

MINUTES
NVTC COMMISSION MEETING – OCTOBER 7, 2004
NVTC CONFERENCE ROOM - ARLINGTON, VIRGINIA

The meeting of the Northern Virginia Transportation Commission was called to order by Chairman Euille at 8:09 P.M.

Members Present

David Albo
Sharon Bulova
Gerald Connolly
Jeannemarie Devolites Davis
Adam Ebbin
William D. Euille
Paul Ferguson
Ludwig Gaines
Catherine M. Hudgins
Karen Rae (DRPT)
Gary A. Reese
Scott Silverthorne
Mick Staton
Mary Margaret Whipple

Members Absent

Jay Fisette
Timothy Hugo
Dana Kauffman
Elaine McConnell
David F. Snyder
Christopher Zimmerman

Staff Present

Rhonda Gilchrest
Jana Lynott
Scott Kalkwarf
Adam McGavock
Kala Quintana
Jennifer Straub (VRE)
Richard K. Taube
Dale Zehner (VRE)

Minutes of NVTC's Meeting of September 2, 2004

Without objection, the commission unanimously agreed to accept the minutes of September 2, 2004.

RFP for Consulting Assistance for NVTC's Senior Mobility Study

Mr. Taube explained that the commission is asked to authorize staff to issue a RFP for consulting assistance for survey and focus group research as well as for analysis of trends, costs and recommendations. State grant funds will cover 95 percent of the cost. A technical advisory panel, consisting of members from NVTC's jurisdictions and state and regional agencies, has reviewed the scope of work. Staff expects to return to the commission for award of a contract at the December 2, 2004 meeting.

Senator Whipple observed that the majority of seniors age 65 – 75 are still considerably mobile, while transportation issues are more intense for older seniors (75 years and up). She suggested that more resources be devoted to studying mobility for the 75+ age bracket. Mr. Taube stated that the technical committee also made this recommendation and this will be included in the focus of the study.

Mr. Staton stated that improved technology, such as the Internet, may be meeting some seniors' needs at home, thus reducing their travel needs. Jana Lynott stated that the scope of work is still being defined and staff will pass along commissioner's comments to the technical committee.

Mrs. Bulova arrived at 8:12 P.M.

Senator Whipple stated that she has found that many elderly people do not take taxis because they think it is too costly. She asked that the study look at educating seniors on the actual cost of using taxi service versus the cost of owning, maintaining and insuring an automobile. Mr. Ferguson also observed that some people are unaware that many of the localities subsidize transit for seniors.

Senator Whipple moved, with a second by Mr. Staton, to authorize staff to issue a RFP for consulting assistance for NVTC's Senior Mobility Study. The vote in favor was unanimous.

Mr. Ebbin arrived at 8:14 P.M. and commissioners Hudgins and Connolly arrived at 8:15 P.M.

Blue Ribbon Panel on Metro Funding

Mr. Taube reported that the Metropolitan Washington Council of Governments (MWCOCG) has formed a Blue Ribbon Panel along with the Federal City Council and Greater Washington Board of Trade. The first meeting was held on October 7th and the panel hopes to have a recommendation by December, 2004. In response to a question from Mrs. Whipple, Mr. Taube listed the members of the panel, chaired by Rudolph Penner from the Urban Institute.

Mr. Taube stated that NVTC received a letter from Ed Tennyson about the urgency of adequate WMATA funding. Mr. Tennyson pointed out an important benefit of Metro is that property tax rates have dropped considerably as Metrorail achieved success in Virginia.

Mrs. Whipple asked if WMATA has seriously looked into a letter of credit or equipment trust certificates as Mr. Tennyson suggested to fund the local share of the new railcars on option. Chairman Euille responded that it is all part of the Metro Matters funding, which has been agreed to by the jurisdictions, except Fairfax County and the District. Fairfax County is expected to act soon. The WMATA Board will formally adopt the Metro Matters funding initiative on October 21, 2004. WMATA staff member Shiva Pant stated that the WMATA Board has already authorized initiation of a letter of credit.

Virginia Constitutional Limits on Section 9(c) Revenue Bonds

Mr. Taube explained that staff was asked at the last meeting to examine the 9(c) debt limit. Article X, Section 9(c) of the Virginia Constitution describes debt for certain revenue producing projects. The General Assembly may, with a two-thirds vote, authorize debt secured by a pledge of net revenues derived from rates, fees or other charges (which must be expected to cover debt service) and by the full faith and credit of the commonwealth. Given the need for both project revenues and the full faith and credit of the commonwealth, these are known as "double-barrel" debt. The debt shall not be included in determining the commonwealth's limitation on general obligation debt for capital projects.

Mr. Taube stated that based on this research, NVTC staff has concluded that Section 9(c) debt is restricted to revenue-producing projects and is currently being used for certain higher education facilities, although 9(c) debt was issued to finance several transportation projects, such as the Dulles Toll Road, the Powhite Parkway and the Coleman Bridge. The 9(c) debt limit is unlikely to limit the amount of such debt since \$10 billion of unused capacity exists. The more significant hurdle to the use of 9(c) debt is that the financed projects must be expected to be self-supporting, and this effectively limits the use of 9(c) debt to funding toll facilities.

