



Northern Virginia Transportation Authority
The Authority for Transportation in Northern Virginia

Thursday, February 1, 2018

7:00pm

3040 Williams Drive, Suite 200

Fairfax, VA 22031

Meeting Minutes

I. Call to Order

Chairman Nohe

- **Chairman Nohe called the meeting to order at 7:01pm.**

II. Roll Call

Ms. Thomas-Jones, Clerk

- Voting Members: Chairman Nohe; Chair Randall; Chairman Bulova; Chair Cristol; Mayor Silberberg; Mayor Meyer; Mayor Parrish; Council Member Snyder; Mayor Rishell; ; Ms. Hynes; Mr. Kolb
- Non-Voting Members: Mayor Burk; Ms. Cuervo; Mr. Horsley
- Staff: Monica Backmon (Executive Director); Michael Longhi (CFO); Keith Jasper (Principal, Transportation Planning and Programming); Sree Nampoothiri (Transportation Planner); Harun Rashid (Transportation Planner); Peggy Teal (Assistant Finance Officer); Sarah Camille Hipp (Communications & Public Affairs Manager); Carl Hampton (Investment and Debt Manager); Tracy Baynard (McGuire Woods Consulting, LLC-NVTA Legislative Liaison), various jurisdictional and agency staff.

III. Minutes of the February 1, 2018 Meeting

Chairman Bulova moved approval of the January 5, 2018 minutes; seconded by Chair Randall. Motion carried unanimously, abstention from Council Member Snyder.

Action

IV. Ratification of the Transform 66 Outside the Beltway Concessionaire Payment Memorandum of Agreement

Monica Backmon, Executive Director

- Ms. Backmon highlighted that the Commonwealth previously reached financial close on the Transform I-66 Outside the Beltway (OTB) concession agreement with Express Mobility Partners in November 2017. The Commonwealth's Transform I-66 OTB project is a multimodal public private partnership between the Virginia Department of Transportation (VDOT), the Department of Rail and Public Transportation (DRPT) and private partner, Express Mobility Partners. The final agreement included a \$579 million

concessionaire payment with \$500 million to be used for multimodal projects within the I-66 OTB corridor.

- The NVTA was requested, by then Secretary Layne, to solicit eligible projects and make project recommendations to the Commonwealth Transportation Board (CTB). On December 6, 2017, the CTB endorsed the 14 projects recommended by NVTA and added a 15th project in Fairfax County along Route 29 consisting of improvements that extend from Shirley Gate Road to the vicinity of Pickwick Road. VDOT staff, NVTA staff and NVTA's Council of Counsels, drafted a MOA documenting the roles and responsibilities between the CTB and the NVTA. The CTB approved the projects and authorized the Commissioner to execute the MOA on January 10, 2018.
 - ✓ Mayor Parrish questioned the difference between the \$500M and \$579M. Ms. Backmon responded that \$500M will be utilized for projects within the corridor. \$79M was for repayment to VDOT of upfront administrative costs incurred and future oversight costs.
 - ✓ Mayor Parrish inquired if the CTB could determine the use of the monies? Ms. Backmon confirmed and added that the difference of \$79M is being used by the VDOT to cover their costs.
 - ✓ Mayor Parrish raised an issue with the wording in the MOA. Specifically, 'projects being selected by the NVTA'. He suggested that the wording be changed to 'project recommended by the NVTA'.
 - ✓ Ms. Hynes warned against modifications to the current agreement, for it has already been approved/signed by the Commonwealth and reopening it may cause more issues.
 - ✓ There was significant discussion related to the impression left that the Authority selected the projects versus having recommended the projects to the CTB.
 - ✓ There was general consensus that the Authority's action was to recommend, versus having selected the projects, since the CTB has the final decision on project selection.
 - ✓ Mayor Parrish presented a substitute motion with his suggested changes in wording, Chair Randall seconded. The substitute motion did not pass.
 - ✓ The Counsel of Counsel commented that changing the MOA was not practical at this point in that it would require new action by the CTB to be effective.
 - ✓ Chairman Nohe acknowledged he understood the issue with the wording. However, he stated that he was resistant to changing the MOA, as it has been approved by the CTB and signed by the Commissioner. The Counsel of Counsels stated that changing the current MOA or adding an addendum would require the Commissioner to re-sign.
 - ✓ Chairman Nohe noted that the final approval of projects rested with the CTB, remarking that the CTB added a fifteenth project as well as made allocations for VDOT oversight expenditures and requested Chairman's prerogative that a note to this effect be added to the minutes to address Mayor Parrish's concern.

