



Northern Virginia Transportation Authority
The Authority for Transportation in Northern Virginia

Thursday, October 11, 2018

7:00 PM

3040 Williams Drive, Suite 200

Fairfax, VA 22031

Meeting Minutes

I. Call to Order

Chairman Nohe

- **Chairman Nohe called the meeting to order at 7:10 PM.**

II. Roll Call

Ms. Thomas-Jones, Clerk

- Voting Members: Chairman Nohe; Chairman Bulova; Chair Randall; Chair Cristol; Mayor Silberberg; Mayor Meyer; Mayor Parrish; Councilmember Snyder; Delegate Hugo; Mayor Rishell; Ms. Hynes; Mr. Kolb; Mr. Minchew
- Non-Voting Members: Ms. Cuervo; Ms. Mitchell.
- Staff: Monica Backmon (Executive Director); Michael Longhi (CFO); Harun Rashid (Transportation Planner); Peggy Teal (Assistant Finance Officer); Erica Hawksworth (Communications & Public Affairs Manager); Richard Stavros (Investment and Debt Manager); Sree Nampoothiri (Transportation Planner); various jurisdictional and agency staff.

III. Minutes of the June 14, 2018 Meeting

Chairman Bulova moved approval of the June 14, 2018 minutes; seconded by Chair Randall. Mayor Meyer noted a correction to Item IV, Jermantown Road Corridor Improvements Project, changing ‘Lee Highway’ to ‘Old Lee Highway’. Amended Motion carried unanimously.

Mr. Kolb apologized for not being in attendance at the June Authority meeting. He acknowledged his support for the remarks made by the Authority members at the meeting regarding the adoption of the FY2018-2023 Six Year Program. Mr. Kolb thanked the NVRTA staff and jurisdictional staff for all their efforts.

Presentation

IV. Update on Status of Concessionaire Payment Funded Projects

Ms. Shaw, VDOT, Mega Projects Director

- Ms. Shaw presented the I-66 Outside the Beltway Concession Fee Projects Annual Update.
- Ms. Shaw reviewed the \$500 million Concession Fee Project requirements:
 - ✓ Projects must benefit the toll facility user.
 - ✓ Projects have to be federally eligible.

- ✓ Each project must meet one of the project improvement goals as given by the Authority.
- Ms. Shaw discussed the types of projects to be considered noting one of the following types of multimodal transportation improvements:
 - ✓ Capital projects for new or enhanced local and commuter bus service, transit priority improvements and roadway improvements.
 - ✓ Expansion or enhancement of transportation demand strategies, including van pool and carpool programs and assistance.
 - ✓ Capital improvements for expansion or enhancement of WMATA rail and bus service, and for improved access to Metrorail stations and Metro bus stops.
 - ✓ New or enhanced park and ride lots and access or improved access.
 - ✓ Capital improvements for new or enhanced VRE facilities or services.
 - ✓ Roadway improvements.
 - ✓ Transportation Systems Management and operations.
- Identified in studies and plans or projects in the region's constrained long-range plan or regional transportation plans
- Ms. Shaw highlighted the Concession Fee Project Selection Process.
 - ✓ NVTA issued a Call for Projects to member jurisdictions and agencies on June 8, 2017.
 - ✓ On June 28, 2017, 26 applications were received, totaling \$1.2 billion from 7 jurisdictions and agencies.
 - ✓ NVTA recommended 14 projects totaling \$496,287,000 that went on to the Commonwealth Transportation Board (CTB).
 - ✓ Ms. Shaw noted the two adjustments that were made:
 - One project had a reduced estimate.
 - Route 29 projects were added.
 - ✓ On January 10, 2018 CTB approved the projects totaling \$500 million.
 - ✓ NVTA and VDOT entered into a Memorandum of Understanding (MOU) about how the projects would be selected in the future.
- Ms. Shaw informed the Authority that the MOU details:
 - ✓ Total project funding is \$500 million.
 - ✓ Project funds planned to be expended by Toll Day 1 (December 2022), without a firm requirement.
 - ✓ Projects to be administered by VDOT, DRPT, local jurisdiction, or agency, using standard agreements with VDOT.
 - ✓ NVTA's role is to select and recommend additional projects from available Concession Fee funds until \$500 million has been expended.
 - ✓ The CTB reviews and approves selected projects including any adjustments. CTB also considers and approves project delivery method.
 - ✓ VDOT is responsible for providing an annual report to the NVTA on the balance of the \$500 million and project progression.
- Ms. Shaw referred to the Approved Projects slides outlined in page 3 of the presentation. She noted the bolded items are projects that had changes after the NVTA and CTB approved.
- Ms. Shaw discussed the Concession Fee Project Categories and status that included:

