

APPENDIX C

NVTC'S POLICIES

NVTc POLICY ON PRESERVING FUTURE RAIL AND HOV OPTIONS

- 1) As soon as possible, VDOT and local jurisdictions should adopt a comprehensive long-range Northern Virginia Transportation Plan that identifies possible corridors and routes for highway, HOV and rail facilities.
- 2) For facilities not addressed in the adopted regional transportation plan, this policy should be applied to the comprehensive plans of local jurisdictions.
- 3) For all corridors, routes or major interchanges identified in the regional or local plans, no design, land acquisition or construction decision should be made by VDOT or local governments without an explicit consideration of the benefits and costs (over the life of the facility) of incorporating provisions for rail and/or HOV access. Specifically, the analysis should evaluate a range of alternatives for incorporating rail and HOV options (including access, stations and parking) compared with building a facility now that does not include such rail and HOV options (which would consequently require expensive retrofitting in the future).
- 4) The studies (e.g. life cycle, benefit/cost or alternatives analyses) should consider rail and HOV separately and in combination.
- 5) The studies should be particularly concerned with benefits and costs of preserving access to the facilities in question (such as ramps, nearby stations and parking) and preventing incompatible land use that may encroach on access. Final land use decisions should be made by each local government.
- 6) The studies should also explicitly consider safety issues (e.g. temporary HOV lanes).
- 7) The studies should not unduly delay the design and construction of transportation facilities.
- 8) The scope of the studies should vary with the cost and complexity of the facility being evaluated. A full alternatives analysis should be conducted for each possible rail corridor, whereas less detailed analyses may suffice for projects requiring less investment.
- 9) The explicit consideration of benefits and costs should include the best available information gleaned from existing studies, or -- where inadequate information exists -- from new analyses.
- 10) Each agency or local government should adopt its own methods for evaluating these matters, but the methods should be adopted explicitly and coordinated through the regional transportation planning process. Thus, in order to encourage regional consistency given the multi-jurisdictional nature of most corridors, the methods and studies of alternatives should be reviewed using the mechanism that is established to review local transportation plans for consistency with the regional plan.

Adopted September 7, 1989

NVTC FARE POLICY

—May 3, 1984—

1. Transit as a public service should be priced to encourage ridership while yielding revenue appropriate to the level of service provided.
2. The cost of transit services should be shared by the user (rider) and the general public. It is desirable to contain costs and improve productivity so that the system's fare-box recovery ratio will steadily improve, without increasing systemwide fares more rapidly than the rate of inflation.
3. A simple, easily understood fare structure is desirable.
4. Fare adjustments should coincide with Metro's annual budget process and preferably remain in effect longer than one year.
5. Three principal determinants should be used to establish fares:
 - o First, the cost of providing the service;
 - o Second, the value of the service to the user, as reflected in the willingness of the user to pay, considering competitive alternatives to transit; and
 - o Third, the value of the service to the nonuser/general public, as reflected in the willingness of local jurisdictions to provide subsidies.
6. An equitable fare structure will assess riders equal charges for trips that have similar cost and value. Thus, fares should be similar for comparable service over equal distances.
7. Peak-period riders should pay higher fares than off-peak riders to offset higher costs associated with peak service.
8. Where discounts are provided, a specific market objective with identifiable benefits should be established, and if the discount reduces net revenues, the increased subsidy should be allocated to jurisdictions according to net benefits.
9. Transit passes should offer multiple-ride discounts, be tailored to specific market segments to encourage new riders (such as weekend group-ride passes), and be aggressively marketed to transit users and employees in order to increase net revenues and reduce subsidy requirements.
10. Public transit should be viewed as an integrated system, with fares and fare media designed to encourage interchanges of passengers between bus and rail and between Metro and locally sponsored transit systems.



Northern Virginia Transportation Commission

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RESOLUTION #357

SUBJECT: Expression of Interest in Study of High-Speed Rail Link Between Washington D.C. and Richmond.

WHEREAS: Senator Moynihan is considering introducing a bill that would call for a study of high-technology, high-speed rail service between Boston and Washington, D.C.;

WHEREAS: Governor Wilder will urge Congress to vote to extend the study to include Richmond;


WHEREAS: The Northern Virginia Transportation Commission is co-sponsoring the Virginia Railway Express, with service to connect Fredericksburg (and probably Spotsylvania County) with Washington D.C.; and

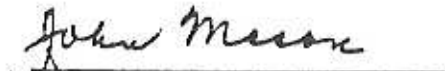
WHEREAS: VRE's sponsors have considered, on a long-term strategic planning basis, means to extend service to Richmond.

