

MINUTES
NVTC COMMISSION MEETING – SEPTEMBER 1, 2005
NVTC CONFERENCE ROOM – ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Ferguson at 8:15 P.M.

Members Present

Sharon Bulova
Gerald Connolly
Adam Ebbin
William D. Euille
Paul Ferguson
Jay Fiset
Ludwig Gaines
Catherine M. Hudgins
Tanya Husick (VDRPT)
Dana Kauffman
Gary A. Reese
Scott Silverthorne
Paul C. Smedberg (Alternate, City of Alexandria)
David F. Snyder
Christopher Zimmerman

Members Absent

David Albo
Eugene Delgaudio
Jeannemarie Devolites Davis
Timothy Hugo
Elaine McConnell
Mary Margaret Whipple

Staff Present

Rhonda Gilchrest
Stephen MacIsaac (VRE)
Adam McGavock
Kala Quintana
Elizabeth Rodgers
Jennifer Straub (VRE)
Richard K. Taube
Dale Zehner (VRE)

Preliminary NVTC Budget for FY 2007

Mr. Taube explained that each year NVTC forwards a preliminary budget to its jurisdictions for their budget preparations. The commission will review the budget again in January, 2006 and final action will be requested in February, 2006. Local staff reviewed the preliminary budget and their comments have been incorporated. He explained that the FY 2007 preliminary budget would increase total expenditures by 3.2 percent to \$1,140,750 over FY 2006. However, the total local and state share would fall by 1.3 percent to \$900,750, because other sources of revenue would increase. Total local contributions would continue to hold steady at \$310,000. For FY 2007, it is proposed that a staff position be added, which would bring the staff level back to the FY 2005 level.

Mr. Taube explained that the "unobligated" fund balance at the end of FY 2005 was \$255,000. Of this amount, \$109,000 was previously budgeted as revenue for FY 2006. This leaves \$144,000 to be budgeted as revenue for FY 2007. He also stated that the state share would drop by two percent and the money that is saved would go to the jurisdictions.

Mr. Taube reviewed the new performance measures for the budget. Delegate Ebbin stated that there could be circumstances (i.e. terrorist attacks or natural disasters) when localities would need more funding for such expenses as rebuilding tracks or replacing equipment and he asked how this would impact NVTC's performance based budget. Delegate Reese stated that if a budget is geared towards specific objectives and performance of those objectives, then there is a much better opportunity to go to the public and say that this is what we are accomplishing and what we are going to do. If there are emergencies, then these needs would be addressed.

Chairman Ferguson thanked staff for their hard work on the performance-based budget. He informed the commission that the Executive Committee received a good report from the auditors regarding the preliminary audit.

Delegate Ebbin moved, with a second by Ms. Bulova, to authorize staff to forward the preliminary FY 2007 budget to NVTC's jurisdictions for use in planning their own budgets. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Ferguson, Gaines, Hudgins, Husick, Reese, Silverthorne, Smedberg, Snyder and Zimmerman.

Minutes of NVTC Meeting of July 7, 2005

On a motion by Mr. Connolly and a second by Mr. Zimmerman, the commission unanimously approved the minutes. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Ferguson, Gaines, Hudgins, Husick, Reese, Silverthorne, Smedberg, Snyder and Zimmerman.

GEORGE Bus Project Evaluation

Mr. McGavock gave an overview of the project evaluation and a brief history of the GEORGE bus project. The project, which began in 1997, provides four clean-diesel, low floor, 30-passenger buses for service in Falls Church. Service began in January, 2004 and the city has been entirely responsible for paying WMATA to operate the buses since April, 2005.

Mr. McGavock stated that according to a recent passenger survey, two-thirds of GEORGE riders live in Falls Church. There are an average 7,500 riders each week that use the bus system. 49 percent of survey respondents said that they have a vehicle to use for commuting. In comparison, the regional average for discretionary drivers is 20-23 percent. Also, 87 percent of survey respondents transfer to or from Metrorail and 12 percent to and from Metrobus. In response to a question from Mr. Connolly, Mr. McGavock stated that 300 people responded to the survey. Mr. Connolly observed that there are a substantial number of riders and the GEORGE bus is providing a valuable service to the region. He asked what was the total cost of the project. Mr. McGavock replied that it cost over \$2 million, of which 70 percent was federal funding.

Commissioners Euille and Kauffman arrived at 8:22 P.M. and Mr. Fisette followed at 8:24 P.M.