- ✓ Four projects are within the Transform 66 project construction limits.
- ✓ Agreements in process for transit improvement projects. DRPT is leading the efforts to put the agreements in place.
- ✓ Three pedestrian improvement projects with some agreements in place and work underway.
- ✓ Four roadway projects being administered by VDOT and Prince William County.
- Ms. Shaw summarized the Concession Fee Project status.
 - ✓ All projects are established in VDOT system with UPC's and project numbers.
 - ✓ Five project agreements are complete.
 - ✓ Five project agreements in progress.
 - ✓ Four projects to be accomplished within the overall I-66 Outside the Beltway Project.
 - ✓ There is a \$10 million balance in the \$500 million Concession Fee Project account.
 - ✓ Three projects in Fairfax County have reduced estimates. One project reduction is a result of negotiations with the change order with the EMP (Express Mobility Partners) team.
 - ✓ Many of the projects are in the early stages of implementation so the \$10 million balance may be quickly absorbed in future cost increases.
- Mayor Rishell inquired about the status of the additional \$79 million, (excluding the \$500 million for projects) for VDOT to manage the funds. Ms. Shaw replied the concession payment was \$579 million and the additional \$79 million is being used by VDOT for project contingencies and project associated costs.
- Mayor Rishell asked if NVTA would have the opportunity to make additional project recommendations if the \$79 million was not fully utilized by VDOT. Ms. Shaw replied that the agreed amount for projects was capped at \$500 million. She stated that she was uncertain of what would become of the overage of funds. Ms. Shaw added that the funds have to benefit the toll payers in the Transform 66 OTB Corridor.
- Mayor Parrish asked if the projects must be completed by toll day one. Ms. Shaw stated the goal is approximately toll day one, noting that there are projects that will not be ready by toll day one. The toll day date is approximate.
- Mayor Parrish asked what is the date for toll day one. Ms. Shaw replied, December 20, 2022.

V. State Transit Funding Reforms

Ms. Mitchell, DRPT

- Ms. Mitchell gave the State Transit Funding Reforms presentation noting that many of these changes were contained in HB1539.
- Ms. Mitchell highlighted the changes to the Transit Capital Funding Program.
 - ✓ Effective July 1, 2019 for FY2020.
 - ✓ WMATA exempt from prioritization process.
 - State of Good Repair (SGR)
 - Based on transit asset management principles, including federal requirements