NOW, THEREFORE, BE IT RESOLVED that NVTc hereby expresses its strong interest in a federally funded study of high technology, high-speed rail connections between Washington D.C. and Richmond as part of a proposed Boston-Washington D.C. corridor study.

BE IT FURTHER RESOLVED that NVTc would cooperate fully in such a study with an interest in integrating and coordinating local and regional public transit systems with such a high-speed rail system.

Adopted this 7th day of March, 1991.


Ellen M. Bozman
Chairman


John Mason
Secretary-Treasurer



Northern Virginia Transportation Commission

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RESOLUTION #420

- SUBJECT:** Delegation of Authority to the VRE Operations Board.
- WHEREAS:** The Potomac and Rappahannock Transportation Commission (PRTC) and the Northern Virginia Transportation Commission (NVTC), the "Commissions", are jointly engaged in the planning and operation of a commuter rail service known as the Virginia Railway Express (VRE), providing service from the Manassas and Fredericksburg areas to Washington, D.C.; and
- WHEREAS:** Pursuant to Section II.B. of the Master Agreement for the Provision of Commuter Rail Services in Northern Virginia, the Operations Board was established by the Commissions as an advisory group to oversee the management, operation, and control of operational decisions, functions, affairs and property of the commuter rail service on behalf of the Commissions; and
- WHEREAS:** The Commissions have previously recognized a need to examine the current organizational structure and decision making processes related to the commuter rail service, particularly as such affect the day-to-day operation of the service; and
- WHEREAS:** The Operations Board has sought to establish guidelines and identify procedures that would ensure the efficient, economical operation of the service; and
- WHEREAS:** At their October 3, 1991 meetings, the Commissions approved resolutions establishing a Rail Operations Group to carry out day-to-day operating functions; and
- WHEREAS:** The Operations Board has concluded that the interests of the Commissions and the sound operation of the commuter rail service would be served through the delegation to the Operations Board by the Commissions of increased authority in the area of contracts, subject to defined limits established by the Commissions.
- NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission hereby authorizes the Operations Board to proceed with implementation of the plan attached hereto dated November 7, 1991 (or as may subsequently be amended by the Commissions) and incorporated herein delegating certain contractual authority to the Operations Board.

BE IT FURTHER RESOLVED that the VRE Operations Board, in exercising authorities delegated herein, shall fully comply with provisions of the Virginia Procurement Act.

Adopted this 7th day of November, 1991.


Ellen M. Bozman
Chairman

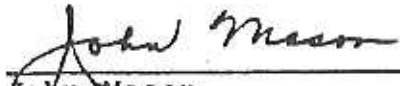

John Mason
Secretary-Treasurer

EXHIBIT III

PLAN OF DELEGATION OF CONTRACTUAL AUTHORITY TO
THE VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD

The VRE Operations Board is hereby authorized to solicit, award and execute contracts in the name of and on behalf of the Commissions subject to the following limitations:

- A. The Operations Board may solicit and contract only for those items for which funds have been budgeted and appropriated by the Commissions in the then current annual VRE budget.
- B. The Operations Board may approve transfers within cost centers of the annual budget which do not result in a net increase in the amount of funds allocated to any one of the budget cost center categories specifically notated in annual budgets adopted by the Commissions. Any such increases must be approved by the Commissions. No transfers can be made between cost centers without the consent of the Commissions.
- C. The Operations Board may solicit and contract only for those operating items the total cost of which, including all contingencies, options and modifications, does not exceed \$100,000.
- D. The Operations Board may further delegate authority to solicit and contract in the name of and on behalf of the Commissions to the Director of Rail Operations (formerly Rail Manager) subject to a maximum cost per item of \$15,000.00
- E. The Operations Board authority delegated hereunder shall not include the authority to acquire or dispose of, including to pledge, assign or mortgage, any interest in real property of the Commissions.
- F. The Operations Board shall have no authority to assert or to approve or reject claims by or against the Commissions.
- G. The Operations Board shall fully comply with the Virginia Procurement Act.
- H. The Operations Board authority delegated hereunder shall extend solely to operation of the commuter rail service; all authority not expressly delegated hereby is reserved by the Commissions and no authority delegated is irrevocable.