Mr. Taube stated that the 9(c) debt limit is only one of the facts considered in the commonwealth's policies and planning with regard to the maximum level of 9(c) debt. In order to maintain its coveted AAA bond rating, the commonwealth employs a debt capacity model. That conservative model uses a maximum target of no more than five percent of state revenues for tax-supported debt service over a 10-year horizon.

Today, most debt issued for transportation projects is 9(d) debt, which does not require a revenue source nor receive the full faith and credit of the commonwealth. Examples include subject-to-appropriation debt for Routes 28 and 58, FRANS, and the Metro Capital Improvement Bonds backed by recordation and telecommunication fees and received by NVTC. Much of this debt is ultimately secured by a subject-to-appropriation pledge of the Transportation Trust Fund.

Mr. Reese stated that at the present time the commonwealth has a plethora of HOT lanes projects throughout the state. He stated that he is not a fan of private HOT lanes because he believes that transportation is a core duty of government. Also, if private enterprises can come in and make money off of HOT lanes, then the proceeds won't be reinvested back into transportation. The commonwealth wouldn't be getting anything for the right-of-way and yet VDOT would be called upon to maintain the roads. He stated that the better thing to do would be to use 9(c) bonds to fund the projects. It is also important to de-couple the \$1.15 times annual revenues limit and to take a closer look at removing the debt capacity model restrictions. He asked that discussion of this issue continue with staff and bond counsel if counsel is willing to volunteer his or her time.

Delegate Albo arrived at 8:26 P.M.

Mr. Connolly stated his view on how to frame the issue. The state can't have it both ways. The state can't not use its resources for transportation but then condemn private firms using PPTA's for proposing to do it privately. He can't support the proposition that it is only a function of government and that the private sector shouldn't do it. Fairfax County has already supported the HOT lanes proposal, given the alternative of no new capacity on the Beltway. Ideally, the state needs to step up and take responsibility and make these important investments in transportation. Nonetheless, he isn't against examining and exploring Mr. Reese's proposal and it may be something NVTC wants to address in its Legislative Agenda. Chairman Euille agreed and stated that Alexandria is on record supporting HOT lanes, but he would not be opposed to fact finding, information gathering and discussion.

Presentation on the Dulles Corridor Metrorail Extension

Ms. Rae introduced Sam Carnaggio, DRPT's new project manager for the Dulles Corridor Metrorail extension. Mr. Carnaggio gave a brief overview of the project, which will be built in two phases.

Mr. Carnaggio reported that the project is off to a good start. Preliminary engineering will begin in two weeks. Approximately \$1.5 million has been budgeted for Phase 1. The Environmental Impact Statement (EIS) has already been submitted and FTA is reviewing it. FAA also has to approve it. Ms. Rae stated that quarterly progress reports prepared for CTB will be provided to NVTC.

Mr. Connolly asked if the preliminary engineering schedule could be done faster. Mr. Carnaggio replied that the preliminary engineering should be completed in 12 months, which is six months ahead of the original schedule. Ms. Rae stated that by October 2006 the full funding agreement should be completed, although there are two big unknowns, the federal reauthorization bill and the federal grant approval process.

Mr. Carnaggio stated that this project has political, business and community support. Although there are people with concerns, he hasn't seen any organized opposition to the project. Mr. Connolly stated that this could change. He did observe that in Fairfax County there is a great deal of support for the project. Ms. Hudgins stated that public support is very helpful for the ultimate success of the project.

Mr. Connolly stated that it would be helpful to have a summary of work already done, including the process and what was determined. He finds it amazing that recent newspaper editorials have questioned why buses weren't looked at as a solution, when in fact they were. It may be worth it for the project manager and DRPT staff to visit the editorial staff and provide them with correct information.

Closed Session

Mr. Ferguson moved, with a second by Ms. Bulova, the following motion to enter into closed session:

Pursuant to the Virginia Freedom of Information Act (Section 2.2-3711A.1 of the Code of Virginia), the Northern Virginia Transportation Commission authorizes a closed session concerning a personnel matter relating to the annual performance review of the executive director.

The vote in favor was cast by commissioners Albo, Bulova, Connolly, Ebbin, Eulle, Ferguson, Gaines, Hudgins, Rae, Reese, Silverthorne, Staton and Whipple.

The commission went into closed session at 8:50 P.M. and returned to open session at 9:05 P.M. Jeannemarie Devolites Davis joined the meeting at that time.

Mr. Connolly moved, with a second by Mr. Ferguson, to approve the following certification:

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 Albo, Bulova, Connolly, Ebbin, Euille, Ferguson, Gaines, Hudgins, Rae, Reese, Silverthorne, Staton and Whipple.

Oath of Office for New Commissioner

Chairman Euille introduced Senator Jeannemarie Devolites Davis, who has been appointed to NVTC to replace Senator Mims. He administered the oath of office to Senator Devolites Davis. Commissioners welcomed her to NVTC.