Mr. Connolly asked if there is a way to evaluate the bus service on an ongoing basis. Mr. Snyder replied that the city of Falls Church will be monitoring the bus service and will keep NVTC updated. He stated that while the final technology ended up being more conventional, the system still produces good results. He stated that the concept of finding ways to get people to Metrorail stations should be an important part of a long-term strategy for the region. There still needs to be better integration between the GEORGE system and the Metrobus system. Also, Falls Church will work with its neighbors, especially Arlington County, to address service gaps.

Mr. Snyder moved, with a second by Mr. Zimmerman, to authorize staff to provide the report to project funding partners and to post it on NVTC's website. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Euille, Ferguson, Fisette, Gaines, Hudgins, Husick, Kauffman, Reese, Silverthorne, Snyder and Zimmerman.

VRE Items

VRE Operational Items. Ms. Bulova moved, with a second by Mr. Zimmerman, the following routine VRE action items:

- Resolution #1086: Option for Locomotive Fuel Supply;
- Resolution #1087: Lease at Woodbridge VRE Station;

- Resolution #1088: Contract for Septic Tank Services;
- Resolution #1089: Contract for Railroad Equipment Jacks;
- Resolution #1090: Contract Amendment for Fare Collection Equipment Maintenance; and
- Resolution #1091: Task Order for Engineering Service for Crossroads.

Ms. Bulova asked if any commissioners wanted to discuss any of these items. Mr. Connolly asked Mr. Zehner what is happening to VRE's fuel costs in light of escalating fuel prices. Mr. Zehner responded that if the trend in fuel prices continues upwards, it will affect VRE's budget, although VRE has budgeted an additional \$1.5 million to cover increased fuel costs. The price of fuel has more than doubled since last year. The contract for locomotive fuel supply (Resolution #1086) would not lock VRE into a specific price for fuel.

The commission then voted on Resolutions #1086 - #1091 and they were approved. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Euille, Ferguson, Fisette, Gaines, Hudgins, Husick, Kauffman, Reese, Silverthorne, Snyder and Zimmerman.

Policy on Delegation of Authority to the VRE Operations Board. Ms. Bulova reminded commissioners that at several NVTC meetings, commissioners expressed concerns about the volume of VRE items presented for their consideration. Staff prepared a discussion paper reviewing the pros and cons of increasing the delegation of authority to the VRE Operations Board. Local staff recently discussed this paper but it has not yet been considered by the VRE Operations Board.

Mr. Zimmerman stated there's a level of detail that is excessive at the commission level. Personally, he feels that at some point VRE should be run by a Board entrusted to making the decisions. For now, NVTC should consider what actions could be delegated to the VRE Operations Board. He expressed his concern about approving a blanket list of action items like what was done for Resolutions #1086-#1091, since there was no discussion but NVTC is ultimately responsible. This way is not a long-term solution. Mr. Connolly stated that on an interim basis, there are things that can be done such as using a consent agenda and/or giving a higher spending authorization amount to the VRE Operations Board. He stated that because of the governing structure, NVTC is responsible for VRE as a co-owner and, consequently, there needs to be some substantive review.

In response to a question from Mr. Fisette, Mr. Taube stated that no legislation would be required to amend the VRE Master Agreement, but NVTC, PRTC and the jurisdictions would need to agree on any change. Mr. Taube stated that a practical reason not to change the Master Agreement is that it would throw open the door to debate on the subsidy allocation formula.

Mr. Taube reviewed possible solutions, including increasing the Operations Board spending authority; treating the VRE Operations Board like the

WMATA Board by appointing members and approving budgets and then letting the Board run VRE; or delegating all or differing degrees of authority. Under the Master Agreement, NVTC would still retain its ownership functions. Also the commission staffs share many VRE activities.

Mr. Connolly observed that from a political point of view the concept that the commissions are legally responsible for VRE since it is not a legal entity is not a trivial issue. He suggested looking for areas that can be delegated to give the VRE Operations Board more autonomy, but policy issues, such as budget and personnel matters, should continue to come to the commissions for approval.

Mr. Kauffman asked why VRE is not a legal entity and if there are reasons why the commissions should consider making VRE a separate legal entity. Ms. Bulova gave a brief history of VRE and how the Master Agreement was created. Mr. MacIsaac provided a legal overview.

Chairman Ferguson observed that the consensus of the commission is not to explore VRE becoming a separate entity at this time, but staff should explore common sense changes to reduce meeting time and still keep a degree of involvement. Mr. Zimmerman suggested staff put together a list of options, with different levels and ranges of delegated authority.

Ms. Bulova observed that the discussion of this subject has not been introduced yet at PRTC. She suggested referring it to the Operations Board for discussion.

In response to a question from Mr. Snyder, Ms. Bulova stated that VRE has an active riders' organization and at each Operations Board meeting there is a public comment time.