Dated: November 7, 1991

Attest:


Chairman-VRTC

Attest:


Chairman-PRTC



Northern Virginia Transportation Commission

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RESOLUTION #514

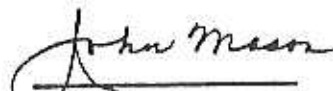
SUBJECT: NVTC Public Participation Policy

WHEREAS: NVTC desires to establish a policy for public participation that provides an appropriate balance between an informed public and costs to taxpayers.

NOW THEREFORE BE IT RESOLVED that NVTC hereby adopts the following elements as its public participation policy:

- 1) Invite all interested groups and individuals to learn about NVTC's mission and role by requesting NVTC agendas and/or minutes. To encourage this, NVTC will publish an invitation in area newspapers, together with the Commission's annual meeting schedule.
- 2) Co-sponsor WMATA public hearings on fares and route changes in Northern Virginia.
- 3) Sponsor VRE public hearings (with PRTC) following procedures to be recommended by the VRE Operations Board and adopted by the Commission.
- 4) Conduct required public hearings on federal grant applications.
- 5) Convene an annual public work session to review NVTC's proposed annual work plan and receive public comment.

Adopted this 7th day of January, 1993.


John Mason
Chairman


Robert E. Harris
Secretary-Treasurer



Northern Virginia Transportation Commission

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NVTC Motion Adopted June 9, 1994

Whereas, a change in HOV policy for I-66 affects many communities and their citizens;

Whereas, the potential effects include the manner in which testing regional transportation plans for air quality conformity is carried out; the amount of traffic on other principal arterials; motorists' travel patterns; revenues and ridership for Metro; the budgets of individual jurisdictions; and future means of determining changes in transportation policies;

Whereas, all jurisdictions are protected by a policy-making process in which issues can be studied, discussed, and resolved with full opportunity for involvement by all interested parties, both public and private;

Whereas, such a process is fundamental to the spirit of the Intermodal Surface Transportation Efficiency Act of 1991 and the Clean Air Amendments Act of 1990;

Whereas, such a process to determine changes to HOV on I-66 has been in place in this region for many years through the Coleman Agreement;

Now, therefore, be it resolved that the Northern Virginia Transportation Commission affirms its support for the Coleman Agreement's approach to any major decisions affecting the implementation of HOV policies on I-66.

Moved: Whipple
Seconded: Damer
Aye: Ticer, Whipple, Bozman, Bulova, Damer, Eisenberg, Gartlan, Jackson,
Mason, Thomas
Nay: Berger, Bevon
Abstain: Hanley

I certify that this is a true and correct copy of the motion adopted by the Northern Virginia Transportation Commission.

A handwritten signature in cursive script that reads "Richard K. Taube".
Richard K. Taube
Executive Director

NVTC

Northern Virginia Transportation Commission

RESOLUTION #1065

SUBJECT: Allocation of Northern Virginia Motor Fuel Sales Tax Revenue and State Aid for Mass Transit Beginning in Fiscal Year 2005.

WHEREAS: The Northern Virginia Transportation Commission is the recipient of revenues from the two percent motor fuel sales tax, which is available for operating and capital expenses, including debt service, of the Washington Metropolitan Area Transit Authority;

WHEREAS: The Northern Virginia Transportation Commission is the recipient of state aid for mass transit which is appropriated to pay up to 95 percent of the transit administrative expenses incurred by NVTC and its member jurisdictions (including WMATA and VRE); up to 95 percent of non-federal capital outlays; up to 95 percent of costs for fuels, lubricants, tires and maintenance parts; and up to 95 percent of payments of WMATA revenue bond debt service;

WHEREAS: NVTC desires to allocate funds to its member jurisdictions, pay transit subsidy bills at the direction of member jurisdictions and hold funds in trust while making investments on behalf of the jurisdictions;

WHEREAS: NVTC desires to use an allocation formula that is fair, responsive to change and has a sound policy basis; and

WHEREAS: NVTC desires to update Resolution #971 (June 5, 2003) to specify a source of funds for a continuing regional project to update electronic transit schedules.

NOW, THEREFORE BE IT RESOLVED for fiscal years 2003 and beyond:

1. In recognition of the severe constraints in transit program funding, the members of the commission agree to proactively support the development of new and expanded sources of funding to meet the needs of Northern Virginia.
2. NVTC's members pledge to continue to use any gains resulting from the approach defined herein to support public transit that will reduce congestion in this region and improve mobility and access opportunities.



