

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
MEMORANDUM

FOR: Chair Phyllis J. Randall and Members Northern Virginia
Transportation Authority

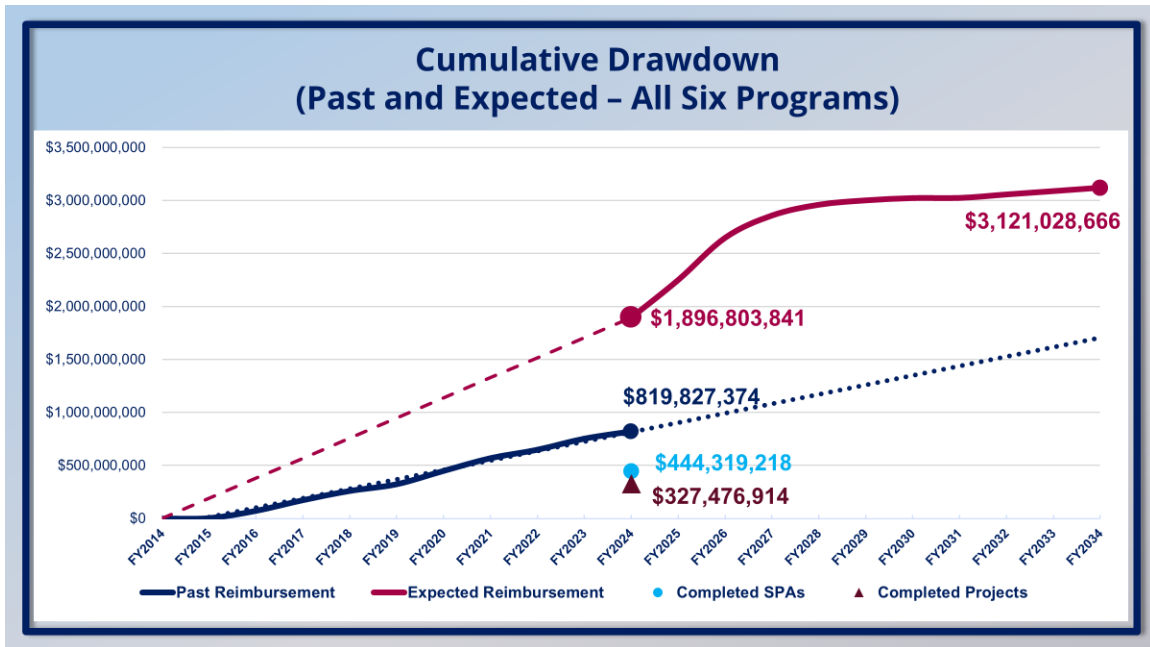
FROM: Mayor Rishell, Chair, NVTA Finance Committee

DATE: April 4, 2024

SUBJECT: Adoption of the FY2025 Operating Budget

1. **Purpose:** To seek Northern Virginia Transportation Authority (NVTA) adoption of the proposed FY2025 Operating Budget as recommended by the Finance Committee.
2. **Suggested Motion:** *I move Authority adoption of the proposed FY2025 Operating Budget detailed in Attachment 1.*
3. **Discussion:** The Operating Budget is the central accounting point for operating and administrative expenses of the Authority. The proposed Operating Budget is presented in two categories. The first category is base budget escalations triggered by inflation, contract terms and required service extensions, less prior one-time funding. The second category is for new initiatives which will have supporting narratives and estimates. The attached budget report (Attachment 1) is indexed to this staff report by matching citations in the Budget Note column.
 - A. **Base Budget Escalations:**
 - I. **Salaries:** Annual performance-based salary increases for staff are targeted to be in line with member jurisdictions overtime. Since jurisdiction budgets are concurrently in development, we present a budget increase that will not be exceeded, and which may be modified based on member jurisdiction market and performance increases once those budgets are passed. Over the last several years member jurisdictions have passed budgets with compensation increases that were higher than the adopted NVTA budget. This year we propose the not to exceed percentage to be 7% based predominantly on recent inflation rates and prior member jurisdiction budget actions. At the Finance Committee request, staff worked with member jurisdictions to develop the chart included as Attachment 2. This chart shows the potential compensation changes employees were eligible for in FY2023/24.
 - II. **Benefits:** Health insurance, retirement and other benefits are based on actual costs such as the Annually Required Contribution determined by the Virginia Retirement System (VRS) and the Commonwealth of Virginia - Local Choice Health Insurance rates.
 - III. **Public Outreach:** Every two years, as the Authority adopts an update to the Six Year Program, an independent external economic study is conducted to document the economic impact of the activities of the Authority. This causes a jump in this budget line on those two-year cycles.

