



Northern Virginia Transportation Authority
The Authority for Transportation in Northern Virginia

Thursday, May 12, 2016
7:00 pm
3040 Williams Drive, Suite 200
Fairfax, Virginia 22031

MEETING MINUTES

I. Call to Order Chairman Nohe

- Chairman Nohe called the meeting to order at 7:03pm.

II. Roll Call Ms. Speer, Clerk

- Voting Members: Chairman Nohe; Chairman Bulova; Supervisor Buona; Board Member Fisette (arrived 7:04pm); Mayor Silberberg; Mayor Parrish; Mayor Silverthorne; Council Member Rishell; Council Member Snyder; Delegate Hugo; Delegate Minchew; Senator Black; Miss Bushue.
- Non-Voting Members: Mayor Foreman; Ms. Cuervo; Mr. Horsley.
- Staff: Monica Backmon (Executive Director); Michael Longhi (CFO); Keith Jasper (Program Coordinator); Sree Nampoothiri (Program Coordinator); Camela Speer (Clerk); various jurisdictional staff.

III. Minutes of the April 28, 2016 Meeting

- Chairman Bulova moved approval of the April 28, 2016 minutes; seconded by Council Member Rishell. Motion carried with eight (8) yeas and five (5) abstentions [with Supervisor Buona; Mayor Parrish; Senator Black; Delegate Hugo; and Miss Bushue abstaining as they were not at the April 28, 2016 meeting].

Presentation

IV. Project Evaluation Process for the Draft FY2017 Program

Ms. Backmon, Executive Director

- Ms. Backmon briefed the Authority on the project evaluation process undertaken for the FY2017 Program. She noted that 24 candidate projects were submitted for consideration representing a total funding request of \$667.8 million. Ms. Backmon reminded the Authority that there is an estimated \$266.7 million available in PayGo funds. Ms. Backmon and Mr. Jasper

presented the project evaluation components, the project scoring and rankings, the NVTA staff draft recommendation for projects to be funded and the next steps in the process. Ms. Backmon explained that two projects had been added to the staff recommendation based on additional information that had been received after the original recommendation had been presented to the Authority's Planning and Programming Committee (PPC). Ms. Backmon noted that the PPC had recommended releasing all 24 candidate projects for public comment, without a draft list recommended for funding.

- Chairman Bulova stated that the PPC, wanted an opportunity to hear from the public on all 24 projects, prior to considering a recommended list of projects for funding. She added that the Committee wanted to get public input prior to making a recommendation.
- Chairman Bulova asked for a brief summary of the Authority's capacity to bond. Mr. Longhi stated that the Authority currently has the highest AA rating an entity such as the Authority, can receive. He explained that financial analyses have been run based on \$200 - \$600 million issuances, noting that none of these issuances would cause diminishment of the credit rating. He highlighted:
 - ✓ The market expects that over time the Authority will use its debt capacity.
 - ✓ A \$200 million issuance will still leave the Authority with \$1.6 billion in debt capacity, from FY2017 – FY2037.
 - ✓ Estimated PayGo from FY2017 – FY2037 is \$4.1 billion.
- Chairman Bulova stated that it is important to have this context as the Authority considers these projects. Ms. Backmon added that if bonds are issued for the FY2017 Program, it will reduce the available PayGo revenues for FY2018 and beyond due to debt service payments.
- Chairman Nohe stated that the Authority has more debt capacity that it can use. He added that just because we have the capacity does not mean that we have to use all of it. He noted there is an upward limit that would be considered the responsible amount to use, and we want to stay under that upward limit. Mr. Longhi stated that the Authority's financial advisor, Public Financial Management (PFM), is updating last year's debt scenarios for the upcoming Finance Committee meeting. He noted the numbers will largely stay the same, but will add a progression of events that will occur if the Authority does decide to go to the bond market, including ensuring all the project sponsors have any additional sources of funding confirmed.
- Mayor Silberberg asked for a recap of the Authority's current debt scenario. Mr. Longhi responded that in December 2014 the Authority issued just under \$70 million in debt.
- Mayor Parrish asked for the reasoning behind the first bond issuance. Mr. Longhi explained that this was to effectuate the FY2014 Program and to start showing progress on projects being deployed within the region. Ms. Backmon added that it was also done to facilitate the bond validation suit.
- Mayor Silberberg stated that, on behalf of Alexandria, she is pleased in regard to the funding possibility for the Potomac Yard Metro Station as this is critical to the City and is truly a regional project. She added that the West End

Transitway is also an important project, noting it will help connect people to Metro, get people out of their cars and help development in the area. Mayor Silberberg suggested that the project be moved up in the project list.

