



# NVTTC Member Manual

2022

Also available at <https://novatransit.org/resources/member-manual/>



**[novatransit.org](https://novatransit.org)**

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### **Statutory References**

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HB1414/SB890 Omnibus Transportation Bill (2020 Session)

SB848 NVTC Annual Report on WMATA (2020 Session)

### **VRE Reference Documents**

VRE FY2023 Budget Book

VRE FY2021 Annual Comprehensive Financial Report

VRE Master Agreement (2014)

VRE By-Laws (2013)

VRE Management Audit (2015)

VRE System Plan 2040 Final Report (2014)

VRE Financial Plan Executive Summary (2016)

VRE Analysis of Benefits to the Regional Multi-Modal Network on NoVa & Washington DC (2015)

VRE Report: Congestion Relief Provided by VRE (2015)

### **WMATA Reference Documents**

WMATA FY 2023 Proposed Budget

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# Part 1 – NVTC Nuts and Bolts

## **NVTC 101**

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NVTC advances a robust and reliable public transit network to support communities in Northern Virginia.

**\$300 million**

managed annually in federal, state and regional assistance for WMATA, VRE and five bus systems

**ONE OF A KIND**

institution for promoting regional transit cooperation and providing expertise

**1964**

established by the Virginia General Assembly



# WHAT WE DO FOR NORTHERN VIRGINIA



**SERVE AS A REGIONAL HUB FOR COORDINATION OF TRANSIT SERVICES**



**FUND & PROVIDE OVERSIGHT FOR WMATA & APPOINT BOARD MEMBERS**



**PROVIDE EXPERTISE ON TRANSIT SYSTEMS, RIDERSHIP & ADVANCED FARE COLLECTION**



**JOINTLY OWN VIRGINIA RAILWAY EXPRESS (VRE)**



**PROVIDE LEADERSHIP ON LEGISLATIVE AND POLICY ISSUES**

# OUR PROGRAMS & INITIATIVES

## FINANCIAL MANAGEMENT

NVTC manages \$300 million annually for WMATA, VRE and five bus systems. NVTC administers the regional motor fuels tax, totaling \$34.3 million in FY 2019. NVTC has awarded \$60 million to date through the Commuter Choice program.

## FINANCIAL & POLICY ANALYSIS

NVTC performs financial analyses, documents funding needs and works with the Commonwealth to develop new funding sources to sustain federal, state and local funding for high-quality, high-capacity public transit that serves Northern Virginia.

## WMATA POLICY & GOVERNANCE

NVTC serves as Virginia's voice on the WMATA Board of Directors and publishes an annual policy and data report on the performance and condition of WMATA.

## WMATA REGIONAL RESPONSE COORDINATION

NVTC brings together jurisdictions and transit agencies to coordinate responses and develop alternate transit plans for service disruptions such as Metrorail station closures.

## TRANSIT TECHNOLOGY

NVTC brings together regional partners and local transit agencies to explore and procure the latest technologies. NVTC is coordinating the maintenance enhancements to the regional fare-collection system that meets current needs and adapts to changing technologies.

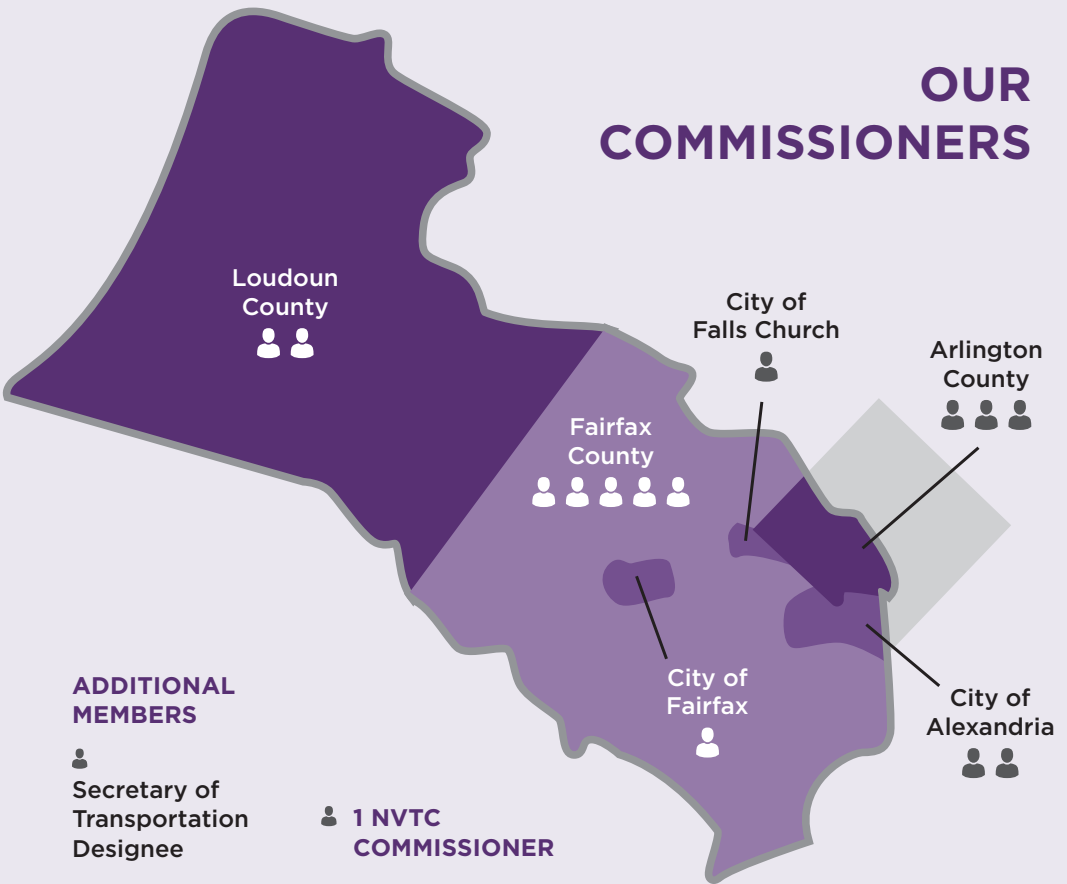
## TRANSIT RESOURCE CENTER

NVTC provides technical assistance to member jurisdictions, analyzes transit performance data from across NVTC jurisdictions, manages the Envision Route 7 Bus Rapid Transit project and collaborates on regional transit planning efforts.