- IV. **Financial Advisor Services:** This contract was renegotiated based on the minimal services required since the Authority does not anticipate the need to utilize debt financing for projects in the near future.
- V. **Technology/Communication:** These reductions are the result of one-time funding for the website refresh and PIMMS in FY2024. Additionally, a Bloomberg (investment terminal) subscription has been cancelled due to the departure of our investment consultant.
- VI. **Local Travel/Commuter Benefits:** No funding changes are requested in this budget category. The name of the category has been changed to reflect commuter benefits to support employee use of transit with NVTA's relocation near a Metro station.
- VII. **Office Lease:** As discussed with the Finance Committee, the use of the negotiated lease concessions will not be determinable until after the first quarter of FY2025. Therefore, the full-face amount of the lease cost is budgeted to mitigate the cash flow gaps between expenses incurred and the receipt of concession funds from the landlord. Once the lease transition is completed and transactions settled, NVTA staff will present to the Finance Committee a final reconciliation of the Lease Transition account as well as a staff recommendation for the remaining balance. All transaction activity, which may span two fiscal years, will be included in the Authority's annual independent audit.
- VIII. **Professional Development:** This budget line has not increased since FY2020. Since that time the Authority has added 5 additional staff, many of whom have professional certifications to maintain in alignment with ensuring their professional skills remain current. Additionally, funding is proposed to develop continuing education capacity for staff members wishing to take position related courses through local universities or remote learning.
- IX. **Professional Outreach:** As part of the growing recognition of the Authority's impact on regional transportation issues and national recognition for innovation, the Chief Executive Officer and senior staff are now frequently asked to provide presentations and participate in regional and national transportation venues. This budget category recognizes this increased activity and separates it from professional development.
- B. **New initiatives:** In preparation for an upcoming update to the Authority's Five-Year Strategic Plan, it is necessary to continue to build capacity to serve the citizens and businesses of Northern Virginia who entrust their tax dollars to NVTA. In addition to traditional multimodal infrastructure improvements, the Authority is increasingly called on to emphasize alternative/complementary congestion reducing solutions that enable Northern Virginians to reduce their dependency on driving, particularly driving alone. Additionally, as visualized in the chart below, it has become clear that resources provided through HB2313, starting over ten years ago, are taking much longer to materialize into capacity increasing transportation solutions than to accrue as revenue. The following initiatives will provide the full benefit of the resources entrusted to the Authority.



- C. New Initiatives Summary.** A full multiyear program description is included in Attachment 3, the following provides key points.
- I. Enhance analysis and reporting of NVTA-funded projects and their transportation system impacts. Increase the pace of project delivery. (Enhance current and future regional impacts of approved transportation projects through working with member jurisdictions, regional partners, stakeholders, the business and military communities, as well as citizens)
 - II. Establish an NVTA federal/state grant recipient program. (Revenue diversification.)
 - III. Establish a transportation technology pilot deployment plan. (Congestion reduction solution diversification.)
 - IV. Establish a list of up to six pre-qualified on-call consultants and academic institutions through a formal procurement process. (Aid member jurisdictions and agencies in maximizing the prompt utilization of project funds to benefit the citizens and businesses in Northern Virginia.)
 - V. Establish independent/objective research programs, supporting the development of regional transportation policies and the prioritization of future Authority investments in transportation. (Develop regional transportation policies and projects, consistent with NVTA’s strategic vision.)
- D. Resource requirements:** Senior management and key staff in the Authority’s planning and financial functions are heavily committed to day-to-day responsibilities, many of which could be undertaken by staff with less career seniority, or a different skill set. To address the requirements of current growth demands and undertake the initiatives noted above as well as those connected to the future update of the Authority’s Five-Year Strategic Plan, the following positions are proposed:

- I. **Project Delivery and Grants Manager:** responsible for coordinating all Transportation Planning and Programming (TPP) tasks related to Standard Project Agreement (SPA) management, reimbursement requests, project status tracking/reporting, special oversight analyses, and supporting TransAction (TA)/Six Year Program (SYP)/Preliminary Deployment Plan for a Regional Bus Rapid Transit System (PDP-BRT) as well as establishing and leading a future state/federal grant program (in conjunction with the Finance/Administration team).
 - II. **Regional Transportation Planner:** support the Project Delivery and Grants Manager and provides additional capacity to support tasks related to an expanding scope of TransAction such as transportation resiliency, commercial freight, policy development and project prioritization.
 - III. **Business and Fiscal Analyst:** In addition to working with the Planning team, this position will provide financial generalist duties such as bringing additional capacity and experience to grants management, project funding/utilization, procurement, human resources/benefit management, internal and external policy compliance and financial statement preparation.
4. **Next Steps:** NVTA Policy 10 - Financial Management contains a guideline which calls for the Authority adoption of budgets two months prior to the start of a fiscal year. This effectively results in the budget adoption occurring by April.

