

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Members, Northern Virginia Transportation Authority

FROM: Martin E. Nohe, Chairman, Planning and Programming Committee

DATE: May 5, 2017

SUBJECT: Approval of Six Year Program Framework

- 1. Purpose.** To seek Northern Virginia Transportation Authority (NVRTA) approval of the Six Year Program Framework. This Framework establishes an overall methodology for developing the Authority's FY2018-23 Six Year Program and subsequent updates.
- 2. Suggested Motion:** *I move approval of the Six Year Program Framework.*
- 3. Background.** The Planning and Programming Committee (PPC) met on Wednesday, May 3, 2017 to review the NVRTA staff recommendations for the Six Year Program Framework. The draft Framework has undergone an extensive review and input process with the Authority's Technical Advisory Committee (TAC), Planning Coordination Advisory Committee (PCAC), as well as the PPC. In addition, the Regional Jurisdiction and Agency Coordinating Committee (RJACC), comprised of staff representatives, has provided feedback to the Authority's Executive Director. This review process was initiated in the fall of 2016, concluding with the May 3, 2017 PPC meeting.

The PPC recommendation for the Six Year Program Framework is included as an attachment to this memorandum.

- 4. Discussion.** In developing these recommendations, NVRTA staff incorporated a range of comments, such as a clearer demarcation between the Authority's planning and programming functions, inclusion of a Call for Regional Projects, an extension to the deadline for submitting Board Resolutions, and removal of a template for Board Resolutions. The Framework incorporates a synchronized schedule with the Commonwealth's Smart Scale cycle.

The PCAC, TAC and PPC have recommended that the Authority approve the final NVRTA staff recommendation.

The Finance Committee will meet as needed in the coming months to discuss detailed aspects related to the FY2018-23 Six Year Program. As noted in the Six Year Program Framework, the Finance Committee will consider Financial Principles addressing the

allocation of PayGo revenues for each program year, utilization of the Authority's debt capacity, and the need for new or enhanced policies. While essential to the development of the FY2018-23 Six Year Program, these are detailed subjects that will be addressed at the appropriate time and that do not prevent Authority approval of the Six Year Program Framework at this time.

- 5. Next steps.** NVTA staff will brief RJACC members during summer 2017 on the specifics of the Call for Regional Projects, scheduled to be issued on October 12, 2017 (subject to Authority approval.)

Attachment: PPC recommendation for the Six Year Program Framework

Six-Year Program (SYP) Framework



May 11, 2017

Northern Virginia
Transportation Authority
The Authority for Transportation in Northern Virginia

What is the SYP Framework?

- Describes how TransAction (TA) and the FY2018-23 Six Year Program will be integrated;
- Describes how the FY2018-23 Six Year Program will be developed;
- Identifies roles, responsibilities, schedule, and other ‘structural’ aspects of the FY2018-23 Six Year Program;
- Incorporates Financial Principles;
- Will not include list of projects or funding allocations.



Desired SYP Features

- Transparent and Accountable
 - No secrets or surprises;
 - Leverages cost and time efficiencies wherever possible.
- Flexible
 - Adapts to changing circumstances, e.g. financial, transportation;
 - Maximizes Regional Revenue Fund project use through proactive cash flow and investment management.
- Predictable
 - Provides multi-year funding stream;
 - Matches expected project expenditure profile or funding verification requirements.



Proposed SYP Features – 1

- Assuming the FY2018-23 Six Year Program is adopted in Spring 2018, subsequent updates will be adopted by:
 - Fall 2019 (FY2020-25)
 - Fall 2021 (FY2022-27)
- Updates to the SYP will accommodate:
 - Project/project phase completions;
 - Project schedule and budget adjustments (subject to NVTA policies);
 - Fluctuations in regional revenues;
 - Updated NVTA regional priorities.
- TransAction will be next updated and adopted by Fall 2022;
- Ad-hoc TransAction updates or amendments may occur under exceptional circumstances, subject to NVTA approval and the identification of an acceptable funding source.