## COMMUTER CHOICE


NVTC manages this innovative program that uses toll revenues from I-66 and I-395/95 to fund transit and roadway enhancement projects that move more people more efficiently.

# OUR COMMISSIONERS



## ADDITIONAL MEMBERS

 Secretary of Transportation Designee

 VA General Assembly

 1 NVTC COMMISSIONER

 NORTHERN VIRGINIA TRANSPORTATION DISTRICT



**846K jobs**  
are within 1/4 mile  
of transit in  
Northern Virginia



**>\$600 million**  
in state revenues  
generated yearly by jobs  
and households supported  
by Metrorail and VRE



**275K**  
Northern Virginians  
ride transit to work  
every day

**NoVaRides**



**ENVISION ROUTE 7**

2300 Wilson Blvd, Suite 230, Arlington, VA 22201

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# Advancing Transit



NORTHERN VIRGINIA TRANSPORTATION COMMISSION

**2021 YEAR IN REVIEW**





# Overview

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## Executive Summary

*We may look back on 2021 as the year we understood the importance of transit in new ways.*

Transit providers and stakeholders recognized that focusing service on peak morning and afternoon commuting patterns does not reach all the people who rely on buses and trains to get them where they need to go. Whether the destination is work, school, the grocery store, a doctor's office or the home of a family member, transit must be a reliable resource available to as many people as possible.

Through its appointments to the Metro Board of Directors, our WMATA Committee efforts and our Annual Report on the Conditions and Performance of WMATA, NVTC continued to communicate with one voice for Northern Virginia, emphasizing the need for safe, reliable and equitable Metrorail and Metrobus service.

NVTC's programs, including our innovative Commuter Choice program, adapted to reflect an altered transit landscape while finding ways to be flexible as the continuing COVID-19 pandemic led to unpredictability in many aspects of our lives.

Our staff continue to research and analyze emerging technologies and policy approaches that will benefit riders, including zero and reduced-fare transit passes which can help make transit more accessible and equitable; microtransit,

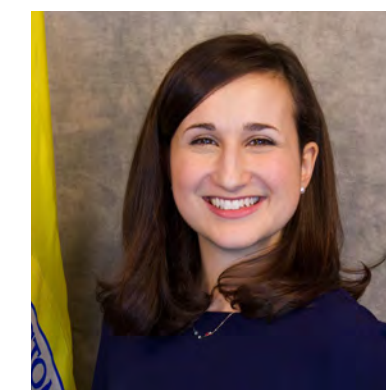
which addresses the "last mile" problem of transit connectivity; bus lanes that ensure transit priority, which improves travel times and makes buses more appealing; and increasing understanding of the operational and infrastructure changes needed to transition bus fleets to low and zero-emission.

We also launched the next phase of our Envision Route 7 bus rapid transit corridor efforts with the launch of our Phase IV Mobility Study focused on the bus alignment through the City of Falls Church to Seven Corners.

By the nature of our work, we at NVTC are always looking to the future and at ways we can improve and expand travel options in Northern Virginia. This forward-thinking approach will continue to guide us despite the challenges we confront.



Kate Mattice  
Executive Director



Katie Cristol  
NVTC Chair

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# Commissions Operations

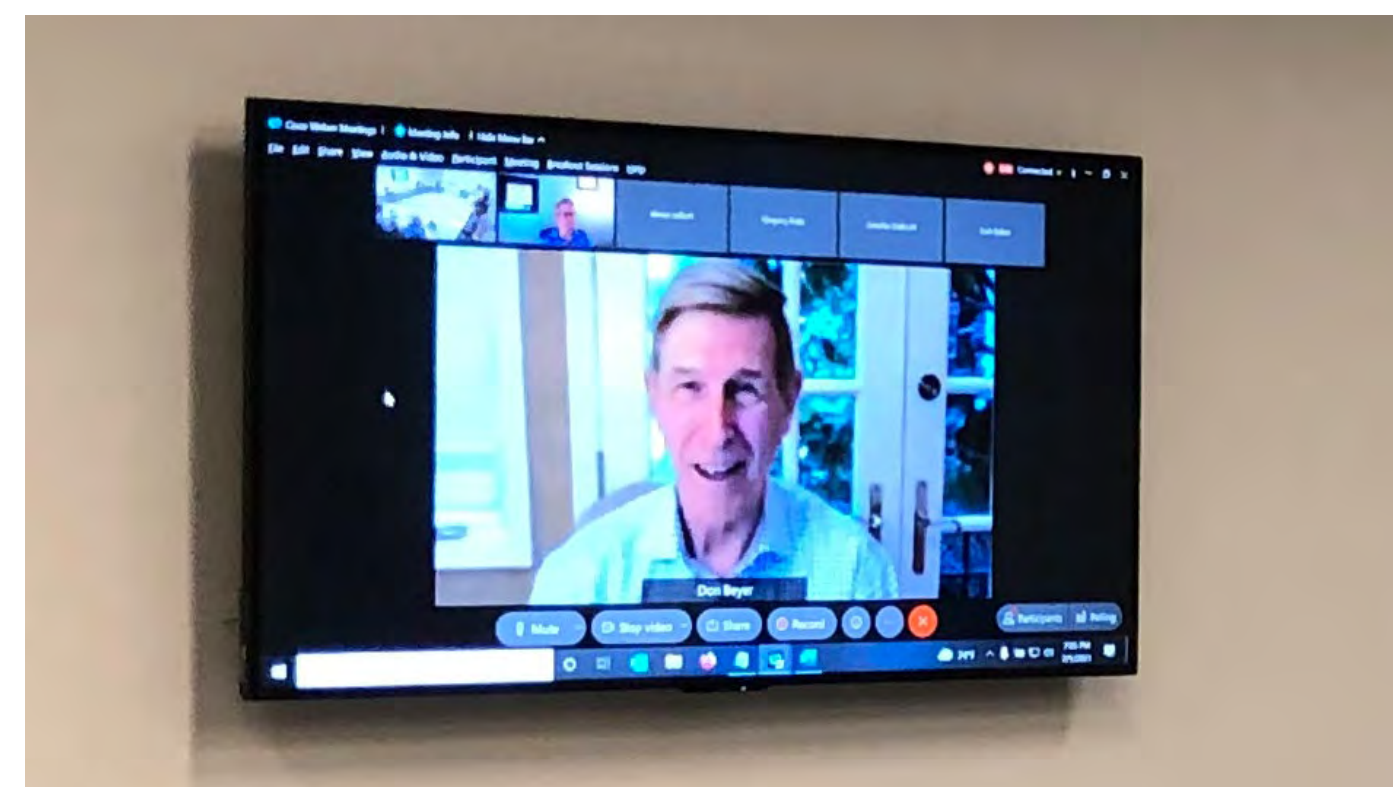
## Commission Resumes In-person Meetings