Attachments:

1. Base/Proposed FY2025 Operating Budget
2. Percentage of Pay Increases for Member Jurisdictions FY2023/24
3. Strategic Vision for NVTA Transportation Planning and Programming (TPP)

Northern Virginia Transportation Authority Base/Proposed FY2025 Operating Budget							
INCOME:	Adopted Budget FY2024	DRAFT Base Budget FY2025	Base-Prev Bdg Change \$	Budget Note	Draft Base Budget w/FY2025 Initiatives	Budget Note	Initiatives+ Base Bdgt Change \$
Budget Carryforward including Operating Reserve	\$ 818,600	\$ 966,991	\$ 148,391		\$ 966,991		\$ 148,391
330000 Other Income							
Total Income	\$ 818,600	\$ 966,991	\$ 148,391		\$ 966,991		\$ 148,391
EXPENDITURES:							
410000 Personnel Expenditures							
110 Salaries & Wages	\$ 2,220,795	\$ 2,444,052	\$ 223,257	3.A.I	\$ 2,789,052	3.B.II	\$ 568,257
130 Health & Dental Benefits	383,809	388,977	5,168	3.A.II	479,391	3.B.II	95,582
131 Payroll Taxes	171,171	191,100	19,929	3.A.I	218,222	3.B.II	47,051
132 Retirement VRS	193,402	203,852	10,450	3.A.II	221,288	3.B.II	27,886
133 Life Insurance	30,656	32,749	2,093	3.A.II	37,372	3.B.II	6,716
134 Flex Spending/Dependent Care	1,165	1,224	59		1,440	3.B.II	275
135 Workers Comp	2,397	2,686	289	3.A.II	3,066	3.B.II	669
137 Disability Insurance	22,388	23,520	1,132	3.A.II	26,770	3.B.II	4,382
Subtotal Personnel Costs	\$ 3,025,782	\$ 3,288,160	\$ 262,378		\$ 3,776,601		\$ 750,819
420000 Professional Service							
210 Audit & Accounting	\$ 58,750	\$ 61,000	\$ 2,250		\$ 61,000		\$ 2,250
220 Bank Service	750	750	-		750		-
230 Insurance	12,375	15,145	2,770		15,145		2,770
240 Payroll & Human Resources Service	5,920	6,778	858		8,728	3.B.II	2,808
260 Public Outreach & Regional Event Support	49,640	68,456	18,816	3.A.III	68,456		18,816
261 Legal Services/Bond Counsel	75,000	75,000	-		75,000		-
262 Financial Advisor Services	36,955	10,000	(26,955)	3.A.IV	10,000		(26,955)
263 Bond Trustee Fees	2,700	2,800	100		2,800		100
264 Legislative Services	85,000	87,125	2,125		87,125		2,125
265 Investment Custody Fees	25,000	25,000	-		25,000		-
Subtotal Professional Services	\$ 352,090	\$ 352,054	\$ (36)		\$ 354,004		\$ 1,914
430000 Technology/Communication							
310 GL Financial Reporting & Invest Monitoring/Mgt Systems	\$ 113,035	\$ 83,980	\$ (29,055)		\$ 83,980		\$ (29,055)
330 IT Support Svc Incl Hosting	46,220	50,295	4,075		54,177	3.B.II	7,957
335 GIS/Project Monitoring & Management/Modeling	183,300	35,650	(147,650)		35,650		(147,650)
340 Phone Service	18,035	18,338	302		20,858	3.B.II	2,822
350 Web Development & Hosting	138,090	8,200	(129,890)		8,200		(129,890)
940 HW SW & Peripheral Purchase	1,000	2,000	1,000		12,575	3.B.II	11,575
Subtotal Technology/Communication	\$ 499,681	\$ 198,463	\$ (302,218)	3.A.V	\$ 215,440		\$ (284,241)
440000 Administrative Expenses							
410 Advertisement	\$ 3,000	\$ 3,000	\$ -		\$ 6,400	3.B.II	\$ 3,400
405 Building/Office Related Expenses	3,000	1,000	(2,000)		1,000		(2,000)
411 Memberships & Subscriptions	20,725	23,460	2,735		25,400	3.B.II	4,675
412 Duplication & Printing	13,500	13,550	50		13,550		50
414 Hosted Meetings	5,500	6,200	700		6,200		700
415 Local Travel/Commuter Benefits	11,000	11,000	-	3.A.VI	11,300	3.B.II	300
416 Misc Expenses	-	-	-		-		-
417 Office Lease	244,375	465,769	221,393	3.A.VII	465,769		221,393
418 Office Supplies	7,600	6,015	(1,585)		6,765	3.B.II	(835)
419 Postage & Delivery	700	700	-		700		-
420 Professional Development	10,900	25,680	14,780	3.A.VIII	28,680	3.B.II	17,780
421 Professional Outreach	12,100	22,810	10,710	3.A.IX	22,810		10,710
945 Office Furniture & Fixtures	-	-	-		17,580	3.B.II	17,580
Subtotal Administrative Expenses	\$ 332,400	\$ 579,184	\$ 246,783		\$ 606,154		\$ 273,753
Expenditure Subtotal	\$ 4,209,953	\$ 4,417,860	206,908		\$ 4,952,198		\$ 742,245
Operating Reserve (20%)	\$ 841,991	\$ 883,572	\$ 41,582		\$ 990,440		\$ 148,449
Equipment Replacement Reserve & Replenishment	50,000	50,000	-		50,000		-
Reserve Subtotal	\$ 891,991	\$ 933,572	\$ 41,582		\$ 1,040,440		\$ 148,449
Total Expenditures	\$ 5,101,943	\$ 5,351,433	\$ 248,489		\$ 5,992,638		\$ 890,694
Transfer From Regional Revenue Fund	\$ 4,283,343	\$ 4,384,442	\$ 100,099		\$ 5,025,647		\$ 742,304