- Mayor Foreman inquired as to how public comment should be sent to the Authority. Ms. Backmon responded that comments can be submitted via email and in person and that there is more information on the NVTA website. She added that comment submission information is also in the press release and the legal notice. Mayor Foreman asked that the press release be sent to the Authority members.
- Mayor Silberberg stated that Alexandria will be seeking public comment at their upcoming Transportation Commission meeting.
- Supervisor Buona asked how many and which of the nine projects recommended by staff for funding are seeking other funding sources, noting that other funding entities will be adopting their allocations prior to the Authority's adoption. Ms. Backmon responded that there are 2 projects being considered by the Commonwealth for HB 2 funding, but that these projects are not on the NVTA staff recommended list at this time. She added that since the Authority is adopting its program after the Commonwealth's adoption of its Six-Year Improvement Program, it will afford the opportunity for NVTA staff to revisit funding recommendations based on action taken by the Commonwealth Transportation Board (CTB).
- Board Member Fisetto asked about the 12 projects that have requested continuation funding. He noted that the NVTA has no rule or policy on continuation funding. He asked specifically how projects are assessed as to whether the project is spending down fast enough to legitimately deserve continuation funding. Ms. Backmon stated that the Authority does not have a policy stating that a previously funded project will receive additional funding in subsequent funding programs, however, there is an expectation that projects that have received funding in previous years, will continue to receive funding. She added that the project status update for all projects is included in her monthly Executive Director's Report. Ms. Backmon stated that all projects have executed Standard Project Agreements (SPAs) and the project status updates show which projects are active, even if they are not yet drawing NVTA funding. She noted that some projects are using other funds, like RSTP funds first, because there is a sunset provision on some of the other funding sources. Ms. Backmon added that the project status updates also show that some projects are not as far along in the project development process as others. She stated that the project status updates come from the localities and agencies, and this information is the basis for the NVTA staff recommendations on continuation funding. Ms. Backmon also added that the Authority pays on a reimbursement basis, so we know which projects are drawing down NVTA funds.
- Board Member Fisetto acknowledged that it makes sense for other funding sources to be used first in the event that there are sunset provisions. He expressed concern that while there is an expectation of continued funding, the Authority needs to find a way to assess project funding needs to ensure that

there is not a huge amount of money in reserve that will look like the Authority is not spending funds programmed to projects quickly enough. Board Member Fisette suggested that approaches, policies or criteria be developed that NVTAs staff or the Authority can use to weigh funding choices. Ms. Backmon replied that the Authority adopted the FY2017 Program Drawdown Policy requiring projects funded in the FY2017 Program start drawing down funds by June 30, 2019. She stated that the Governance and Personnel Committee (GPC) recommended revising the policy to ensure that a project sponsor does not submit one minor invoice prior to the deadline and consider the provisions of the policy met. Ms. Backmon noted that the policy is being amended to state that after the adoption of the SPA, which must be adopted within six months of adoption of the funding program, the project must show activity. If the project does not show activity and is not advancing, as Executive Director, she will have a discussion with the locality or agency and then make a recommendation to the Finance Committee regarding the status of the project. Board Member Fisette added that this would not mean continuation funding is not available, just that it may not be available yet. Ms. Backmon responded affirmatively.