The main motion as made by Chairman Bulova, was called and seconded by Chair Cristol, passing with one nay (Mayor Parrish).

V. FY 2024 CMAQ/RSTP Funding Endorsement

Ms. Monica Backmon, Executive Director

- Ms. Backmon noted the NVTA established Friday, December 15, 2017, as the submission deadline for FY 2024 CMAQ and RSTP applications.
- NVTA staff in coordination with the jurisdictions and agencies who applied during this cycle of funding, recommended a list of projects and the proposed funding allocations.
- For FY 2024, 39 CMAQ and RSTP applications were received, totaling \$188,025,000.
 - ✓ The funding available for CMAQ and RSTP in FY 2024 is estimated to be \$83,246,806.
 - ✓ The Regional Jurisdiction and Agency Coordination Committee (RJACC) reviewed the projects submitted at its January 25, 2018 meeting, and recommended that the NVTA endorse the attached list of CMAQ and RSTP projects for submission to the CTB for approval.
- It was noted that \$248,462 is allocated to Fairfax County “of the top,” per a May 11, 2017, NVTA resolution as reimbursement for absorbing the reduction in available FY 2018 funding. Mr. Snyder moved approval, seconded by Mayor Rishell. Motion carried unanimously.

VI. Budget Transfer for Communications Program

Mayor Parrish, Chair, Finance Committee

- Mayor Parrish reminded the Authority of the adoption of the FY2018 Operating Budget on January 12, 2017. This budget included \$87,000.00 in Communications Services. Preference for a direct hire was expressed by the Finance Committee in order to obtain the highest level of dedicated and consistent service.
- Mayor Parrish moved approval, seconded by Chair Randall. Motion carried unanimously.

Discussion/Information

VII. 2018 Legislative Update

Ms. Tracy Baynard, McGuire Woods Consulting, LLC

- Ms. Baynard noted General Assembly crossover is February 13th and walked through the legislative report noting:
 - ✓ After a slow start, both the House and Senate worked hard on various bills this week.
 - ✓ House Appropriations will release their budget on February 18th.
 - ✓ Senator Petersen agreed to carry over SB141 to 2019.

- ✓ Delegate LaRock's HB 1285 would require the Authority, the Northern Virginia Transportation Commission, CTB and the Virginia Railway Express, to have a joint public hearing once a year, on proposed projects.
- ✓ Three budget amendments (other than WMATA related ones) that impact the Authority:
 - Reduce NVRTA staff to six.
 - Cap administrative spending at 4% of revenues received.
 - Limit the Authority's spending on transit, rail and other public transportation to 25% of the revenues received.
- ✓ Bills related to SmartScale center around the rules for smaller parts of the Commonwealth.
- ✓ General Assembly as a whole appears firm in opposing any drastic changes in SmartScale.
- ✓ Secretary Valentine is expected to visit and meet with the different VDOT districts.
- ✓ The Administration opposes all amendments regarding I-66 tolls,
- ✓ Transit funding falls mainly into two categories:
 - Metro State of Good Repair
 - Resolution of the Transit Fiscal cliff
- There is some pushback on the Transit Fiscal Cliff proposal sighting the impact on State debt levels.
 - ✓ There is ongoing discussion in the money committees, we will find out more information in February.
 - ✓ The Administration has endorsed a new set of bonds for the next five years to fill part of the gap in the Transit Fiscal Cliff. There was some pushback with concerns about the Commonwealth's debt capacity.
- Initial Metro Budget Bill, introduced by then Governor McAuliffe was presented and carried forward by the current Administration. Next steps:
 - ✓ Senate Finance Subcommittee met on January 31, 2018.
 - ✓ The House will have a proposal the week of February 4, 2018.
 - We have the concepts of the House proposal at this time but not the legislation.
- Chair Randall questioned if Delegate LaRock also filed legislation related to I-66 tolling. Ms. Baynard responded yes, discussing the proposed refund protocol for drivers who spend in excess of \$200.00 per month on tolls..
- The new Senate version of the Metro Bill includes a longer list of Metro reform measures:
 - ✓ Operating expenditure increases capped at 3%.
 - ✓ Changes in language related to efficiency, operating and safety improvements.
 - ✓ Change to the number and composition of the Board of Directors.
 - ✓ Chair Cristol asked if the Bill's language on governance mentioned anything about the alternate's role on committees. Ms. Baynard stated it was unclear at this point.