One Time Costs of Initiatives: \$ 31,555
 Net FY24 to FY25 Base Budget Growth: \$ 859,139

4/3/2024

Percentage of Pay Increases for Member Jurisdictions FY2023/24

Jurisdictions/Localities	% of Increase (Salary)				FY2023 Totals	FY2024 Totals
	FY2023		FY2024			
Fairfax County	Market Rate Adjustment of 4.01% Applied to Scales and Pay. Merit Increase of 2.5% to 4%	Arl. Co. HR Survey	Market Rate Adjustment of 5.44% average pay increase of 7.5% , Max Increase 8.44%(Pg 4)	FY2024 Adopted Budget	6.51% to 8.01%	7.50%
Arlington County	5.25% merit increase for General employees 5.0% increase to the minimum and maximum of General Employee grades/ranges	Arl. Co. HR Survey	4.5% merit increase for General employees \$2,000 (gross) one-time bonus for all qualifying staff (Pg 66)	FY2024 Adopted Budget Arl.Co.HR Survey	5.25% Merit Plus \$1,600 Bonus, 5% MRA scale adjustment	4.74% Merit, 4.5% Scale Adjustment. Plus \$2,000 Bonus
Loudoun County	a 5% merit increase for eligible general workforce employees, and a 4 percent scale adjustment to the general workforce pay plan due to a corresponding adjustment in personnel vacancy savings	FY2023 Adopted Budget	a 6% merit increase for eligible general workforce employees, and salary scale adjustments to ensure that County salaries continue to keep pace with those in our competitive market and address the inflationary environment. (Pg 17)	FY2024 Adopted Budget	9% Comprised of 5% merit and 4% MRA	6% Merit. Possible MRA Scale Adjustment of Additional 4%
Prince William County	6% Merit Increase	FY2023 Adopted Budget	Total 9%.Market Rate Adjustment of 6%. Funding is included to support a 3.0% pay for performance increase for General Service personnel . Annual pay for performance/year of service adjustments of 3.0% are included in each remaining year of the Five-Year Plan (FY25-28). (Pg 16)	FY2024 Adopted Budget Arl.Co.HRSurvey	6%	6%, 4% Scale Adjustment
City of Alexandria	5% Merit, Based on Step + 4.5% Market		5% Merit, Based on Step +2% Market, 2% Scale adjustment	Arl. Co. HR Survey	9.5% possible increase. Scale adjustment, plus 3 additional steps added to scales	7% to 9%
NVTC	6%		6%		6%	6%
City of Falls Church	4%	City of Falls Church FY2023 Adopted Budget	6% merit increase (Pg 5)	FY2024 Adopted Budget	4%	6%
City of Manassas Park	12%	FY23 Draft Budget	Proposed Pay Raise 4.4% (Pg 5)	FY24 Draft Budget	12%	6%
Vienna	7%	Town Staff	5%	Town Staff	7%	5%

FY2025 Operations Budget

Strategic Vision for NVTA Transportation Planning and Programming (TPP)

June 30, 2023, marked the end of NVTA's first decade with a dedicated revenue stream. During that decade NVTA adopted two updates to TransAction, the long-range transportation plan for Northern Virginia, and funded 122 regional transportation projects to the tune of \$3.1 billion from the Regional Revenue Fund through six separate funding programs. Further, NVTA funded hundreds of local (and some regional) transportation projects by distributing close to \$1 billion from the Local Distribution Fund to its member jurisdictions.

These accomplishments, and many others, are testament to NVTA's leadership and the excellence of its staff, and are guided by NVTA's vision and core values:

Northern Virginia will plan for, and invest in, a safe, equitable, sustainable, and integrated multimodal transportation system that enhances quality of life, strengthens the economy, and builds resilience.