Integrated NVTA/CTB Schedule

CY	2017	2018	2019	2020	2021	2022	2023
NVTA							
TransAction	█						
FY2018-23 SYP		█					
FY2020-25 SYP			█				
FY2022-27 SYP					█		
TransAction				█	█	█	
FY2024-29 SYP							█
CTB							
Smart Scale	█						
FY2018-23 SYIP		█					
Smart Scale		█	█				
FY2020-25 SYIP			█				
Smart Scale				█	█		
FY2022-27 SYIP					█		
Smart Scale						█	█
FY2024-29 SYIP							█



Proposed SYP Features – 2

- Much like jurisdictional Capital Improvement Plans (CIPs) NVTA's SYP will set an expectation for future funding of the identified projects;
- Subject to Finance Committee recommendation, the SYP will:
 - Allocate estimated revenues (PayGo) for each year of the Program
 - Utilize the Authority's available debt capacity when fiscally prudent.



Proposed SYP Features – 3

- For the FY2018-23 Six Year Program, and subsequent updates, the following process will be followed:
 - Finance Committee will affirm estimated available PayGo revenues for each year of the Six Year Program, through annual budget cycle;
 - NVTA staff brief jurisdiction and agency staff in detail on the SYP process;
 - ‘Call for Regional Projects’ (CfRP) will be issued by the Authority (mid 10/17), with a 60-day response period (thru mid 12/17);
 - Additional 30-day response period (thru mid 1/18) for Governing Body resolutions
 - Review of responses and evaluation of projects by NVTA staff during a 90-day period following the CfRP response deadline (mid 12/17 – mid 3/18);
 - Review of NVTA staff recommendations during the following 60-day period (mid 3/18 – early 5/18);
 - Public Hearing (5/18) and optional ‘Town Hall’ meetings during a 30-day public comment period (during 5/18);
 - Adoption of the SYP, generally at the first Authority meeting following the Public Hearing (6/18).



Proposed SYP Features – 4

- Responses to the CfRP will identify a candidate pool of regional projects focused on Northern Virginia's transportation needs;
- The requirements of the CfRP will include, as a minimum:
 - Project description, including specific link to relevant TransAction evaluation;
 - For all project phases: cost, schedule, funding requested, external funding available (with supporting documentation);
 - Commitment to engage/recognize NVRTA as a partner in all public-facing outputs, e.g. advanced coordination for public events, branding;
 - Any other documentation that highlights a project's regional significance, e.g. extent to which project addresses regional needs, scale of regional impacts, and multi-jurisdictional commitments;
 - Resolution of support from the Governing Body, or Governing Bodies in the case of multi-jurisdictional projects.



Proposed SYP Features – 5

- The review of CfRP responses and evaluation of projects by NVTA staff will include, as a minimum:
 - Verification of accuracy and completeness of responses;
 - Validation of project eligibility and consistency with relevant NVTA policies;
 - Posting of a summary of responses to NVTA’s website;
 - Review of relevant TransAction evaluations, including ‘regional coherence’, phasing, and sequencing of CfRP projects;
 - Calculation of CRRC ratios;
 - Consideration of the TransAction scenario analysis
 - Documentation of relevant qualitative considerations;
 - Development of initial recommendation, for review by NVTA’s Committees;
 - Development of draft recommendation, based on feedback from NVTA’s Committees, for Authority action.



Other SYP Considerations

- Finance Committee to recommend Financial Principles addressing:
 - Proportion of estimated available PayGo funding that should be allocated in each Fiscal Year of the SYP;
 - Factors that influence the extent to which available debt capacity should be used, and when;
 - Provision for NVRTA to provide matching funds for federal grant programs.
- Finance Committee will consider new/enhanced policies related to NVRTA's programming process;
- High level review of Long Term Benefit status.



Key Milestones – Six Year Program