Policy on Terms of Entry. Ms. Bulova stated that at its meeting of July 7, 2005, the commission adopted a resolution asking staff to return with information about possible payments that could be requested from new entrants into the VRE project. Staff put together a discussion paper on the pros and cons of entry fees for new jurisdictions joining VRE. She stated that when VRE first began jurisdictions built their own stations and invested in equipment and systemwide costs. There is an issue of equity and fairness as to how to deal with new jurisdictions that want to join VRE. An entry fee could compensate those jurisdictions that originally invested in VRE. Mr. Taube stated that the fee could then be used to invest in such things as more rolling stock to accommodate new passengers resulting from the jurisdiction joining VRE.

Mr. Taube provided an overview of the benefits and drawbacks of initiating an access fee. Drawbacks include the fact that VRE has already admitted jurisdictions without requiring an access fee; it could be considered “bad faith” since initial discussions with interested jurisdictions have not included the concept of entry fees; and it could be a deterrent to joining VRE.

Mr. Connolly observed that this issue is a good example of the complexity of VRE as it pertains to delegating authority discussed in the previous agenda item. He also stated that VRE is already experiencing overcrowding, which can be a good problem to have. It means the system is successful, but NVTC has a responsibility to its citizens to protect their interests. He rejects the “bad faith” argument, because the commissions ultimately decide on the conditions of any agreement.

Ms. Bulova expressed her opinion that each situation is unique with the different interested jurisdictions. Talks with Spotsylvania County have been ongoing over a period of time. It’s not the same for Caroline and Fauquier counties. Mr. Zimmerman agreed that Spotsylvania County’s situation is different, since many Spotsylvania residents already ride VRE. Inviting Caroline and Fauquier counties to join VRE might require extending the line in the future. He stated that there’s a fundamental issue of whether VRE can accommodate more riders given VRE’s constraints. It’s not just space on trains, but also other issues such as track time and storage space. There’s already tremendous growth in ridership just in VRE jurisdictions.

Mr. Fisette suggested that the concept of an entry fee be broached with the jurisdictions interested in joining VRE. He also cautioned staff to be careful of being too open ended in negotiations. Broad criteria should be developed.

Ms. Bulova stated that the VRE Operations Board and PRTC haven’t seen the discussion paper. The Operations Board should discuss this and make recommendations to the commissions for their January, 2006 meetings. Mr. Euille stated that it’s important for the Operations Board to have concrete concepts to present to the commissions for their discussions in January. Mr. Smedberg stated that there should be standards and guidelines with minimum requirements for admission into VRE.

Mr. Zehner stated that each agreement between new jurisdictions is unique in what VRE brings to the jurisdictions and what the jurisdictions bring to VRE. For example, there are benefits to VRE for Spotsylvania County to join VRE.

Mr. Connolly stated that even though new jurisdictions would be asked to pay for new station and parking, entry fees should still be negotiated. Mr. Zimmerman agreed.

Mr. Connolly moved, with a second by Mr. Zimmerman, to forward the discussion paper to the VRE Operations Board and request that the Board return

a recommendation to the commissions between now and the January, 2006 NVTC meeting.

Mr. Connolly stated that with the exception of the discussions with Spotsylvania County (being so far along in the process), all other prospective members should be put on notice that there will be a new framework for entrance that will include fees and items to be negotiated. He stated that VRE should reserve the right to deny acceptance of new jurisdictions given the crowding of the system and capacity limitations which VRE doesn't have control over.

Mr. MacIsaac noted that this issue could change the timeline considerably of when negotiations would be complete and new jurisdictions could join VRE. Ms. Bulova stated that it is important not to convey that VRE doesn't want new jurisdictions to join VRE. It's just that VRE is growing and is successful and it's a matter of adding new members in a logical way and making sure VRE isn't disadvantaging the existing customers. Ms. Hudgins agreed and stated that it is important to maintain the current system and make sure adding new jurisdictions don't cause a decline in service. Mr. Fisette observed that this issue could be sensitive if negotiations are already far along. He suggested elected officials may need to convey the message. Mr. Connolly stated that he already has had informal conversations with Caroline County representatives. Mr. Zehner stated that he has been involved in the discussions with Spotsylvania County and it was made clear that the approving bodies of any agreement are the commissions. He doesn't consider it bad faith until the agreement is signed and sealed.

The commission then voted on the motion and it passed. The vote in favor was cast by commissioners Bulova, Connolly, Euille, Ferguson, Fisette, Gaines, Hudgins, Husick, Kauffman, Reese, Silverthorne, Snyder and Zimmerman. Delegate Ebbin was not present during the vote.