3. The allocation formula and accompanying conditions specified below shall remain in effect during FY 2003 and beyond and be used by NVTC to allocate revenues received by NVTC on behalf of its member jurisdictions, with the exceptions noted in Sections 4 through 6 below.
4. Except as noted in Section 5, motor fuel tax revenues received by NVTC for Loudoun County are not subject to the following allocation provisions, but are subject to the trust obligations in Sections 16 and 17 below.
5. The maximum available funds from state aid are to be used (before being allocated to local jurisdictions) to pay up to 95 percent of the NVTC administrative costs; up to 95 percent of the Northern Virginia share of WMATA revenue bond debt service, before those debt service obligations are allocated to the jurisdictions; to pay the eligible costs agreed upon by the jurisdictions of assisting local bus systems in filing annual National Transit Database reports; and to pay the eligible costs agreed upon by the jurisdictions of updating electronic transit schedules. To the extent that additional funds are required for these purposes, motor fuel taxes (before being allocated to local jurisdictions) will be used. The executive director is hereby authorized to transmit the appropriate payments to WMATA or other parties on or before the dates upon which such payments are due. Loudoun County's percentage share of the cost of updating electronic transit schedules is the same as the county's percentage share of NVTC's annual administrative budget. The agreed upon amount for electronic schedules will be withheld each year from the county's motor fuel tax proceeds received by the commission.
6. If, at local option, federal Congestion Mitigation and Air Quality or Regional Surface Transportation Program or other federal or state program monies are provided to a local jurisdiction for a local project through NVTC using NVTC's state aid contract or some other mechanism, those proceeds will not be allocated by formula but instead will be provided directly to the local jurisdiction or held in trust for the jurisdiction. The local subsidies for such eligible transit projects would still be incorporated into NVTC's formula for purposes of determining the jurisdiction's share of NVTC total aid.
7. Remaining motor fuels taxes (net of any portion used for WMATA debt service) will be allocated based on the jurisdictions in which the tax was collected (point of sale), using annual data for the most recent available fiscal year.
8. To the extent motor fuel tax revenues, using the point of sale method defined in Section 7 above, that are provided to the cities of Fairfax and Falls Church exceed NVTC aid that would be provided

using NVTC's previous formula (Resolution #689), and to the extent those cities also benefit from changes defined in Section 9 below compared to Resolution #730, those cities will apply the additional aid to their assigned Metrobus subsidies. Also, if new revenues become available to NVTC such that the NVTC aid to those cities exceeds the amounts that would have been available from previous sources, the cities will apply the increment to pay their assigned Metrobus subsidies. If for any year increased shares of motor fuel taxes and of any new revenues are anticipated not to be sufficient to cover their full assigned Metrobus subsidies, NVTC will continue to use gas tax taken off the top for Falls Church and the hold harmless mechanism defined in Section 14 below for the city of Fairfax. For FY 2000 Falls Church agreed to pay at least \$275,625 of its Metrobus subsidy from existing revenues and to increase that minimum by five percent annually in each subsequent year. This section supersedes the obligations of NVTC to the city of Falls Church defined in Resolution #689 (January 2, 1997) and in Resolution #730 (February 5, 1998) and is identical to the obligations defined in Resolution #756 (November 5, 1998) and Resolution #971 (June 5, 2003).

9. The executive director shall allocate all remaining state aid to mass transit using the shares of WMATA and local transit subsidies estimated to be paid by NVTC's local governments in adopted budgets for each year, and shall hold the funds in trust while making investments on behalf of the jurisdictions, pending written instructions to make payments for eligible transit expenses. However, only 20 percent of eligible local transit capital projects will be included in this allocation through a five-year rolling average each year.
10. NVTC will use the best available data from adopted budgets for its formula allocation each year.
11. To be included as an eligible subsidy in NVTC's allocation formula, local transit operations (including transit services for mobility-impaired and other persons) must be available to the general public.
12. The only eligible expenses in NVTC's formula for the Virginia Railway Express commuter rail program are those capital costs of parking lots not otherwise reimbursed from state or federal grants.
13. Subsidies for locally sponsored park-and-ride facilities located at Metrorail stations or served by transit vehicles are eligible for inclusion in NVTC's formula, but only at such time as funds for construction of the lots have been appropriated by the government. Any locally incurred capital costs of such a facility will be included in

NVTC's formula at the rate of one-fifth of the total capital cost, or if debt financed, then actual annual debt service will be included.