As NVTA completes its first decade of revenue, its primary responsibilities of transportation planning and programming have become increasingly 'mainstreamed'. The overarching strategy for NVTA's second decade of revenue envisions maintaining and enhancing performance for these mainstreamed primary responsibilities while expanding NVTA's range of services to address other urgent and unmet regional transportation priorities. NVTA's proven leadership and demonstrated track record over the past decade mean it is uniquely placed to fulfill this strategy in the next decade on behalf of the region.

The overarching strategy identifies numerous topics, many of which are interrelated. The strategy envisions:

- In addition to traditional multimodal infrastructure improvements, NVTA will increasingly emphasize alternative/complementary congestion reducing solutions that enable Northern Virginians to reduce their dependency on driving, particularly driving alone, such as:
 - Build-out of a regional Bus Rapid Transit (BRT) system or components thereof.
 - Deployment and operation of transportation technology systems and approaches such as the Regional Multimodal Mobility Program (RM3P), Transit Signal Priority (TSP), and autonomous transit shuttles.
 - Decarbonization of the transportation system.
 - Implementation of regional or corridor-based incentive and pricing mechanisms.
 - Complete Streets, Mobility Hubs, street grid systems, and bicycle/pedestrian improvements, either as standalone projects or as part of larger road or public transportation improvements, such as a regional BRT system.
- NVTA will lead the region in matters affecting regional transportation, demonstrating that NVTA is not solely defined by the projects that it funds:
 - Better articulate the value of the regional transportation system and its relationship with economic vitality and accessibility for all.
 - Enhance cybersecurity of the regional transportation system.
 - Examine the regional transportation impacts of major land use decisions.

- NVTA will vigorously protect its existing NVTA revenue streams and secure new federal and state revenue streams to expand its capacity to address the transportation needs of Northern Virginia.
- Working with member jurisdictions, regional partners, stakeholders, the business and military communities, and citizens, NVTA will review its current transportation planning and programming processes and upgrade these where necessary to better suit the emerging regional transportation needs in the next decade.
- NVTA will continue to maintain the highest standards of transparency and accountability, including:
 - Demonstrate alignment of NVTA investments and other activities with NVTA’s Core Values – equity, safety, and sustainability.
 - Proactively prioritize NVTA’s investments to leverage NVTA revenue streams.
 - Enhance regular monitoring and status reporting of NVTA-funded projects.
 - Analyze and report on the transportation system impacts of NVTA-funded projects.
- NVTA will continue to strive to elevate its regional, state, and national profile, particularly among its peers and within the professional transportation community and become an employer of choice for transportation professionals.

While the new decade will bring new challenges and opportunities, some things will not change. Notably, the region’s collaborative and coordinated approach to transportation is a hallmark of Northern Virginia and NVTA will continue to be at the forefront of this.

Near-term Initiatives

While the vision outlined above is expected to unfold over the next decade, the following initiatives have a more pressing priority in the near-term. Specific initiatives for consideration in the FY2025 budget cycle are discussed in more detail below – but all initiatives will be multi-year efforts.

- 1. Increase and deploy new transportation funds outside of current revenue sources.**
 - a. WHAT: tap into federal and state transportation revenue sources and diversify beyond NVTA’s current revenue streams.
 - b. WHY: increase overall transportation revenues available to NoVA.
 - c. HOW: establish and staff an in-house federal/state transportation funding program to submit grant requests and implement successful applications. This will partly entail freeing up NVTA’s most experienced transportation planning staff to help establish this new program while bringing in new staff to both backfill and run the new program. NVTA’s Finance and Administration team will lead the initialization of the program to ensure NVTA is compliant with federal requirements.
 - d. URGENCY: immediate.
- 2. Enhance analysis and reporting of NVTA-funded projects and their transportation system impacts.**
 - a. WHAT: transition from a limited and/or reactive analysis/reporting posture to a more proactive and enhanced approach, effectively elevating this activity to the equivalent of NVTA’s two existing primary responsibilities, i.e., transportation planning and programming.
 - b. WHY: apart from the NoVA Gateway dashboard, NVTA’s programmatic monitoring and reporting of the projects that it funds lacks detail, varies from project to project and

from sponsor to sponsor, and does not meet the expectations set within the Standard Project Agreement (SPA). Due to ongoing resource constraints caused by focusing on higher priorities, NVTA's approach does not include mechanisms to identify scope, schedule, or budget risks, and tends to be both reactive and minimal. NVTA's reporting of the transportation system impact of these projects is limited to one-time high-level talking points at ribbon cuttings, with no ongoing monitoring program in place after projects reach completion. While precise details of methodologies for monitoring transportation system impact will be defined at a later stage, they are likely to include trends in person throughput and delay. The desired outcomes of enhanced monitoring and reporting are to protect NVTA's investments and support enhanced project evaluations for future Six Year Program updates.