- for Transit Asset Management
 - Major Expansion
 - Based on SMART SCALE Factors
- Ms. Mitchell discussed the Capital Prioritization Policy Process.
 - ✓ DRPT has been working extensively with the Transit Service Delivery Advisory Committee (TSDAC).
 - ✓ DRPT has done extensive outreach to MPO's, transit agencies and local governments.
 - ✓ DRPT began with the framework from the Revenue Advisory Board (RAB) report, approved by CTB in July 2017.
- Ms. Mitchell discussed the Transit Capital Program structure as it relates to the funding levels for State of Good Repair (SGR), Minor Enhancement and Expansion.
 - ✓ Minimum funding level (floor) for SGR funding can be moved from expansion to SGR based on need.
 - ✓ Funding cannot move from SGR to Expansion but funding can move from Expansion to SGR.
- Ms. Mitchell explained the Project Types.
 - ✓ State of Good Repair (projects/programs replacing or rehabilitating an existing asset).
 - ✓ Minor Enhancement (projects/programs to add capacity, new technology, or a customer enhancement meeting the following:
 - Project costs less than \$2 million, OR
 - Expansion vehicles; less than 5 vehicles or less than 5% of fleet
 - ✓ Major Expansion (new projects/programs that add, expand, or improve service - greater than \$2 million).
- Ms. Mitchell discussed the Capital Prioritization Status.
 - ✓ A draft prioritization policy has been created. DRPT briefed the CTB in September 2018 and will request approval by the CTB at the October 2018 meeting.
 - ✓ The policy addresses program structure and prioritization methodology.
 - ✓ Draft was released for public comment on September 10, 2018. The comment period closes on October 25, 2018.
- Ms. Mitchell noted the Strategic Planning requirement of the legislation, stating that DRPT now requires a Strategic Plan from transit agencies with the intent to ensure that transit agencies are planning and operating as cost effectively as possible.
 - ✓ Major Components of Strategic Plans will include:
 - Assessment of state of good repair needs
 - review of the performance of fixed-route bus service
 - evaluation of opportunities to improve operating efficiency of the transit network
 - examination and identification of opportunities to share services where multiple transit providers' services overlap
 - Examination of opportunities to improve service in under-served areas
 - Strategic Plans must also include opportunities to streamline and better coordinate with other co-local systems.
 - ✓ Ms. Mitchell noted that a draft policy on Strategic Plans has been created and was released for public comment on September 10, with the public comment period closing on October 25, 2018.
 - ✓ DRPT has begun a pilot with two transit agencies (Hampton Roads Transit and Greater Lynchburg Transit) regarding the strategic plan guidelines. Ms. Mitchell added that

- CTB approval of guidelines and implementation is planned by December 1, 2018.
- Ms. Mitchell addressed the Statewide Transit Operating Funds noting the following:
 - ✓ Effective date July 1, 2019 (FY2020).
 - ✓ WMATA exempt from the process.
 - ✓ 100% of Statewide Operating funds allocated on the basis of service delivery factors.
 - ✓ Current performance factors include:
 - Passengers per revenue hour.
 - Passengers per revenue mile.
 - Net cost per passenger.
 - ✓ Ms. Mitchell noted the next steps for the Operating Allocation.
 - December 4, 2018-CTB Workshop briefing on operating allocation policy.
 - December 20, 2018-The release of draft operating allocation policy for public comment.
 - December 2018/January 2019-Legislator outreach on draft CTB policy for operating allocation.
 - January 15, 2019-CTB Workshop briefing on draft CTB policy for operating allocation.
 - February 20, 2019-Action on CTB policy for operating allocation.
 - ✓ Legislation requires Northern Virginia Transportation Commission (NVTC) to provide a detailed report on the performance and condition of the WMATA system.
 - NVTC staff has provided a draft report to their board. The report is due to the General Assembly by November 1, 2018.

Action

- VI. Approve FY2019 Revenue Fund Appropriations** Mr. Longhi, CFO
- Mr. Longhi requested budget appropriation action for projects in the FY2018 - FY2023 Six Year Program (SYP) requiring FY2019 Regional Revenue Funds.
 - Mr. Longhi noted the action item is appropriating \$527 million for first 16 of 44 projects approved in the SYP. He referred the project list on page 1 of Item VI of the report.
 - Mr. Longhi discussed the background of the appropriation:
 - ✓ The Authority's Finance Committee initiated development of a funding strategy for the Authority's inaugural FY2018 through FY2023 Six Year Program in May of 2017.
 - ✓ Over the next 13 months, the Finance Committee received reports and analyses and provided feedback on numerous matters critical to determining the level of PayGo funding available for the SYP. These include:
 - Regional Revenue Projections
 - Investment Portfolio Interest Earnings
 - Debt Service Commitments
 - Future Technical Support Expenses for TransAction Updates, Long Term Benefits and Congestion Reduction Relative to Cost Analyses
 - Out Year Taper
 - Cash Flow (Liquidity) Analysis
 - Appropriation Schedule Options
 - Fiscal Impact Analysis of the 2018 General Assembly action
 - Mr. Longhi noted, on June 6, 2018, the Finance Committee made a funding recommendation of \$1.285 billion in PayGo funding to the NVTA Planning and Programming Committee (PPC) for the SYP. He added, on June 14, 2018 the NVTA adopted its inaugural SYP of 44 projects totaling \$1.285 billion.