*Commissioners filled the first-floor conference room at 2300 Wilson Boulevard for the first time since March 2020 on the evening of July 1, 2021.*

The resumption of in-person Commission meetings marked a new era in the recovery from the COVID-19 pandemic and coincided with the news that 70% of eligible adults in Virginia had been vaccinated.

The meeting also featured the first use of video technology to allow some Commissioners to participate remotely, though the June 30 expiration of Gov. Ralph Northam's emergency declaration meant the law again required an in-person quorum.

The use of video conferencing technology added a new dimension to Commission meetings, allowing guests to join virtually for the first time in Commission history. Congressman Don Beyer received the honor of being the first speaker to address the Commission by video.





# Commission Officers 2021

## 2021 NVTC Officers



**Katie Cristol**   
NVTC Chair  
Arlington County

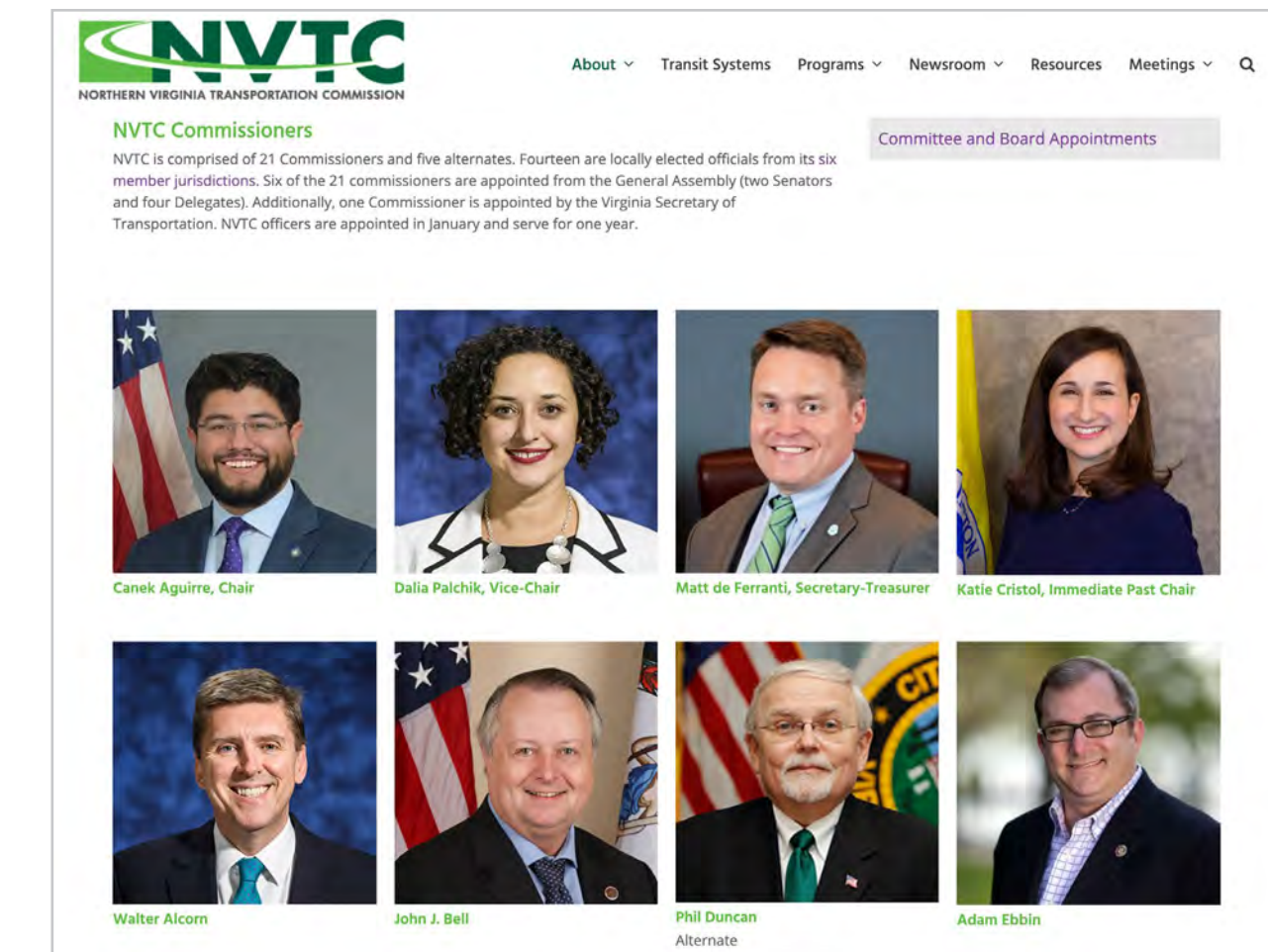


**Canek Aguirre**   
NVTC Vice-Chair  
City of Alexandria



**Dalia Palchik**   
Secretary-Treasurer  
Fairfax County

## Meet our Commissioners Online



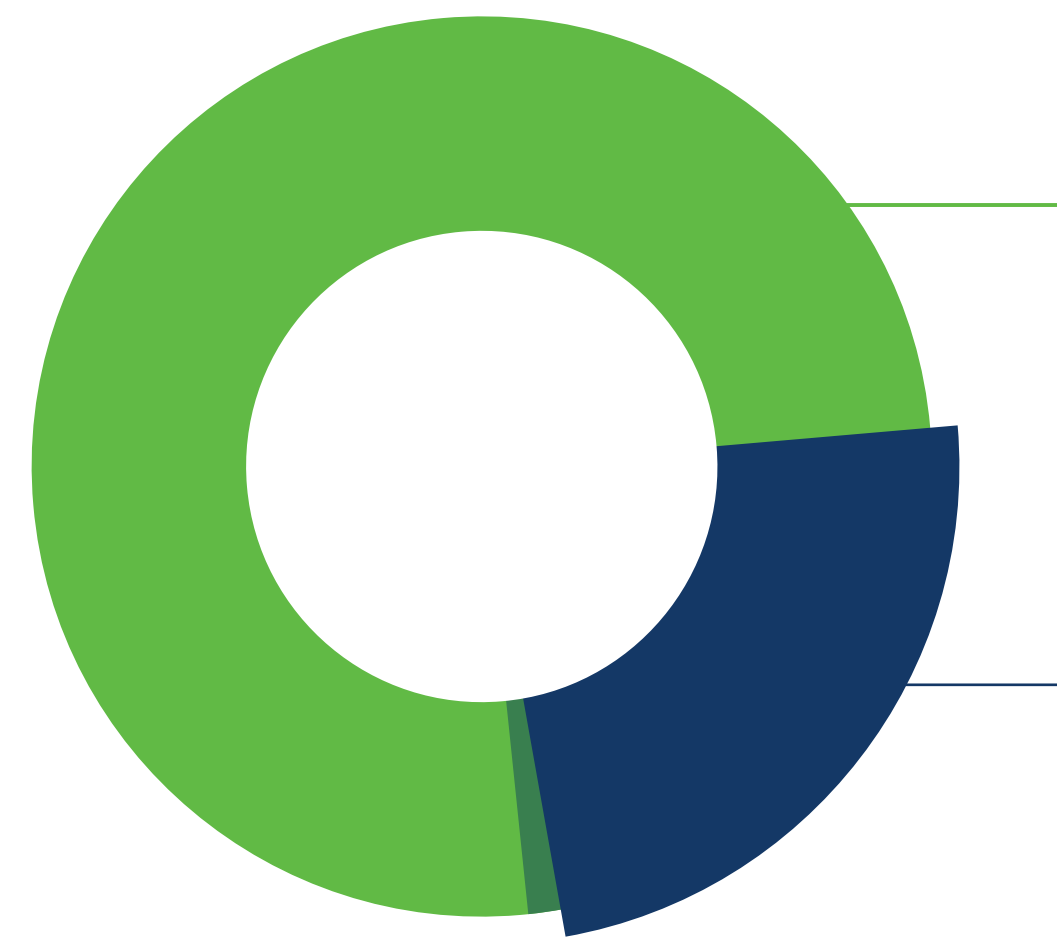
[View All Commissioners Here](#)



# Financial Management

NVTC fiscal year 2021 financial and compliance reports again received clean audit opinions. The opinions covered the financial position and change in financial position of NVTC's activities, internal control over financial reporting and compliance with laws, contracts, regulations, grant agreements and other matters and compliance with each major federal program.