Referral of the Preliminary FY 2007 VRE Operating and Capital Budget to the Jurisdictions. Ms. Bulova explained that Resolution #1085 would authorize VRE staff to forward the preliminary VRE budget to the participating and contributing jurisdictions with a request for comment. Currently the budget reflects a shortfall of revenues of over \$2 million, plus as much as \$5 million additional for resolving VRE's need for new railcars. Mr. Zehner stated that VRE staff will work with local staff and a balanced budget will be available for December featuring some combination of expense reduction and revenue increases. Mr. Zimmerman observed that this is a very preliminary budget.

Mr. Fisette left the room at 9:33 P.M.

Ms. Bulova moved, with a second by Mr. Kauffman, to approve Resolution #1085. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Euille, Ferguson, Gaines, Hudgins, Husick, Kauffman, Reese, Silverthorne, Snyder and Zimmerman.

Closed Session. Mr. Connolly moved, with a second by Mr. Zimmerman, the following motion:

Pursuant to the Virginia Freedom of Information Act (Section 2.2-3711A(1) of the Code of Virginia), the Northern Virginia Transportation Commission authorizes discussion in closed session concerning two personnel matters.

The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Euille, Ferguson, Gaines, Hudgins, Husick, Kauffman, Reese, Silverthorne, Snyder and Zimmerman.

The commission entered into closed session at 9:34 P.M. Mr. Fisetto returned and participated in the closed session. The commission returned to open session at 9:57 P.M.

Ms. Bulova moved, with a second by Mr. Connolly, the following:

The Northern Virginia Transportation Commission certifies that, to the best of each member's knowledge and with no individual member dissenting, at the just concluded closed session:

- 1) Only public business matters lawfully exempted from open meeting requirements under the Freedom of Information Act were discussed; and
- 2) Only such public business matters as were identified in the motion by which the closed session was convened were heard, discussed or considered.

The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Euille, Ferguson, Fisetto, Gaines, Hudgins, Husick, Kauffman, Reese, Silverthorne, Snyder and Zimmerman.

Ms. Bulova moved, with a second by Mr. Kauffman, to approve Resolution #1092 concerning Mr. Zehner's employment compensation. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Euille, Ferguson, Gaines, Hudgins, Husick, Kauffman, Reese, Silverthorne, Snyder and Zimmerman. Mr. Fisetto voted no.

Mr. Snyder moved, with a second by Mr. Fisetto, to adopt the memorandum from NVTC's Executive Committee dated September 1, 2005, concerning the Executive Director's employment compensation. The vote in favor was cast by commissioners Bulova, Connolly, Ebbin, Euille, Ferguson, Fisetto, Gaines, Hudgins, Husick, Kauffman, Reese, Silverthorne, Snyder and Zimmerman.

Northern Virginia 2030 Transportation Plan Update Survey Results

Mr. Connolly stated that the survey results are dramatic and NVTC should focus on how to disseminate the information, especially to legislators. It was a broad based survey and the results were surprising. He stated that there may be some "buyer's remorse" from the public concerning the referendum now that the consequences of the lack of investment are seen. He asked that this agenda item be a priority at next month's meeting and asked staff to provide recommendations on how to disseminate this information. Chairman Ferguson directed staff to include this item as Agenda Item #3 for the October 6th NVTC meeting. Mr. Euille suggested it should be tied to the legislative issues also to be discussed at the next meeting. He also suggested that NVTC hold a press conference after that meeting.

Northern Virginia Legislative Tour

Mr. Taube stated that NVTC, VTA and PRTC, in cooperation with Delegate Joe May, are hosting a tour for members of the Virginia General Assembly on September 12-13, 2005. Commissioners were invited to participate. Mr. Zimmerman stated that this is a good opportunity for legislators from other parts of the state to see firsthand the transportation challenges this region faces on a daily basis. In response to a question from Delegate Ebbin, Shiva Pant of WMATA stated that a similar tour was done a few years ago for the Appropriations Committee.

Other NVTC Business

Chairman Ferguson deferred the rest of the agenda until the October 6, 2005 meeting. There were no objections.

Mr. Snyder stated that with fuel prices continuing to increase, it's important to continue to remind the public that there are other transportation choices.

Chairman Ferguson suggested inviting WMATA's Police Chief Hanson to meet informally with interested commissioners at 7:30 P.M. prior to next month's meeting to discuss security measures at WMATA.

Adjournment

Without objection, Chairman Ferguson adjourned the meeting at 10:07 P.M.

Approved this 3rd day of November, 2005.

Paul Ferguson
Chairman

David F. Snyder
Secretary-Treasurer