- Mr. Longhi mentioned since the adoption of the SYP, NVTA staff has worked with individual jurisdictions and agencies on the development of the schedule of appropriations presented in Attachment 1 of Item VI of the staff report
- Mr. Longhi referred to Attachment 1 of Item VI of the staff report and highlighted:
 - ✓ Many project sponsors wanted their money early. It is not spread out as linearly as the revenue funds arrive.
 - ✓ There are 14 projects receiving appropriations in FY2019, with the remaining 28 of 44 projects with planned appropriations in FY2020 thru FY2023.
- Mr. Longhi referred to the table on Page 3 of the staff report, and added the appropriations are technically advancing faster than the revenue for the SYP. Mr. Longhi added, a plan has been developed that includes the projects receiving all funding in the first year of allocation. This is consistent with the Authority's goal of cementing NVTA's reputation as a predictable long term funding partner. This is also consistent with accepted best financial practice (conservative, transparent, accountable, and reliable). A fair question would be, how can we do this?
 - ✓ Since discussed that the NVTA allocates project funding on a reimbursement versus grant basis, cash related to unspent project appropriations remain with the NVTA, resulting in a significant level of liquidity. A project may have an appropriation in the first year that it needs money, it will not spend all the money in that one year. It creates the cycle balance sheet for the Authority as noted in the table on page 4.
- Mr. Longhi emphasized, with this action, every dollar the Authority effectively has for six years is assigned to a project. NVTA is using the cash flow (balance sheet) to avoid going to the bond market or getting a loan. If the Authority chose to go the bond market, that would incur a cost of \$194 million in interest expense over 20 years.
 - ✓ The NVTA is using its balance sheet to advance projects faster than if traditional approach was executed. Mr. Longhi added, the balance sheet is being used to save the Authority money.
 - ✓ P.B. Mares, the Authority's auditor, informed Mr. Longhi that as long as NVTA staff is transparent with the Authority and never appropriate more than the actual revenue, then timing can be managed with the tools as outlined.
- Mr. Longhi summarized that all available PayGo from now to FY2023, is committed to a project. If there is a change in revenue, a project discussion may be triggered.
- Chair Cristol asked if the unused project balances were seen as reserves by the rating agencies.
- Mr. Longhi responded that rating agencies were briefed while the strategy was in development. The reaction of the rating agencies was similar to the auditors, in that it is an unusual but an effective way of managing finances. The Authority's governing body has a very good reputation with the rating agencies of not rushing to the bond market. He added it's important to not borrow money before the projects can use it.
- Mayor Parrish thanked the Authority and jurisdiction staff for all the hard work and moved the Authority budget and appropriate \$527,233,959 of FY2019 Regional Revenue Funds to sixteen of the FY2018-FY2023 Six Year Program projects, as detailed in the project appropriation table, seconded by Mayor Rishell. Motion carried unanimously.

VII. Approval of Standard Project Agreement for Prince William County—

Regional Funding 2018-030-4 (Route 28 Corridor Improvements Fitzwater Dr. to Pennsylvania Ave.)

Mr. Nampoothiri, Transportation Planner

- Mayor Parrish moved Authority approval of the proposed Standard Project Agreement 2018-030-4 Prince William County (Fitzwater Dr. to Pennsylvania Ave.), in accordance

with NVTAs approved Project Description Sheet as appended to the Standard Project Agreement; and authorize the Executive Director sign on behalf of the Authority, seconded by Chairman Bulova. Motion carried unanimously.