NVTC's financial structure includes a general fund, three special revenue funds — one for transit activities, another for the I-66 Commuter Choice program and one for the I-395/95 Commuter Choice program — and an enterprise fund for NVTC's share of ownership in Virginia Railway Express.



**\$168.4 MILLION**  
DISPERSED FOR WMATA

**\$52.6 MILLION**  
DISPERSED FOR LOCAL SYSTEM NEEDS

**\$191.6 MILLION**  
**SPECIAL REVENUE**

During fiscal 2021, the transit special revenue fund allocated \$191.6 million in state and regional assistance to member jurisdictions.

**\$15.4 MILLION**  
**COMMUTER CHOICE PROGRAM**

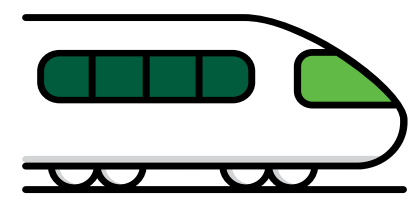
The special revenue funds for the Commuter Choice program received \$15.4 million in fiscal 2021 and disbursed \$11.5 million for regional projects.

**\$172.9 MILLION**  
**ENTERPRISE FUND**

NVTC maintained an enterprise fund, recognizing NVTC's share of ownership of VRE, which equaled \$172.9 million as of June 30, 2021.

# Financial Management

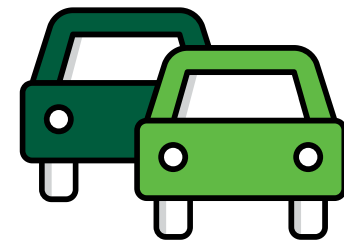
**\$16.5 MILLION**



**TRANSIT ASSISTANCE**

Department of Rail and Public Transportation transit assistance to VRE, for which NVTC served as recipient, totaled \$16.5 million.

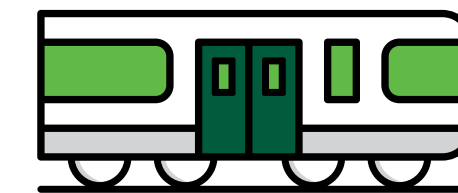
**\$17.7 MILLION**



**REVENUES**

Revenues from the regional gas tax, which NVTC received and disbursed to WMATA for operating and capital requirements, equaled \$17.7 million.