- Chairman Nohe stated that starting in FY2018, the Authority will be moving to a six year planning process. He noted that while we do not want to guarantee continuation funding to a project that is not progressing, we do not want to fund the design on projects and then not have the revenues to pay for construction. Chairman Nohe stated that once we begin six year budgeting, the Authority will be better able to ensure that projects get completed because the funding can be spent over six years. He added that when a project falls behind, we can move it back to the out years of the Six Year Program.
- Delegate Minchew asked for information about how the projects on the recommended list mesh with other projects that are in the pipeline, for example, how does the \$370 million I-66/Route 28 Interchange project mesh with the I-66 Outside the Beltway project. Likewise, how do the projects inside the Beltway mesh with what the Northern Virginia Transportation Commission (NVTC) is doing. He asked for follow up information on how the projects being funded from different sources mesh together. Ms. Backmon acknowledged this request.
- Senator Black commented that the I-66/Route 28 Interchange seemed to be a very meritorious project, however it is about a third of a billion dollars. He questioned how the Authority expends a third of a billion dollars in a relatively brief period of time, including design, engineering, right-of-way and construction.
- Mayor Parrish asked if the congestion reduction relative to cost ratios are based on the cost of the project in the current year. Mr. Jasper responded that they are relative to the cost submitted to the Authority. Mayor Parrish asked for further clarification that this is the total cost of the project, or the amount of the funding request in a particular year. Mr. Jasper clarified that these ratios are developed using total project cost. Chairman Nohe added that this is regardless of the funding source, or whether there is past or future money

involved. He noted this is the only way to make an apples-to-apples comparison.

- Delegate Hugo expressed appreciation that all the projects are being taken out for public comment. He noted the staff recommendation is for nine projects and asked why the staff recommendation is not for the top nine projects based on the NVTA rankings. Mr. Jasper referenced a subsequent chart that combines the congestion reduction rankings cost (CRRC) ratios and the quantitative scores. He explained that based on the legal mandate that the NVTA give priority to projects that achieve the greatest congestion reduction relative to cost, the CRRC ratio is the primary means for ranking the projects. The staff recommended projects are largely the projects at the top of that list, but some lower ones were chosen as well, for various reasons. Mr. Jasper further explained that the staff recommendation started with the CRRC ratios and made some adjustments based upon other considerations. Ms. Backmon added that the CRRC ratio was used in combination with the NVTA quantitative score. She stated that two of the projects in the top of the list regarding scores are currently on the proposed HB 2 funding list. She noted these are some of the considerations staff is navigating when making a recommendation. Another consideration is the need for additional information on some projects, prior to making a full recommendation to the PPC. Ms. Backmon stated the list of nine projects on the staff recommendation list will likely change prior to the July 1, 2016, PPC meeting. Delegate Hugo asked for clarification that there is the HB 599 rating that comes from VDOT, the NVTA rating from staff and then the CRRC rating. He asked why there is not just one rating. Ms. Backmon explained the legal requirements for NVTA funding are that the project must be in our long range transportation plan and must undergo the HB 599 evaluation. She stated that the enabling legislation mandates other performance measures that need to be evaluated and these are encompassed in the NVTA score. In addition, the law says that NVTA must give priority to the projects that provide the greatest level of congestion reduction relative to cost, and document it. Ms. Backmon stated that the NVTA has three specific evaluations that need to be considered, two combine in the quantitative score and then the CRRC ratio. Chairman Nohe summarized that the law requires the NVTA measure many things, however, in some cases the law is unclear about what needs to be done with the measurement once it is complete. He stated the one thing that is very clear is that the NVTA must give preference to those projects that relieve the most congestion relative to cost. Chairman Nohe explained that the CRRC ratio is based on hours of congestion relieved per dollar spent on the project, and this must be used as the first set of criteria. He noted that some projects may score well in the CRRC ratio, but for some other reason are not good candidates for funding in a particular year, so may not make the recommended list. Chairman Nohe emphasized that the Authority must use the CRRC ranks as its first level of analysis. He noted that HB 599 states that VDOT must evaluate the projects for congestion relief, but does not say how the data needs to be used. He added that the NVTA uses that data to develop the CRRC ratio, but there are other quantitative factors that need to be

considered. Ms. Backmon noted that there are some projects that are not requesting funds until FY2019 or FY2020, so these qualitative considerations were assessed in making the staff recommendation. Chairman Nohe concluded that this is complicated.