- VIII. Approval of Standard Project Agreement for Prince William County— Regional Funding 2018-034-1 Prince William County (Construct Interchange at Route 234 and Brentsville Road)** Mr. Nampoothiri, Transportation Planner
- Mayor Parrish moved approval of the proposed Standard Project Agreement 2018-034-1 Prince William County (Construct Interchange at Route 234 and Brentsville Road), in accordance with NVTAs approved Project Description Sheet as appended to the Standard Project Agreement; and authorize the Executive Director sign on behalf of the Authority, seconded by Chairman Bulova. Motion carried unanimously.
- IX. Approval of Standard Project Agreement for Prince William County— Regional Funding 2018-035-1 Prince William County (Construct Interchange at Prince William Parkway and University Boulevard)** Mr. Nampoothiri, Transportation Planner
- Mayor Parrish moved approval of the proposed Standard Project Agreement 2018-035-1 Prince William County (Construct Interchange at Prince William County Parkway and University Boulevard), in accordance with NVTAs approved Project Description Sheet as appended to the Standard Project Agreement; and authorize the Executive Director sign on behalf of the Authority, seconded by Chairman Bulova.
- X. Approval of Standard Project Agreement for Loudoun County –Regional Funding 2018-027-1 (Town of Hillsboro Route 9 Traffic Calming Project)** Mr. Nampoothiri, Transportation Planner
- Chair Randall moved approval of the proposed Standard Project Agreement 2018-027-1 Loudoun County (Route 9 Traffic Calming), in accordance with NVTAs approved Project Description Sheet as appended to the Standard Project Agreement; and authorize the Executive Director sign on behalf of the Authority, seconded by Mr. Minchew. Motion carried unanimously.
- XI. Congestion Mitigation Air Quality (CMAQ) and Regional Surface Transportation Program (RSTP) Transfer Request for Prince William County, the Town of Vienna and the Cities of Alexandria and Manassas** Ms. Backmon, Executive Director
- Chair Randall moved Authority approval of the reallocation of Congestion Mitigation and Air Quality (CMAQ) and Regional Surface Transportation Program (RSTP) funds for Prince William County, the Town of Vienna, the City of Alexandria, and the City of Manassas, seconded by Mayor Silberberg. Ms. Hynes abstained. Motion carried.
- XII. Approval of the Call for Projects for FY2025 CMAQ/RSTP Funding** Ms. Backmon, Executive Director
- Ms. Backmon sought approval for the issuance for the Call for Projects for the FY2025 Congestion Mitigation and Air Quality Program and Regional Surface Transportation Program Funds.
 - The deadlines for the FY2025 programming cycle are:
 - ✓ Application submittal, December 14, 2018.
 - ✓ TEEM worksheet submittal, December 31, 2018.
 - ✓ Resolution of support submittal, January 15, 2019.
 - Ms. Backmon will seek Authority approval of the proposed FY2025 funding recommendations at the February or March 2019 Authority meeting. Upon Authority

- action, the recommended projects will be submitted to the CTB for funding approval.
- Chairman Bulova moved Authority approval of the issuance of the Call for Projects for the FY 2025 CMAQ and RSTP Funds, seconded by Chair Cristol. Motion carried unanimously.

Discussion and Information

XIII. Finance Committee

Mayor Parrish, Chair FC

- Mayor Parrish gave a review of the Finance Committee Report from the September 20, 2018 meeting:
 - ✓ The Committee received a report on the procurement efforts of the Project Monitoring and Management System (PMMS).
 - ✓ Reviewed of NVTAs Office Lease.
 - ✓ Discussed Draft Policy 29 – Project Activation, Monitoring and De-Appropriation.
 - ✓ Received updates to Investment Portfolio Report, Monthly Revenue Report and Operating Budget Report.
- Delegate Hugo noted the level of bonding being undertaken by the Hampton Roads Transportation Accountability Commission and requested that the use of bonding be considered by the Finance Committee.