- c. HOW: establish and staff enhanced monitoring and reporting processes. This will partly entail freeing up NVTA's most experienced transportation planning staff to help establish this new program while bringing in new staff to both backfill and run the new program. Analyses of transportation system impact may in the future utilize NVTA's regional transportation model, commercial probe data, and other data sources.
- d. URGENCY: immediate.

3. Develop regional transportation policy.

- a. WHAT: identify potential regional transportation policy topics that are consistent with NVTA's vision and develop/implement corresponding regional transportation policies that complement NVTA's transportation planning and programming processes.
- b. WHY: leverage NVTA's funding of traditional transportation infrastructure using policy development powers provided in NVTA's founding legislation.
- c. HOW: prior to the start of the next TransAction update, anticipated in early CY2025, coordinate with RJACC members to identify, define, and prioritize potential regional transportation policy topics through a data-driven process, drawing upon existing and newly commissioned research. An overarching focus will be to explore policy topics that could reduce Northern Virginians' dependence on driving alone. Research could include peer analyses, incentive/pricing mechanisms to encourage use of, and fund, alternative transportation modes, impact analyses of technology initiatives (e.g., RM3P, Transit Signal Priority), policy analysis/impacts, etc. Detailed policy development and analysis would commence after vetting and approval by NVTA, most likely as part of the next TransAction update, which is anticipated to be adopted in CY2027.
- d. URGENCY: immediate.

4. Plan, deploy, and sustain transportation technology across the region.

- a. WHAT: expand the deployment of transportation technologies that support NVTA's vision, are complementary to traditional infrastructure-based approaches, and will reduce our dependence on driving alone.
- b. WHY: leverages NVTA's demonstrated commitment to initiatives such as the Transportation Technology Strategic Plan (TTSP), the Regional Multimodal Mobility Program (RM3P), and NVTA-funded transportation technology projects to embrace to potential role that transportation technology can play in the region, e.g., first/last mile autonomous shuttle solutions, regional approach to transit signal priority, and potential

incentive/pricing mechanisms to facilitate (and fund) new transportation options in NoVA.

- c. HOW: proactively build new in-house capacity and capabilities, in conjunction with state, regional, and local partners. This will involve a combination of additional staff and funding to support pilot deployments and/or for matching funds.
- d. URGENCY: immediate.

5. Enhance the next TransAction update and subsequent Six Year Program updates.

- a. WHAT: evolve TransAction and the Six Year Program processes to provide a more robust pathway to achieving NVTAs vision.
- b. WHY: ensure NVTAs invests wisely in high quality and cost-effective transportation solutions that will stand the test of time given the uncertainties and opportunities that currently affect long-range transportation planning, and the ever-increasing number and cost of projects included in the TransAction unconstrained project list.
- c. HOW: add new TransAction features including scenario analyses that address a post-pandemic new normal, findings from the PDP-BRT, commercial freight needs, technology and other innovative approaches that are complementary to traditional infrastructure solutions, resilience of the multimodal transportation system, and related regional transportation policies. Add a regional project classification process in TransAction that will support the project selection recommendations in subsequent Six Year Program updates. This initiative will be led by TPP's Principal, Senior Manager, and Planning Analytics Manager, provided they are 'freed up' by proposed staff additions.
- d. URGENCY: next 1-2 years, as part of the next TransAction update. In the longer term, NVTAs should consider acquisition of commercial databases, such as anonymized probe data, to help refine project evaluations and/or deepen our understanding of transportation system impacts.

6. Fully incorporate NVTAs Core Values into TransAction, the Six Year Program, and other work products and services.

- a. WHAT: continue to ensure that all aspects of NVTAs transportation planning, programming, and other activities are aligned with NVTAs Core Values of equity, safety, and sustainability. Core Values define how NVTAs wants to achieve its vision and transportation goals.
- b. WHY: consistent with NVTAs vision.
- c. HOW: further incorporate Core Values into all NVTAs work products, using feedback from experience gained and from researching approaches across the region, state, and nation. This initiative will be led by TPP's Principal, Senior Manager, and Planning Analytics Manager, provided they are 'freed up' by proposed staff additions.
- d. URGENCY: ongoing

Precursor Requirement – On-call List

Before any of the following specific initiatives can advance, NVTAs staff (both TPP and Finance/Administration teams, supported by external advisors as needed) must first establish a list of up to six pre-qualified on-call consultants and academic institutions through a formal procurement process. Establishing this on-call list will be undertaken within current NVTAs staff resources, is anticipated to take up to six months to complete and could potentially commence prior to FY2025 assuming NVTAs approves

the proposed TPP initiatives. Creating the on-call list can be undertaken by current NVTA staff and does not commit NVTA to any specific initiative, financially or otherwise.