- Chairman Nohe stated that the Federal Transportation Authority (FTA) recently sent two directives to Metro suggesting a number of things Metro needs to do in the short-to-medium term to improve safety. He added that one of these directives is to run fewer rail cars per train. He noted that one of the candidate projects for the FY2017 Program is to upgrade Metro's electrical system to allow for more rail cars per train on the Blue Line. Chairman Nohe stated that the Authority needs very clear and explicit guidance from the highest levels at Metro clarifying what Metro's expectation is of the Blue Line improvements relative to the FTA directives. He noted that if Metro needs to run shorter trains, we do not need to fund a project that allows for longer trains. Chairman Nohe added that it does not seem like the solution to anything at Metro is shorter trains. He noted that this is a safety issue versus a capacity issue. Ms. Backmon responded that the Authority is aware of the directives from FTA to Metro and that she has contacted Metro to ask their interpretation of the FTA directives in regards to Metro's ability to implement 8-car traction power upgrades for the Blue Line. She added that she told Metro that the Authority needs an affirmative answer prior to the July 1, 2016, PPC meeting.
- Chairman Nohe stated that there are other projects on the candidate project list that are connected to Metro in some way, therefore, if there is a challenge with the 8-car traction power upgrades, will it have a domino effect on other projects that will be relative to NVTA funding decisions. Ms. Backmon confirmed this is a concern and that she has made the initial outreach and will have a response prior to the July 1, 2016, PPC meeting.
- Council Member Rishell requested that a copy of the FTA letter be shared with the Authority members. Ms. Backmon responded that she would send this to the members.
- Mayor Silberberg mentioned that at a recent Metropolitan Washington Council of Governments (MWCOC) meeting Washington Metropolitan Area Transit Authority (WMATA) Board Chairman Jack Evans presented a direct and forceful statement regarding what is happening at WMATA and what the region, hopefully in conjunction with the Federal Government, will need to do. She noted that while the Silver Line is great, the Blue Line has been impacted and now has less and more crowded trains. She suggested this is causing more people to drive. She added that everyone wants the system to be safe and reliable.
- Chairman Nohe clarified that the NVTA probably should fund WMATA, however, we need to know prior to the funding decision that WMATA can use the money. Mayor Parrish added that it may just be a timing issue.
- Senator Black stated that adding cars to Metro trains seems like an obvious fix that makes good sense. He added that if the FTA is saying that WMATA needs to shorten trains, they need to a compelling reason for this. He suggested it may have a safety benefit, but he doesn't see it.

- WMATA Board Member Paul Smedberg addressed the Authority from the audience upon request of Chairman Nohe and confirmed that there are two directives from FTA. One is to reduce cars from eight to six. He recommended keeping the Blue Line project on the staff's recommended funding list. He stated that the second directive is related to the SafeTrack Plan and recommends different priorities for immediate repair than those presented in the draft plan. He explained that WMATA and the FTA are working through this and SafeTrack will be moving forward, while other basic maintenance work continues as well.
- Chairman Nohe stated that getting the information from WMATA about the Blue Line project needs to be a priority.

Action

V. Approval of the Release of the Draft FY2017 Program Project List for Public Comment
Chairman Nohe, PPC Chair

- Chairman Bulova moved approval to advance all 24 projects under consideration for the Draft FY2017 Program for public comment; seconded by Supervisor Buona. Motion carried unanimously.
- Chairman Bulova continued by stating that WMATA Board Chairman Evans has been making the rounds to discuss WMATA's needs with the region. She noted that he has requested several things from the region:
 - ✓ Consideration of a regional funding source for Metro, especially operating funds.
 - ✓ Focus on an additional or expanded tunnel for Metro to increase capacity.
 - ✓ Persistence in reaching out to the Federal Government, which provides funding for capital, but not for operations. Noting that the Federal Government work force is most served by Metro.
- Delegate Hugo asked where Mr. Evans is suggesting this funding come from, whether more from each locality, more state funding or a regional tax. Chairman Bulova stated this is one of the challenges, as each jurisdiction and locality is different in its funding source to WMATA. She noted that those of us in Virginia do not have the authority to adopt a consistent regional funding mechanism, so the General Assembly would need to consider this. Chairman Bulova added that the sales tax in the region has already be raised to provide HB 2313 funding and that we have a gas tax. She suggested that there needs to be a discussion on the state level in Virginia as to what our authorities would or could be.
- Mayor Silberberg suggested that the language for each jurisdiction needs to be the same. She added that Mr. Evans also stated that WMATA's finances are in terrible condition and are not transparent. Chairman Bulova added that the language Mayor Silberberg mentioned is in regard to the proposed safety bill creating a Safety Commission that would be a joint organization of Maryland,

Virginia and the District of Columbia. She stated that Mr. Evans suggested the regional funding mechanism be blended into the safety bill.