14. To the extent possible, each NVTC jurisdiction will be held harmless against increases in net local burden due to the effects of applying the approach defined in Section 9 compared to the net local burden resulting from the hypothetical use of the formula defined in Resolution #730.

\$1.3 million of new state aid from FY 1999 will be used to help hold harmless jurisdictions experiencing such increased net local burdens. Also, any growth in state aid in FY 2000 of up to one percent will be used to hold harmless, up to two percent in FY 2001 and up to three percent in FY 2002, totaling six percent over those three years. Any growth in state aid above those amounts used to hold harmless will be allocated using the method described above in Section 9. For FY 2003 and beyond, growth in state aid compared to FY 1999 can continue to be used to hold harmless these jurisdictions, but the absolute amount of state aid used to do so can never exceed the amount actually used in FY 2002.

These funds will not be used to hold harmless jurisdictions against any increases in net local burden due to the point of sale allocation methods described in Section 7 above.

If these funds prove to be too small to hold harmless all jurisdictions, the cities of Fairfax and Falls Church will first be fully compensated and the remaining funds applied proportionately among the remaining jurisdictions.

15. NVTC's policy for allocating state bond proceeds for WMATA received by NVTC on behalf of its member jurisdictions is to use the formula shares in effect in the fiscal year in which the funds are received, determined using the methods defined in Section 9 above.
16. The funds allocated to the member jurisdictions shall be held in trust by NVTC (hereinafter "Trustee") for the benefit of the member jurisdictions. The Trustee may combine the funds allocated to each member jurisdiction for investment purposes. The Trustee shall keep records of the exact amount held by each member jurisdiction in the trust. The Trustee shall invest such funds prudently to earn the greatest return consistent with requirements of safety and liquidity.

The Trustee will encourage bids for investment funds from financial institutions approved by the Virginia Treasury Board, or otherwise eligible under state statutes, and require adequate collateral which, in the case of bidders not approved by the Treasury Board, shall

consist of U.S. Government or Agency securities of at least 100 percent of the value of trust funds, to be held for the trust by a third-party institution, with proper verification provided to the Trustee. To provide a greater investment return, and consistent with state statutes, the Trustee may seek bids for purchase or repurchase of Certificates of Deposit, U. S. Treasury Bills, Government National Mortgage Association debt, other Federal Agency securities, top grade commercial paper rated by Moody's and Standard and Poor's and bankers acceptances rated by Keith Bank Watch service.

The Trustee will evaluate bids in terms of return and safety and, depending on market conditions, award the investment funds to the bidder(s) with the best prospects of a substantial and safe yield, recognizing that funds also may be kept on deposit at the Local Government Investment Pool or other money market accounts.

Any funds, allocated to the member jurisdictions, which are held in trust by the Trustee for the benefit of the member jurisdictions shall be granted irrevocably for the benefit of the member jurisdictions. NVTC reserves no power, other than these powers granted to it in its position as Trustee of the trust, to invest, spend or otherwise use the funds held in trust. NVTC reserves the right to amend the allocation resolution which determines the funds which will be allocated to each member jurisdiction in the future. Funds held in the trust may only be disbursed by the Trustee when it receives a request in writing for payment from those funds by a member jurisdiction in whose name the funds are held. Member jurisdictions may only request disbursement from the trust for purposes which are in accordance with applicable federal and state regulations regarding such funds.

If at any time the size of any trust under this resolution is so small that, in the opinion of the Trustee, the trust is uneconomical to administer, the Trustee may terminate the trust and distribute the assets among the member jurisdictions. The Trustee shall distribute the remaining funds held on behalf of each member jurisdiction to that member jurisdiction.

17. The NVTC executive director is hereby instructed to implement these policies, and to obtain the written approval of the NVTC Secretary-Treasurer for any and all investments of the funds held in trust for the benefit of the member jurisdictions.

Adopted this 3rd day of February, 2005.