Establishing the on-call list will enable external staff resources and expertise to be available to NVTA staff to meet time-sensitive deadlines, provide specialized assistance, and manage short-term peaks in workload. The on-call list is intended to be used solely for specific initiatives A through C described below, and not for other day-to-day priorities. If NVTA is successful with grant applications, the on-call list can be used to swiftly outsource related project workload.

The on-call list will likely seek firms and universities with a demonstrated record in relevant skill areas such as successful grant-writing in a transportation environment, transportation technology (planning and deployment), transportation research, and community engagement. It is envisioned that the performance of on-call list firms will be regularly reviewed, and the list will be updated every 3-5 years.

Specific Initiatives for FY2025

It is noted that the following specific initiatives A through C and the four proposed positions listed further below are interdependent and should be considered in a holistic manner. Three proposed high priority initiatives with associated budget requests have been identified for CY2025.

- A. Establish an NVTA federal/state grant program (see item #1 above),** to support federal and state grant applications. Examples of relevant federal grant programs include Congestion Relief Program, Carbon Reduction Program, RAISE, INFRA, SMART, ATTAIN/ATTIMD, BRIC, NEVI/Charging Infrastructure, Mega, and PROTECT. The primary example of a relevant state program is Smart Scale.

Since grant applications typically involve deadlines of 2-3 months, the spike in resources needed to prepare grant applications cannot be accommodated within NVTA's limited staff resources without disrupting or delaying other responsibilities, such as TransAction, Six Year Program, the PDP-BRT, or programmatic monitoring/reporting.

In the event of a successful application, grant-funded work may be led by NVTA staff in conjunction with an entity from the on-call list. Alternatively, if NVTA submits the application on behalf of a regional partner, perhaps because NVTA represents the most competitive applicant, grant funds may be passed through to that regional partner. These decisions will be specific to each opportunity and funding program.

NVTA in conjunction with state, regional, and local partner agencies would prepare and submit **up to four grant applications** where these are consistent with NVTA's strategic vision and where NVTA's application would likely be in a competitive range relative to other applicants. This initiative would require **up to \$150k** in FY2025 and would utilize the on-call list.

- B. Establish independent/objective research program (see item #3 above),** to support the development of regional transportation policies and prioritize future NVTA investments in transportation projects.

Like the bi-annual economic impact analysis funded by NVTA, conduct **up to four research topics**. Research topics could include peer analyses, impact analyses of technology initiatives (e.g., RM3P, TSP), policy analysis/impacts, etc. Research topics would be managed by the appropriate TPP manager. This initiative would require **up to \$250k** in FY2025 and would utilize the on-call list.

- C. Establish transportation technology pilot deployment plan (see items #1 and #4 above)**, to support specific transportation technology pilot deployments, or to serve as matching funds for such pilot deployments. This initiative could be standalone, i.e., a direct NVTA initiative, or related to federal/state grants. Funds could explore the value of promising near-term transportation technologies, such as autonomous transit shuttles to address first/last mile opportunities, real time traveler information systems to avoid congested travel conditions, complementary enhancements to existing systems such as RM3P or TSP, addressing data information gaps through enhanced detectors to monitor use of bicycle/pedestrian facilities or for transportation resiliency purposes. The focus of this initiative is pilot deployments not permanent ones and, as such, the expectation is for uses that may be experimental in nature.

NVTA in conjunction with state, regional, and local partner agencies would develop **up to two pilot deployments** where these are consistent with NVTA's strategic vision. This initiative would require **up to \$300k** in FY2025 and would utilize the on-call list. In FY2025, these funds could be used as matching funds secured through federal grants.

Current Resource Constraints

Resource constraints fall into two categories:

- **Capacity:** TPP's Principal, Senior Manager, and Planning Analytics Manager are the staff best qualified to lead the proposed initiatives. However, these key staff are also heavily committed to NVTA's day-to-day transportation priorities such as managing NVTA's primary responsibilities of TransAction and the Six Year Program, the PDP-BRT, PIMMS enhancements, SPA management and reimbursement requests, project status monitoring and reporting, data analytics/modeling, etc.
- **Capability:** current TPP staff possess a great blend of transportation planning and programming skills, including planning data analytics and transportation modelling. However, several new capabilities are needed in the next decade such as experience and expertise in the fields of managing grant-funded projects and transportation technology development and deployment.
- Proposed new staff positions are outlined in more detail below, but can be summarized as follows:
 - Two additional staff in FY2025.
 - One additional staff in each of FY2026 and FY2027.
- Together, these four new positions will free up senior staff time to focus on new strategic initiatives while allowing existing and proposed staff to ensure that NVTA's day-to-day transportation priorities continue without disruption. This approach has the added benefit of providing enhanced career pathways for all TPP staff.