XIV. Governance and Personnel Committee

Chair Randall, Chair, GPC

- Chair Randall provided a report of GPC activities that included:
 - ✓ Updates to the 2018 Legislative Program.
 - Amending HB599, transferring responsibility for the analysis to the Authority.
 - Addressing the revenue reduction resulting from the 2018 General Assembly Session.
 - ✓ Chair Randall noted her recent attendance at a meeting of the Dulles Area Advisory Committee during which the prospect of increasing tolls received significant discussion.
 - ✓ Chair Randall requested NVTAs be included in future discussions as the region’s transportation planning organization.
 - ✓ Chair Randall noted that GPC adopted a meeting schedule for October 2018 through April 2019. The meetings will be held 5:30PM on the same evenings as Authority meetings. GPC November 2018 meeting date has changed to November 26, 2018.
 - ✓ Chair Randall stated that Executive Director, Monica Backmon’s upcoming performance evaluation preparation steps is underway and will be presented to the Authority in January 2019.

XV. Investment Portfolio Report

Mr. Longhi, CFO

- No report given

XVI. Monthly Revenue Report

Mr. Longhi, CFO

- No report given

XVII. Operating Budget Report

Mr. Longhi, CFO

- No report given

XVIII. Executive Director’s Report

Ms. Backmon, Executive Director

- Ms. Backmon informed the Authority of the creation the Transportation Technology Committee (TTC) noting that Councilmember Snyder has graciously agreed to chair the

- committee. Ms. Backmon stated that the TTC was created to advise her on multi-modal transportation technologies and related transportation trends that support (or endanger) the vision of the Authority as stated in its current Five-Year Strategic Plan. Goal 3 of NVTA's Strategic Plan calls for the Authority to 'lead the region in planning and advocating for emerging transportation technologies which address future transportation, work place and development trends.
- Ms. Backmon stated that the NVTA staff is in the process of meeting with jurisdictional and agency staff on the status of projects with approved SPAs. NVTA wants to ensure it has an accurate picture of the projects and their status.
 - Ms. Backmon highlighted the addition two new staff members:
 - ✓ Richard Stavros, Investment & Debt Manager.
 - ✓ Erica Hawksworth, Communications & Public Affairs Manager.

XIX. Chairman's Comments

- Chairman Nohe welcomed J. Randall Minchew back as an Authority member.
- Chairman Nohe announced committee member appointment updates:
 - ✓ Chairman Nohe removed himself from the Governance and Personnel Committee, and appointed Mr. Minchew. The GPC consists of Chair Randall (Chairman), Council Member Snyder (Vice Chairman), Mr. Minchew, Chair Cristol and Mayor Meyer.
 - ✓ Chairman Nohe removed Chair Randall from the Finance Committee and appointed himself as a member. The current Finance Committee consists of Mayor Parrish (Chairman), Mayor Rishell (Vice Chairman), Chairman Nohe, Chairman Bulova and Mayor Silberberg.
 - ✓ Chairman Nohe noted that the Planning and Programming Committee (PPC) will not meet again until 2020 as part of the update of the Six Year Program.
 - ✓ Chairman Nohe suggested when developing the 2019 Authority Meeting schedule that action items are taken into consideration. He added, in an effort to be respectful of the members busy schedules, Authority meetings should typically only be held if there are action items or other critical matters on the agenda.
 - ✓ Mr. Minchew inquired about the Town of Leesburg's contractor alternatives for the Battlefield Parkway/Rt.7 Interchange Project. Mr. Minchew specifically inquired about the release of designs to the public as the contractor will only discuss alternatives in closed session. Ms. Cuervo explained alternative designs are allowed in an effort to save the state money. She added that the information is often proprietary so the contractors would not publicly share their design.

XX. Adjournment at 8:01pm

Next Meeting: November 8, 2018 at 7:00pm.