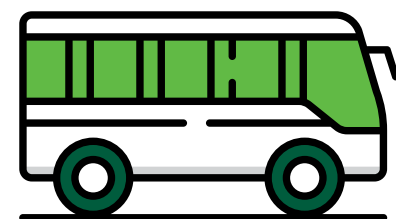
**\$173.6 MILLION**



**STATE ASSISTANCE**

State assistance for WMATA, through NVTC, came to \$173.6 million.

**\$34 MILLION**



**STATE ASSISTANCE**

State assistance for which NVTC applied on behalf of its member jurisdictions' transit systems, came to \$34 million.

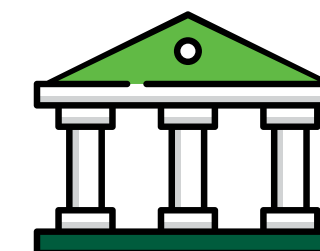
**\$277 MILLION**



**RECIPIENT OR AGENT OF FUNDS**

NVTC served as the recipient or agent of funds totaling more than \$277 million in fiscal 2021.

**\$30.8 MILLION**



**FEDERAL GRANTS**

Federal Grants on behalf of two NVTC jurisdictions totaled \$30.8 million, of which \$2.9 million was received in fiscal 2021. NVTC served as recipient for the awards and ensured its jurisdictions' compliance with Federal Transit Administration requirements.



# Metro Policy and Governance

**NVTC enjoys a special relationship with Metro. That includes the appointment of two principal members of the board of directors.**

In 2021 Paul Smedberg of Alexandria, the governor's appointee, was selected to serve a third term as chair and Matt Letourneau of Loudoun County became the chair of the board's finance and capital committee. Through our board appointments, we continue to advocate for Virginia's interests.

That included the use of three rounds of pandemic relief federal funding to keep vital Metrobus and Metrorail service running. The Coronavirus Aid, Relief, and Economic Security (CARES) Act to the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) and American Rescue Plan Act (ARPA) of 2021 provided Metro with over \$2.8 billion in federal aid for transit to help improve safety, sustain operations and avoid layoffs.



\$349 million of the aid from all three bills was provided as a credit of non-federal funding to the jurisdictions to maintain local transit service. The latest aid bill, the ARPA, provided Metro with the ability to sustain operations through FY 2023 but the aid will be exhausted in FY 2024 with a projected operating budget gap of at least \$500 million. This aid provides Metro with the ability to improve service, navigate uncertainty and sustain a multi-year recovery period that can help position Metro for post pandemic recovery. We also pressed for fare policy changes to benefit riders in Northern Virginia, including fare and service improvements Metro implemented in September.

We published our fourth *Report on the Performance & Condition of the Washington Metropolitan Area Transit Authority (WMATA)* in December. This year's report focuses on strategies to rebuild ridership: leveraging federal aid to sustain service levels; implementing attractive fare and parking policy changes; and encouraging and communicating a safe return to transit. The report outlines the expenditures of the Commonwealth's WMATA Capital Fund, which provided \$154 million in dedicated capital funding to WMATA in FY 2021 and contributed to its \$1.8 billion capital budget to support system safety and state of good repair improvements.

NVTC's WMATA Committee, led by Chair Canek Aguirre, provided a forum for focused discussions on Metro issues

and refinement of the recommended strategies found in the *Report on the Performance & Condition of the Washington Metropolitan Area Transit Authority (WMATA)*. The committee also developed comments on Metro's proposed FY 2023 budget, reviewed Metro fare policy and structure, and reviewed the progress of Metro's Blue/Orange/Silver Line Capacity and Reliability Study.

Download the Report Here



# Metro Regional Response Coordination

## *NVTC continued its work to ensure regional cooperation during continued Metrorail station platform reconstruction.*

Arlington Cemetery Station closed in February and the station's reopening in May signaled the end of work to rebuild 12 outdoor stations in Northern Virginia. Those projects closed stations in 2019, 2020 and 2021 and necessitated the implementation of shuttle buses and other mitigation efforts to keep transit service running. NVTC convened regular meetings with Metro, the Northern Virginia cities, counties, and transit agencies affected by the shutdown, and federal and military partners to achieve a high level of cooperation among varied stakeholders.

Staff and regional partners also began planning for the fall 2022 shutdown of the Yellow Line bridge, which carries the line across the Potomac River. The major capital project will rehabilitate the bridge repair, the steel lined tunnels between Pentagon and L'Enfant Plaza Stations, both of which date to original construction more than 40 years ago.



photo by [Kevin Harber](#)



photo by Metro



# Commuter Choice

Commuter Choice has funded 53 projects worth \$92.7 million since 2017.

**40** Buses to operate expanded services that will remain in use to the benefit of I-66 and I-395/95 corridor commuters even after any associated operations support ends

**28** Bus Service Improvements including 14 new express bus routes

**9** Transit Capital Improvements including park-and-ride and bus stop improvements

**5** Commuter Incentive Programs

**3** Bikeshare Network Expansions

Commuter Choice includes transformative efforts such as:

- Frequent all-day DASH connections to Metro and express buses
- A second entrance at McLean Station to serve new development
- OmniRide's first Stafford County commuter routes
- Faster bus trips to and from Rosslyn with a dedicated peak-period lane

Commuter Choice will support grant recipients as they prepare for commuters to return to worksites, providing flexibility as demands change. *The Commuter Choice Annual Report Fiscal Year 2021* provides additional detail on funded projects.

The image shows the cover of the 'Commuter Choice 2021 Annual Report' and a preview of the report's content. The cover features the Commuter Choice logo and the title 'Commuter Choice 2021 ANNUAL REPORT'. The preview includes a section titled 'A Vital Resource during COVID-19' with text and statistics, and a map titled 'Active Projects' showing project locations across Northern Virginia and surrounding areas. The map uses colored dots to represent different project types: Bus Service (blue), Access to Transit (orange), Roadway Operations (green), TDM (red), and Rail Capital (purple).

[Download the Report Here](#)



# Commuter Choice



## DASH Commemorates New Network

*The Alexandria Transit Company, a.k.a. DASH, and the City of Alexandria commemorated the launch of the New DASH Network and the introduction of free fares on all DASH buses September 23.*

The new network includes the introduction of major service increases in West Alexandria, which are made possible by NVTC's I-395/95 Commuter Choice grant program.

