would be a failure. Chairman Nohe acknowledged that "long-term benefit" has yet to be defined but that this definition may not be needed for the first 2 years because the long-term plan has not been developed. Long-term benefit must be a prospective and retrospective consideration.

### Other

- Chairman Nohe recommended renaming the three Tiers to ensure equal importance is given to each and the language is easily understood. He suggested:
  - Initial Screening (instead of Tier I)
  - Quantitative Calculations (instead of Tier II)
  - Qualitative Considerations (instead of Tier III)

### **VI. Other Business**

- None.

### **VII. Next Meeting**

- PIWG meeting: Thursday, October 2, 10:00 a.m.
- NVTa meeting: Thursday, October 9, 7:00 pm

### **Adjournment**

### **VIII. Adjourn**

- The meeting adjourned at 11:57 a.m.