- Delegate Hugo asked about the topics of the financial discussion with Mr. Evans. Chairman Bulova responded that he was mostly discussing WMATA's dire financial situation. She added that Mr. Evans stated that there is an unfunded pension liability of \$2.5 billion that Metro would like the Federal Government to assume.
- Chairman Nohe stated that the largest fixed cost that WMATA has is salaries and benefits. He noted that there are only ten large subway systems in the country and their employees are all represented by the same union. Therefore, the ability to change the salary and benefits structure is very limited.
- Delegate Hugo stated that WMATA's labor contract is up for renewal this summer and suggested this might be a discussion item. Chairman Bulova added especially if the Federal Government is willing to help with the unfunded pension liability. Mayor Silberberg noted that of all the major rail systems, WMATA is the only one without a dedicated revenue stream.
- Delegate Minchew stated that Mr. Evans presented to the NVTC last week and discussed:
 - ✓ \$3 billion for another tunnel under the Potomac River, stating that a bridge crossing would not work.
 - ✓ Dedicated funding source.
 - ✓ Differed maintenance problems.
 - ✓ Huge unfunded pension liability.
- Delegate Hugo stated that some of the General Assembly members and staff have researched the Metro costs and it appears that the labor costs per mile are probably double other major transit systems. He suggested this is an interesting statistic, but acknowledged he is not certain this is accurate. He added this could be a discussion item.

Discussion/Information

VI. TransAction Update

Keith Jasper, Program Coordinator

- Mr. Jasper briefed the Authority on the TransAction Update. He highlighted:
 - ✓ TransAction is an unconstrained plan and new crossings for the Potomac may be in the domain of TransAction.
 - ✓ The Authority adopted the vision statement in December of last year.
 - ✓ The PPC was provided a TransAction update at their March meeting.
 - ✓ Currently the subcommittee is working on the technical and public engagement activities.
 - Technical work is looking at regional transportation needs and developing a database of candidate regional projects to address those needs.
 - Early stages of developing alternative future scenarios to help the robustness of the plan to address any uncertainty and long range transportation planning, with the premise that projects, or project

packages, that perform well under multiple future scenarios could be considered more robust.

- Working closely with the Transportation Planning Board (TPB) staff to incorporate the latest Round 9.0 employment, land use and population forecasts.
- Public engagement events so far have produced extremely positive reactions. Attendees have thanked staff for coming out to get their views on transportation in Northern Virginia. There are several more events to go and members are encouraged to participate and spread the word.
- Ms. Backmon thanked the members who have been sending TransAction updates as part of their messaging to their constituents. She added that if anyone needs more information, NVTA staff is willing to provide it.
- Chairman Nohe noted that the TransAction update is the greatest time for a Northern Virginia local or state official. He suggested that when someone complains about traffic, members can refer that person to the TransAction website and encourage people to tell us exactly what they feel and it will get incorporated into our work.

VII. Executive Director’s Report Ms. Backmon, Executive Director

- Ms. Backmon stated that the Congestion Mitigation and Air Quality (CMAQ) shortage faced in the region and mentioned at the April meeting had been resolved. She thanked the localities and agencies who agreed to give money to compensate for the deficit, adding that they will be made whole in future funding allocations. Ms. Backmon stated that there is also a deficit in the CMAQ 2.5 funding, so these adjustments will be presented to the Authority at the June meeting.

VIII. Chairman’s Comments

- No comments.

IX. Adjournment

- Council Member Snyder suggested that the developments of the TPB and MWCOG Board can be fed into the NVTA’s work on a regular basis. He noted that many members sit on both boards. Council Member Snyder stated that the analysis that MWCOG did on the day that Metro shut down had produced interesting results and suggested that teleworking might need to receive more priority than it traditionally does in transportation planning. He added that this will help give a picture of what other entities are doing, particularly MWCOG and TPB. Ms. Backmon responded that TPB staff are participating in the TransAction subcommittee and that she has been in communication with Mr. Srikanth regarding TPB’s studies and assessments to incorporate into TransAction.

- Senator Black suggested that the TransAction vision seems to have omitted a statement about reducing traffic congestion. Ms. Backmon responded that congestion reduction is one of the objectives in TransAction and that performance measures are being developed to support this objective. She stated that the vision statement is more global, with specific goals, objectives and performance measures to provide analysis on how to achieve the vision. Senator Black suggested that reducing traffic congestion be added to the vision.
- Meeting adjourned at 8:22pm.

DRAFT