Through our Commuter choice program, NVTC has been able to make focused investments that are integral to the reimagined DASH system, including funding more service on the DASH 35 bus route from Van Dorn to the Pentagon and the DASH 36 bus route from Mark Center to Potomac Yard so that both routes operate every 15 minutes or better all day.

These bus routes are some of the strongest performing in the system and we are proud to be a part of making that happen.



## Commuter Choice Helps Fund Spotsylvania Park & Ride

Executive Director Kate Mattice and Commuter Choice Program Manager Ben Owen grabbed shovels and helped break ground for a new park and ride commuter lot in the Massaponax area of Spotsylvania County on August 24. Commuter Choice money will be used to support the cost of building the \$16.5 million, 700-space project close to Route 1 and Exit 126 off I-95.

While the Commuter Choice program for the I-95/395 corridor supports a growing number of transit and commuter services available to residents in the Fredericksburg region, this is the first program-supported construction project physically located in Spotsylvania County.





# Transit Technology

NVTC's Transit Technology program featured several major projects examining emerging trends, including the publication of the *2021 Northern Virginia Regional Fare Collection Strategic Plan*, a white paper on *Zero-Fare and Reduced-Fare Options for Northern Virginia Transit Providers* and a symposium and roundtable on zero-emissions buses.



[Download the Report Here](#)

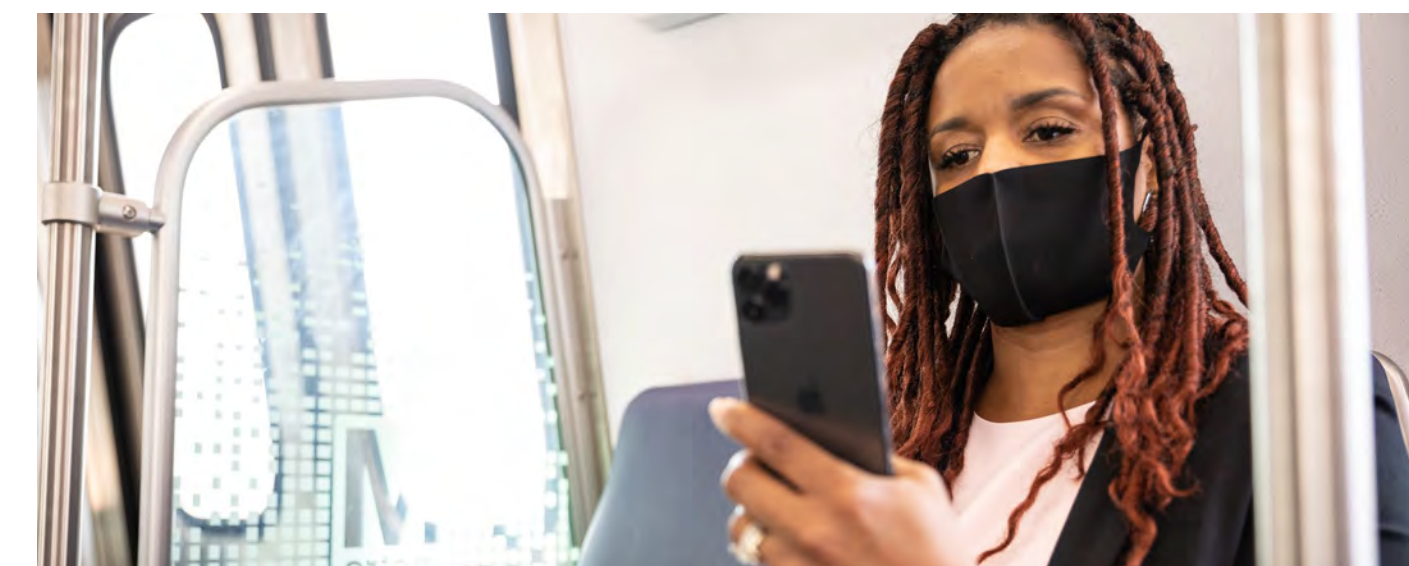
[Download the Report Here](#)

The *2021 Northern Virginia Regional Fare Collection Strategic Plan* establishes goals and objectives for NVTC's support of regional partners in maintaining and modernizing fare payment and collection technology and provides a shared vision with local flexibility for fare collection and technology in the region. NVTC led regional partners in implementing the actions established by the plan, completing most immediate actions, achieving substantial progress on near-term actions and laying the groundwork for long-term actions.

NVTC developed the *2021 White Paper Zero-Fare and Reduced-Fare Options for Northern Virginia Transit Providers* to provide Commissioners and Northern Virginia's bus system decision-makers with policy and technical considerations for zero-fare and reduced fare transit service. The paper provides a high-level overview of the options and topics to consider when evaluating new potential fare programs that eliminate or reduce fares.

NVTC held a Zero-Emission Bus Symposium in October, providing Northern Virginia jurisdictions and transit partner staff a platform to highlight, learn and discuss zero-emission bus planning, implementation and procurement to better understand regional zero-emission bus visions and goals. The event facilitated regional knowledge-sharing through collaborative discussion to assist with zero-emission bus system planning.

Other areas of work included coordinating and supporting the design and procurement of next generation fareboxes for regional partners, launch of the SmarTrip mobile app and mobile wallet for Android and Google Pay users, which followed the 2020 introduction for Apple iOS users; supporting accelerated innovation such as procurement for rear-door payment validation; and continued support for the National Transit Database (NTD).





# Transit Resource Center

## Transit Data

NVTC'S Transit Resource Center continued to analyze traffic and transit data to understand the effects of the pandemic on travel patterns for people driving and riding transit.

Following national trends, the biggest impacts continued to be on daily commuting trips as many employees continued to work from home or only partly returned to work in person.

Metrobus and Northern Virginia's local and regional bus systems retained high percentages of pre-pandemic ridership as they provided vital trips and support frontline, essential workers.