David F. Snyder
Secretary-Treasurer

Paul Ferguson
Chairman



**SUMMARY OF THE RESOLUTION #756 AGREEMENT FOR
A NEW NVTC ALLOCATION FORMULA FOR FY 2000**

1. Six Northern Virginia jurisdictions are members of the Northern Virginia Transportation Commission. Five (including Arlington and Fairfax counties and the cities of Alexandria, Fairfax and Falls Church) receive state aid for public transit and gas tax revenues through NVTC which they share using an allocation formula. These shared funds total approximately \$80 to \$100 million annually. Loudoun County is also a member of NVTC but does not participate in the commission's allocation formula.
2. In February, 1998 the commission voted unanimously to change its allocation formula primarily to accomplish a change in the method used to share the proceeds of NVTC's two percent motor fuels tax (totaling about \$12 million annually). The new method provides a transition to point of sale distribution, which means that each jurisdiction will receive the proceeds of the gas taxes collected in that jurisdiction. No change in state statutes was necessary to accomplish this change.
3. In November, 1998 NVTC again voted unanimously to change its allocation formula by approving Resolution #756. This resolution incorporated several changes in the way the commission shares state aid received to support WMATA and local public transit. The new formula uses relative WMATA-allocated subsidies and relative shares of local transit subsidies to determine each local government's share of state aid. This provides a simpler formula approach that reflects WMATA's policies and is responsive to changing trends. Other changes included:
 - Paying 95 percent of WMATA's annual debt service expenses allocated to Northern Virginia jurisdictions (\$7.4 million) off the top of state aid before that aid is allocated to the jurisdictions.
 - Requiring Falls Church and the city of Fairfax to pay agreed to proportions of their Metrobus subsidies.



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4. To achieve this agreement, NVTC jurisdictions agreed to several hold harmless provisions that protect all jurisdictions against losses of state aid as a result of the changes to the formula.
5. Other formula conditions agreed to unanimously include cooperation to seek new and expended sources of funding for public transit and using any gains in state aid as a result of the formula changes to support public transit.
6. Unlike the formula changes agreed to in February, 1998, the changes enacted by NVTC in November, 1998 require state legislation, since the previous NVTC formula for distributing state aid for WMATA was part of the Virginia Code at Section 58.1-638.A.5. All NVTC members pledged their support of legislation that would accomplish the necessary changes.
7. Successful legislation to achieve these desired changes would make it unnecessary for any of NVTC's local governments to pursue changes to NVTC's membership and/or voting structure.

NVTC Formula Allocation Chronology (FY 1975-2005)

FY 1975

- Received \$1.5 million of federal Section 5 operating assistance funds allocated to jurisdictions in proportion to their WMATA bus operating subsidies (which were allocated by WMATA based on bus-miles) (Resolution #131). Other alternatives initially considered included combinations of bus-miles and population/population density. Allocated state capital funds (at least \$3.5 million annually) in proportion to WMATA capital billings (e.g. Metro construction in proportion to the first interim capital contributions agreement).

FY 1978

- Received \$4.0 million of federal Section 5 operating assistance funds allocated to jurisdictions in proportion to their combined Metrobus and Metrorail operating subsidies (Resolution #157).

FY 1979

- Endorsed allocation of fixed Metrobus costs to Virginia based on FY 1975 peak bus requirements, but continued to allocate those costs within Virginia in proportion to the jurisdictions' shares of variable bus costs. Directed staff to prepare "alternatives to the fixed cost allocation" (Resolution #163).

FY 1981

- Received \$8.7 million of regional two percent motor fuels tax revenues eligible for WMATA debt service and operating subsidies, with proceeds taken "off-the-top" for debt service and—using FY 1982 gas tax proceeds—to cover past due Metrobus and Metrorail subsidies of the city of Fairfax. A portion of federal operating assistance is taken off-the-top to pay the FY 1982 Metrorail operating subsidy of the city of Fairfax. All remaining gas tax and federal operating funds are to be allocated to NVTC's jurisdictions in proportion to combined Metrobus and Metrorail operating subsidies (Resolution #182).

FY 1983

- Pay off-the-top using aid (\$20.6 million) half of NVTC's administrative costs, WMATA debt service, Metrobus capital one-tenth amortizing adjustment. With federal operating assistance (\$4.8 million) pay off-the-top to WMATA the city of Fairfax's Metrorail operating subsidy. Allocate all remaining federal operating assistance, regional fuel taxes, and a portion of state aid equal to half of Virginia's WMATA administrative costs to the five jurisdictions in proportion to shares of WMATA combined bus and rail operating subsidies and WMATA construction management costs. Allocate all remaining state aid to the five jurisdictions in proportion to shares of combined bus and rail capital costs of WMATA (Resolution #200). Other alternatives considered included shares of operating costs or subsidies and population density.