Status of Federal SmarTrip Grant

Adam McGavock reported that NVTC received a telephone call from FTA staff concerning NVTC's grant that was abruptly cancelled. Staff provided FTA with additional information and will wait to hear a response from FTA.

Mr. Ferguson left the meeting at 9:08 P.M. and did not return.

NVTC Tech Talk – A Quick Primer on Smart Cards

Mr. McGavock reported that the installation of SmarTrip fareboxes on Metrobuses is complete but NVTC's farebox order is delayed pending completion of NextFare IV software by Cubic and testing at MTA in Maryland. The earliest current estimate for installations in Northern Virginia is August, 2005.

Mr. McGavock reported that smart cards are evolving rapidly along two different paths: limited use or disposable smart cards and full-featured smart cards. A limited use disposable smart card is just like a normal smart card in that it contains a chip and an antenna, but the card is made from paper stock rather

than hard plastic. Transit systems see the disposable smart card technology as a potential alternative to paper or mag stripe tickets, but most see the cost as prohibitive. Full-featured smart cards have a processor chip, which performs calculations using the data stored on the memory chip. In fact, the next generation of full-featured smart cards will have roughly the same processing power as a first generation Intel Pentium chip.

Transit Customer Communications Compendium

Mr. Taube reported that staff put together a compendium of methods and tools of communication with transit customers used by our local transit systems, including VRE.

Ms. Hudgins left the meeting at 9:16 P.M.

Legislative Items

Mr. Taube reported that on September 30th President Bush signed into law a Continuing Resolution that funds federal government programs, including the federal transit program, at fiscal year 2004 levels through November 20, 2004. TEA-21 was also extended for eight months through May 31, 2005.

WMATA Items

Sources of Funds for Metro Matters Obligations. At its last meeting, the commission asked staff to provide a chart showing sources of revenues to be used by each jurisdiction to meet their Metro Matters obligations. Commissioners were provided with a copy of this chart. Chairman Euille announced that the WMATA Board will formally adopt the local funding agreements for Metro Matters at its October 21st meeting. Mr. Connolly stated that Fairfax County has a bond referendum for the November 2nd election that will provide the county's share of Metro Matter funding.

FY 2004 Ridership Records. WMATA has reported a record breaking year for Metrorail ridership, reaching almost 190 million trips, with seven of the top 20 ridership days in history occurring in that year. Metrorail, Metrobus and Metro Access carried 337 million riders, almost four million more than the previous year, even though Metrobus ridership declined by about one percent primarily due to bad weather.

FY 2006 Budget Guidance. The WMATA Board has authorized budget guidance that reflects an initial shortfall of operating funds of \$41.7 million and suggests local subsidy increases of up to 10.4 percent with no fare increases. Similar increases are anticipated for FY 2007.

Regional Transportation Items

Virginia State Rail Plan. Mr. Taube reported that as part of the ongoing VTrans 2025 statewide multimodal plan, DRPT has completed a state rail plan. Cambridge Systematics, Inc. prepared the plan under contract with DRPT. The plan includes baseline data on system conditions and needs along with policy choices. Staff prepared a draft letter commenting about the plan.

Mr. Connolly moved, with a second by Mrs. Whipple, to authorize NVTC's chairman to send the letter to DRPT. The vote in favor was cast by commissioners Albo, Bulova, Connolly, Devolites Davis, Ebbin, Euille, Gaines, Rae, Reese, Silverthorne, Staton and Whipple.

2004 Urban Mobility Report. The 2004 Urban Mobility Report was prepared by the Texas Transportation Institute and provides an easily understood analysis of congestion and mobility issues nationwide. According to the report, congestion is worsening across the nation due to a lack of transportation funding, poor land-use planning, and ineffective highway management.

NVTC Financial Reports for August, 2004

Senator Whipple asked staff to consider revising estimates of how much revenue would result from a two percent increase of the gas tax, given the high gasoline costs this past year.

VRE Items

Report form the VRE Operations Board. Ms. Bulova urged commissioners to read the minutes of the September 17th Operations Board meeting.

Report on Railcar Procurement Strategy. Mr. Zehner gave a brief overview of VRE's procurement strategy, which includes an Up, Out and Add approach. "Up" is replacing all single level railcars with bi-level railcars, which will add additional capacity. Next VRE must go "out" by lengthening trains in existing schedules as soon as possible. VRE will "add" trains in the future, as MOU projects are completed. DRPT has been instrumental in helping get these projects completed. Ms. Bulova congratulated Ms. Rae and her staff for ironing out the problems with CSX using \$65.7 million for rail corridor improvements in the Washington-Richmond Corridor. Ms. Rae stated that she will provide the commission with a copy of a letter received by the Governor from CSX's chairman.

Adjournment

Mr. Connolly moved, with a second by Mrs. Whipple, to adjourn the meeting. The vote in favor was unanimous. Chairman Euille adjourned the meeting at 9:28 P.M.

Approved this second day of December, 2004.

William D. Euille
Chairman

Gerald Connolly
Secretary-Treasurer