- ✓ Chairman Nohe acknowledged Council member Smedberg's attendance at the meeting as the Chairman of the Northern Virginia Transportation Commission and encouraged him to speak to the Authority.
- ✓ Council member Smedberg updated the Authority on various meetings regarding Maryland and DC position on metro funding, noting issues that appeared important to them.
- ✓ Chairman Nohe, noted the State Transit Capital Fund is currently allocated on a percentage of requests. On average, WMATA has received 53% percent of the fund. Under the proposed legislation that percent would be locked in for WMATA. The other transit agencies would compete for the remaining 47%.
- ✓ Ms. Baynard noted HB 1539 is sitting in House Rules Committee along with all Metro related bills and gas tax bills.
- ✓ Chair Randall asked if the House was waiting for the Senate to act. Ms. Baynard stated there has been more movement in the Senate.
- ✓ Chair Randall inquired about the updates to Senator Wagner's budget amendment. Ms. Baynard responded that it is still with the Senate Finance Committee.
- ✓ Chair Randall mentioned there are three revenues that appear to be bondable for metro:
 - Gas tax
 - Transient occupancy tax
 - Grantor's Tax
- There is a common goal of making the solution bondable for WMATA.
- Chair Randall requested explanation of how \$31 million would come from the NVTA 30% revenues without opening HB 2313. Chairman Nohe noted HB 2313 requires taxes be collected and 30% be redistributed back to the localities. That won't change under the proposed legislation. The NVTA will continue to receive Grantors Tax and Sales Tax but not TOT.
- Ms. Backmon stated that NVTA staff would still have to ensure that the localities meet their annual certification requirements to receive their 30% funds. She noted in addition to maintenance of effort, NVTA has to certify that jurisdictions have transferred the C&I revenue at 12.5 cents or the equivalent to a dedicated transportation fund. If jurisdictions meet the maintenance of effort, C&I transfer and other certification requirements, then NVTA will make the 30% transfers. If the locality doesn't meet the certification requirements, those monies are irrevocably transferred to the 70% Regional Revenue Fund.
- Chairman Nohe noted, the Senate Bill generally addressed the credibility and creditworthiness question. A reduction of \$30 million (in TOT) is better than a reduction of \$100 million. There are still some constitutionality concerns. NVTA has three AA+ bond ratings. The legislation could affect how Wall Street looks at our bonds.
- Chair Cristol mentioned that the proposal zero's out Arlington County's 30%. The first year leaves a deficit of \$400,000. The numbers will recover once Loudoun comes into the program as the \$31 million is rebalanced over more payers. Over the next five years,

the average will be less than a million dollars a year. Thus reducing Arlington's current program to 10% of its current state. She asked the Authority to look into adopting an additional principal in WMATA funding that should leave each NVTA member with reasonable access to both regional and local funds. It should not be so disproportionate.