Ridership remained suppressed on Metrorail and Virginia Railway Express (VRE) compared to pre-pandemic patterns. The widespread adoption of COVID-19 vaccines coincided with upticks in people riding both systems until the emergence of the delta and omicron variants and the October Metrorail derailment which took the majority of railcars out of service for the rest of the year

## ENVISION ROUTE 7

The Commission approved a contract to continue the study for a bus rapid transit (BRT) system connecting Tysons, Falls Church, Arlington and Alexandria. Route 7 is the second busiest bus corridor in Northern Virginia, with ridership that remained strong during the COVID-19 pandemic. BRT on Route 7 would upgrade transit quality through the 11-mile corridor, connect major job centers, connect to two Metrorail stations and one other planned BRT service. NVTC analysis predicts the route would serve more than 7,500 transit dependent riders each weekday.

This latest study phase for the Envision Route 7 BRT will look at mobility benefits of BRT and identify traffic impacts and operational issues. The effort also includes broad, comprehensive public engagement.





# Virginia Railway Express

*Virginia Railway Express (VRE), which NVTC co-owns with the Potomac and Rappahannock Transportation Commission, returned to full service in June after running fewer trains for more than a year due to the COVID-19 pandemic.*

The increase in service, noted by VRE CEO Rich Dalton, was specifically aimed at providing more frequent trains for those returning to work in person. Running the full schedule also allowed for greater social distancing on railcars and train platforms.

VRE also took a number of forward-looking steps in 2021. U.S. Secretary of Transportation Pete Buttigieg joined Gov. Ralph Northam, VRE Operations Board Chair Elizabeth Bennett-Parker and others at the Alexandria station to finalize agreements with Amtrak, CSX and VRE to advance construction of a new Long Bridge and other major investments that will transform passenger, commuter and freight rail in Virginia.

The partnering agreements support the construction of a \$1.9 billion bridge over the Potomac River dedicated to passenger rail, acquisition of 386 miles of railroad right-of-way and 223 miles of track from CSX, and an investment of more than \$1 billion in additional infrastructure improvements by the Commonwealth. These investments will allow Virginia to expand Amtrak

and VRE services, create a pathway for the separation of freight and passenger rail in Virginia, and preserve future rail corridors.

Both commissions approved additional measures in 2021 to benefit VRE. They include the purchase of 21 new railcars, action to move forward with a new station at Potomac Shores in Prince William County and expansion and modernization of several other stations include key stations at Alexandria, Crystal City and L'Enfant Plaza.





# Partnerships

*NVTC partners with local, state and federal agencies and governments, as well as private and public regional organizations and colleges and universities to work on continually improving and expanding transportation networks throughout the region. These are a few of the organizations we joined with in 2021.*



Federal Transit Administration



Virginia Department of Rail and Public Transportation



The Voice of Public Transportation in Virginia



Northern Virginia Transportation Authority  
The Authority for Transportation in Northern Virginia



# Partnerships



## Northern Virginia Transit Marketing Campaign

NTVC conducted its second regional marketing campaign from January to June with the key message, "Moving Forward Together." The campaign received financial and organization support from the Virginia Department of Rail and Public Transportation, Arlington and Fairfax Counties, the cities of Falls Church and Fairfax, OmniRide and VRE.

The campaign aired on radio stations WTOP and WAMU and appeared online, on social media and on audio and video streaming services. The ads performed well above national benchmarks and encouraged people to visit [novarides.org](http://novarides.org) to learn about transit options and pandemic-safety protocols for transit.



## Virginia Transit Association Hosts Conference in Tysons

The Virginia Transit Association (VTA) held its two-day conference at the Marriot in Tysons Corner in September. The event brings together transit operators and policy makers from across the Commonwealth to talk about the latest trends in the industry. Commissioners and staff played an active role in the gathering: Fairfax County Board of Supervisors Chair Jeff McKay helped lead off the conference by welcoming attendees to the county; Metro Board Chair Paul Smedberg moderated the opening panel discussion Transit Equity—Central to Our Success; NVTC Director of Programs & Policy Allan Fye moderated a panel on Delivering Innovation for Transit and Mobility; and Communications and Public Affairs Manager Matt Friedman served as a panelist for Post-COVID Transit—Lessons Learned—Ridership Recovery & Marketing.



## Blue/Orange/Silver Corridor Capacity & Reliability Study

NVTC staff served on the technical and strategic advisory committees of Metro's Blue/Orange/Silver Corridor Capacity & Reliability Study which seeks to address capacity constraints in the Rosslyn Metrorail tunnel. NVTC staff provided comments to Metro on the development of proposed construction and service as well as the evaluation and cost benefit analysis phases of the study.



# Partnerships



## Bus Priority

NVTC staff participated in several virtual meetings to discuss opportunities to implement bus priority in Northern Virginia. The meetings are part of a new initiative to improve bus service by increasing bus travel speeds and reliability across the entire Washington region. NVTC staff continues to engage with Metro, which is taking the lead on the Bus Priority Program, along with our local transit providers and regional and Commonwealth partners.

## Springfield to Quantico Enhanced Public Transportation Feasibility Study

NVTC joined meetings as part of the Virginia Department of Rail and Public Transportation's (DRPT) feasibility study of enhanced public transportation services between the Franconia-Springfield Metro station in Fairfax County and the Quantico Marine Base in Prince William County. Enhanced transit could include options such as additional express bus services, increased VRE commuter rail expansion, Bus Rapid Transit (BRT), or an extension of Metrorail.



## Zero-emission Transit Bus Fleet Transition

NVTC sent a letter to the Northern Virginia and Maryland Congressional delegations in September advocating for federal investment to support the transition to zero-emission buses. The fleet transition will reduce emissions from public transportation and the letter urged critical federal investments in vehicles and infrastructure.



## CC2DCA

NVTC staff have attended meetings as part of the Crystal City to Reagan National Airport Multimodal Connection (CC2DCA) effort, which seeks to develop a multimodal connection between Crystal City and Reagan National Airport. The connection would be used by people walking, biking, and using micromobility devices and could be adjacent to the relocated Virginia Railway Express Station.