Proposed Staff Additions

In order to free up capacity for TPP managers to launch the proposed strategic initiatives outlined above, four additional positions are proposed in the next three fiscal years. As noted above, the following four proposed positions are interdependent with specific initiatives A through C and should be considered in a holistic manner.

- **Project Delivery and Grants Manager (FY2025):** responsible for establishing and leading a future state/federal grant program management (in conjunction with the Finance/Administration team), coordinating all TPP tasks related to SPA management, reimbursement requests, project status tracking/reporting, special oversight analyses, and supporting TA/SYP/PDP activities as needed. Would need to demonstrate prior grant program and project management experience and strong familiarity with expected tasks; will report to Senior Manager, TPP. **(See items #1-4 above)**
- **Regional Transportation Planner (FY2025):** support the Grant/Programmatic Monitoring Manager and provide additional capacity to support tasks related to expanded scope of TransAction such as transportation resiliency, commercial freight, and potentially policy development and project prioritization. Will initially report to Senior Manager, TPP but will eventually transition to a new Grant/Programmatic Oversight group within the TPP team (like the Planning Analytics group), reporting to the Grant/Programmatic Oversight Manager. **(See items #1-4 above)**
- **Transportation Technology Manager (FY2026):** responsible for leading and expanding all NVTA's transportation technology initiatives in a new Transportation Technology group within the TPP team. This will include leading NVTA technology projects and/or coordinating with federal, state, regional, and local agencies on planning and implementing such projects, as well as continuing to update the TTSP and implement its associated Action Plan, coordinating with the Grant/Programmatic Oversight Manager to apply for and manage future state/federal grants, and closely monitoring NVTA-funded technology projects. Would need to demonstrate prior project management experience in relevant fields; will report to Principal, TPP. **(See item #4 above)**
- **Regional Transportation Planner (FY2026/27):** support the Transportation Technology Manager and provide additional capacity to support tasks related to expanded scope of TransAction such as transportation technology, CASE vehicles, incentives/pricing mechanisms, and potentially related policy development and project prioritization. Will report to Transportation Technology Manager. Would need to demonstrate prior experience in relevant fields. **(See item #4 above)**

Appendix (for in-depth justification purposes as needed)

Programmatic monitoring and status reporting of projects funded by NVTA, including their characteristics, and transportation impacts.

- During its first decade, NVTA has transitioned from a largely manual system for submitting funding applications, SPA management, and processing of reimbursement requests to one that is now largely electronic through its highly successful and cost-effective Program Information Monitoring and Management System (PIMMS). PIMMS has enabled the development of a public-facing dashboard, which itself is being upgraded to incorporate projects funded with NVTA's local revenues, as well as an analysis of multimodal lane miles related to NVTA-funded projects (regional and local revenues.) Building on these successes is essential, as the volume of regular SPA and reimbursement activity will continue to grow. Currently, total reimbursement is approximately 40 percent of total appropriated funding and only 25 percent of all approved funding through the FY2025 to FY2027 funding Program. Several specific needs have been identified:
 - Monitor an increasing number of approved project SPAs, both prior to SPA execution (currently 41) and following SPA closeout until the useful life of the project has been reached (currently 64). These project SPAs typically fall outside of NVTA's regular monitoring process, which focuses on active project SPAs (currently 57 out of 162 SPAs).
 - NVTA's regular project status monitoring process is limited to a simple monthly check-in via PIMMS, although project sponsors sometimes skip these check-ins and/or provide only minimal information. Starting with NVTA's 'mega projects' with regional revenue allocations greater than \$100 million, project status monitoring will become more in-depth with a greater understanding of schedule, cost, and other risks, and tracking interdependencies with other projects. This will be achieved in part through regular quarterly in-person project review meetings between NVTA and project sponsor/administration staff. Such a targeted approach has proved to be effective in the past but was ultimately unsustainable as staff resources were necessarily deployed to other responsibilities and other urgent priorities.
 - In-depth analysis of completed, active, and future SPAs to better understand the factors that influence anticipated project completion (at the time of original approval) versus actual progress. This analysis will highlight experiences by project type and sponsor, highlighting both best practices for other project sponsors to follow, and enhanced data to support project readiness analyses for future NVTA SYP update cycles.
- Other than ribbon cuttings, and to some extent Long Term Benefit, no attempt is currently made to monitor or analyze the transportation system impacts of the projects NVTA funds, nor transportation system performance in general, although this has been a long-term goal. It is envisioned that a future dashboard upgrade could serve as a one-stop shop for such information, as well as quarterly travel trends tracked on a continuous basis.