FY 1984

- Same as FY 1983 except after covering off-the-top payments, allocate all remaining federal operating assistance, motor fuel sales tax revenues and state aid in proportion to the average of: A) shares of combined bus and rail operating subsidies, construction management costs and bus and rail capital costs of WMATA and operating subsidies and 20 percent of capital outlays for local bus systems; and B) shares of combined bus and rail operating costs, construction management costs, bus and rail capital costs of WMATA and the operating costs and 20 percent of capital outlays for local bus systems (excluding city of Fairfax operating/capital costs and subsidies). The remaining 80 percent of local bus capital outlays would be included in subsequent years at a rate of 20 percent each year for four years (Resolution #205). This was a compromise reached after extensive debate and involved accepting two alternatives and dividing by two. A motion to reconsider and "spread it on the minutes" for the next meeting was made. At the next meeting, several votes eventually reconfirmed Resolution #205.

FY 1985-87

- Pay off-the-top with state aid half of NVTC administrative costs, WMATA debt service, Metrobus capital one-tenth amortizing adjustment and \$100,000 as a contingency to defray unanticipated overruns in Metro costs of the city of Fairfax (the city had agreed to begin paying Metrorail and Metrobus operating subsidies). Allocate all remaining federal, state and regional funds in proportion to three-quarters A) combined WMATA bus and rail operating subsidies, construction management costs and bus and rail capital costs and the operating subsidies and 20 percent of capital outlays for local bus systems and one-quarter B) [Same as A) but substitute costs for subsidies] (Resolution #224). Again, lengthy and heated debate occurred, with

proposed alternatives including distribution of gas tax based on point of sale and allocations based totally of relative subsidies. As part of the motion that was adopted, the commission agreed to seek a legislative change to base local shares of NVTC's administrative budget on shares of NVTC aid (versus shares of population). Also, Fairfax County agreed to withdraw its lawsuit against the city of Falls Church regarding shares of payment for a new county courthouse.

FY 1988

- Add costs of W-3 bus service in D.C. to off-the-top allocations. Commuter rail expenses excluded from the formula given other direct sources of state aid. Include park-and-ride lot costs serving Metrorail, either debt service or one-fifth of cost, after deducting project revenues. Provisions for possible advance funding of the Franconia/Springfield Metrorail station (Resolution #258).

FY 1989-91

- Delete provisions for \$100,000 contingency for guaranteeing city of Fairfax's Metro subsidy agreements. Allow capital costs of VRE parking lots into the formula if not covered by state or federal grants. Broaden Metro park-and-ride lots allowed to include those served by "transit vehicles." Add hold harmless provisions capping maximum reduction in percentage share of NVTC aid in any one year at 10 percent for Alexandria, Arlington and Fairfax County and at 20 percent for the cities of Falls Church and Fairfax. Add extensive definition of NVTC's trust responsibilities and investment policy (for protection of assets due to pending start of VRE service) (Resolution #284).

FY 1995

- Allow NVTC to pass CMAQ or RSTP grants through to local recipients at their option without applying NVTC's allocation formula. Define formula for allocation of state bond proceeds received by NVTC to be NVTC's formula in effect in the year in which the funds are received (Resolution #587).

FY 1996

- Create a process to develop formula alternatives by December, 1995 that are in accordance with the commission's objectives and policies stated in its June, 1994 strategic bus process. Reserve \$1.8 million of gas tax revenues to be allocated as part of consideration of alternative formulas.

FY 1997

- Use approximately \$500,000 of the reserve fund each year for two years to pay the balance of the Metrobus subsidy of Falls Church to preserve service while the region works on a long-term solution.

FY 1999

- Begin allocating gas tax revenues according to point of sale, phased in over three years. Agree to work together to resolve additional issues pertaining to allocation of state aid and NVTC membership. Cities of Fairfax and Falls Church agree to pay full assigned Metrobus subsidies. Also agree to seek changes in the Virginia Code to base NVTC's formula on WMATA's formulas so that jurisdictions receive state aid from NVTC according to their relative WMATA and local transit subsidies. NVTC will pay debt service using 95 percent state aid. Jurisdictions will be held harmless up to a specified level using growth in state aid (Resolution #756).

FY 2000

- Following action by the 1999 General Assembly, implement Resolution #756.

FY 2001

- Point of sale gas tax fully implemented.

FY 2004

- Allow funds to be taken off the top of NVTC's revenues for assisting Northern Virginia transit systems in complying with federal reporting requirements for the National Transit Database (Resolution #971).