- Chairman Bulova shared the Fairfax Principles for WMATA Funding as a starting point in modifying NVTA's Principles for WMATA funding. She distributed a handout.
- Chairman Bulova remarked, we need to be cohesive about what we support about the Bill and what we see as potential issues to be rectified. The Fairfax WMATA principles are:
 - ✓ The Washington Metropolitan Area Transit Authority (WMATA) is vital to the transportation network and economic growth of Northern Virginia and the Commonwealth, and sufficient state support is needed to address state of good repair and help accommodate additional growth in Fairfax County and Northern Virginia.
 - ✓ Fairfax County strongly supports the identification and enactment of long-term, dedicated, bondable, reliable, and sustainable funding to support WMATA's capital funding requirements.
 - ✓ In addition to addressing WMATA capital needs, the County supports NVTC's Principles for WMATA Reform, pertaining to WMATA's governance and operations, adopted in September 2017.
 - ✓ The enactment of additional Virginia funding must be contingent on the provision of additional funding from the District of Columbia and Maryland.
 - ✓ It is essential that a WMATA funding plan not jeopardize the Northern Virginia Transportation Authority's (NVTA) existing authorities, creditworthiness, credibility or bond validation.
 - ✓ It is also essential that a funding plan not trigger the "kill switch" that would dissolve the Northern Virginia regional revenue sources enacted by the 2013 General Assembly.
 - ✓ The Commonwealth's funding for WMATA must include a substantial statewide component, in order to avoid dramatically increasing the funding burden on Northern Virginia taxpayers, who already provide extensive funding for transportation projects and services, including WMATA.
 - ✓ Any local transportation sources redirected to WMATA funding needs should be accompanied by legislative authority to replace such revenues, as Northern Virginia's transportation funding needs continue to grow.
 - ✓ A transit funding plan should address the needs of both WMATA and the Virginia Railway Express (VRE), which also provides essential transit services in Northern Virginia.
- Council member Snyder remarked language needs to propose that the State comes forward with more than they have offered. Additional local taxes would be the wrong message to send. Chair Randall aligned herself with Mr. Snyder's remarks.
- Chair Randall stated that if Metro is important to Northern Virginia, and Northern Virginia revenue is important to the Commonwealth, then Metro is important to the Commonwealth. She encouraged the fight for more State revenue to be added.

- Chair Cristol suggested replacing the second to last bullet with language to leave each NVRTA member with reasonable regional and local funds and not be so disproportionate as to functionally remove any jurisdiction from participation in funding. She mentioned it is in the Authority’s interest that the solution meets this standard.
- Chair Randall and Chairman Bulova exchanged suggestions for language to address Federal government inclusion in the principles.
- Ms. Hynes suggested the language, ‘NVRTA jurisdictions urge the federal government to renew its PRIA funding as well providing matching funds at a level commensurate with the increases in state and local funding required for WMATA’s long term safety, reliability and state of good repair’.
- Council member. Snyder moved that NVRTA agree to substitute NVRTA for Fairfax County in the Fairfax WMATA Principles document, including the modifications of language proposed by the Authority members. Chairman Bulova seconded, motion carried unanimously.

VIII. Finance Committee Report

Mayor Parrish, Chair Finance Committee

- Mayor Parrish briefly recapped the most recent Finance Committee meeting.

IX. FY2018-2023 Six Year Program Update

Ms. Backmon, Executive Director

- ✓ Ms. Backmon stated that NVRTA received 63 candidate regional project applications.
- ✓ The requested funding is approximately \$2.6 billion, with an estimated total project cost of \$4.9 billion.
- ✓ NVRTA staff is in the process of scheduling meetings with TAC, PCAC, and PPC.

X. Investment Portfolio Report

Mr. Longhi, CFO

- ✓ No updates outside of material included in packet.

XI. Monthly Revenue Report

Mr. Longhi, CFO

- ✓ No updates outside of material included in packet.

XII. Operating Budget Report

Mr. Longhi, CFO

- ✓ No updates outside of material included in packet.

XIII. Executive Director’s Report

Ms. Backmon, Executive Director

- ✓ No updates outside of material included in packet

XIV. Chairman’s Comments

- Governance and Personnel Committee updates
 - ✓ Chair Hynes resigned from the committee. Chair Randall was appointed to the Committee as Chair.

✓ Chair Cristol was appointed to the Committee.

XV. Adjournment at 9:01p

Next Meeting: March 8, 2018