# NVTC In The News

*NVTC appeared in the news on television, social media and in print in 2021. Many stories focused on transit funding in the era of the COVID-19 pandemic, the benefits and challenges of zero-emission buses and insights on projects that are part of NVTC's Commuter Choice program.*

## Key Stories

- › Transportation leaders meet with Sen. Warner, stress urgent need for federal relief money [▶](#)
- › Pete Buttigieg visits Alexandria to sign onto Virginia rail expansion [▶](#)
- › OmniRide unveils new commuter buses [▶](#)
- › Virginia Commonwealth Transportation Board greenlights three projects within NVTC's Commuter Choice program [▶](#)
- › NVTC Report Examines Benefits, Challenges of Zero and Reduced Fares [▶](#)





# In the Community

## Annual Joint Legislative Briefing

This year's NVTC-PRTC Legislative Briefing resumed in person in December with nearly a hundred people gathered to hear from Under Secretary of Transportation for Policy at the U.S. Department of Transportation Carlos Monje, Virginia Deputy Transportation Secretary Nick Donohue, Metro Board Chair Paul Smedberg, VRE CEO Rich Dalton and PRTC Executive Director Bob Schneider.

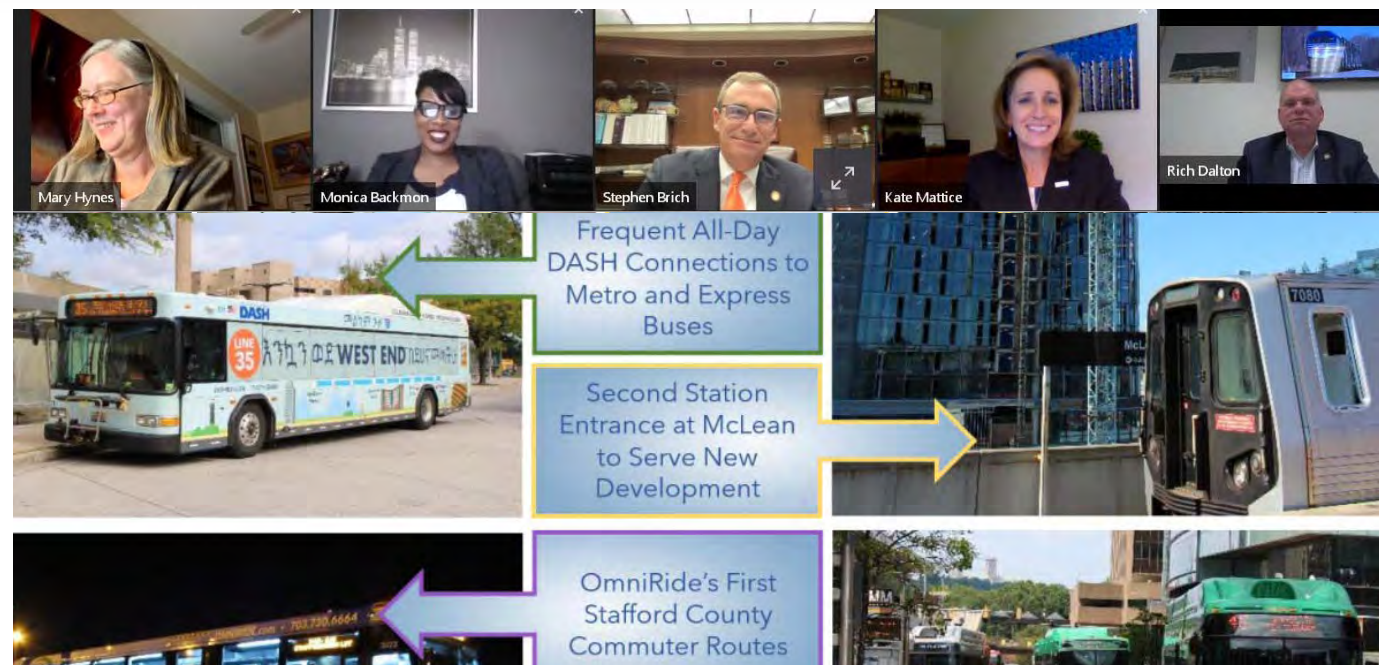
Under Secretary Monje gave a breakdown of how the Infrastructure Investment and Jobs Act (IIJA) boosts transit and other transportation infrastructure.

Deputy Secretary Donohue spoke of the significant transportation investments and policy decisions made during the administrations of Govs. Ralph Northam and Terry McAuliffe while Board Chair Smedberg, CEO Dalton and Executive Director Schneider detailed the service changes and financial challenges presented by the major shift in commuting patterns.





# In the Community



## Joint Regional Public Meeting

Executive Director Kate Mattice joined transportation representatives from across Northern Virginia as part of an annual public meeting in December to showcase projects from across the region. It was an opportunity to highlight the work of NVTC's Commuter Choice program.

Participating agencies included the Virginia Department of Transportation, Virginia Department of Rail and Public Transportation, Northern Virginia Transportation Authority and Virginia Railway Express.



## Commuter Choice Lessons Presented at Tolling Conference

Senior Program Manager Ben Owen presented on the Commuter Choice Program at the International Bridge, Tunnel and Turnpike Association (IBTTA) Conference in Anaheim, California in October.

He provided the audience with an overview of the program and NVTC's partnership with two private concessionaires and the Commonwealth and described how the program supports Northern Virginia's equity efforts and how the program will evolve post-pandemic.



## NoVa Chamber Talks Transportation & Transit Issues

Executive Director Kate Mattice served as a panelist for the Northern Virginia Chamber of Commerce's annual State of Transportation event in September. It was an opportunity to remind business leaders about the importance of transit in Northern Virginia. Nick Donohue, Virginia Deputy Secretary of Transportation, and Monica Backmon, CEO of the Northern Virginia Transportation Authority, joined Kate on the panel, which was moderated by Bob McCartney, former Washington Post writer and editor.



# In the Community



## Talking Transportation to Leadership Professionals

Executive Director Kate Mattice spoke to leadership professionals in November about how important transit and transportation are to sustain economic growth in Northern Virginia.

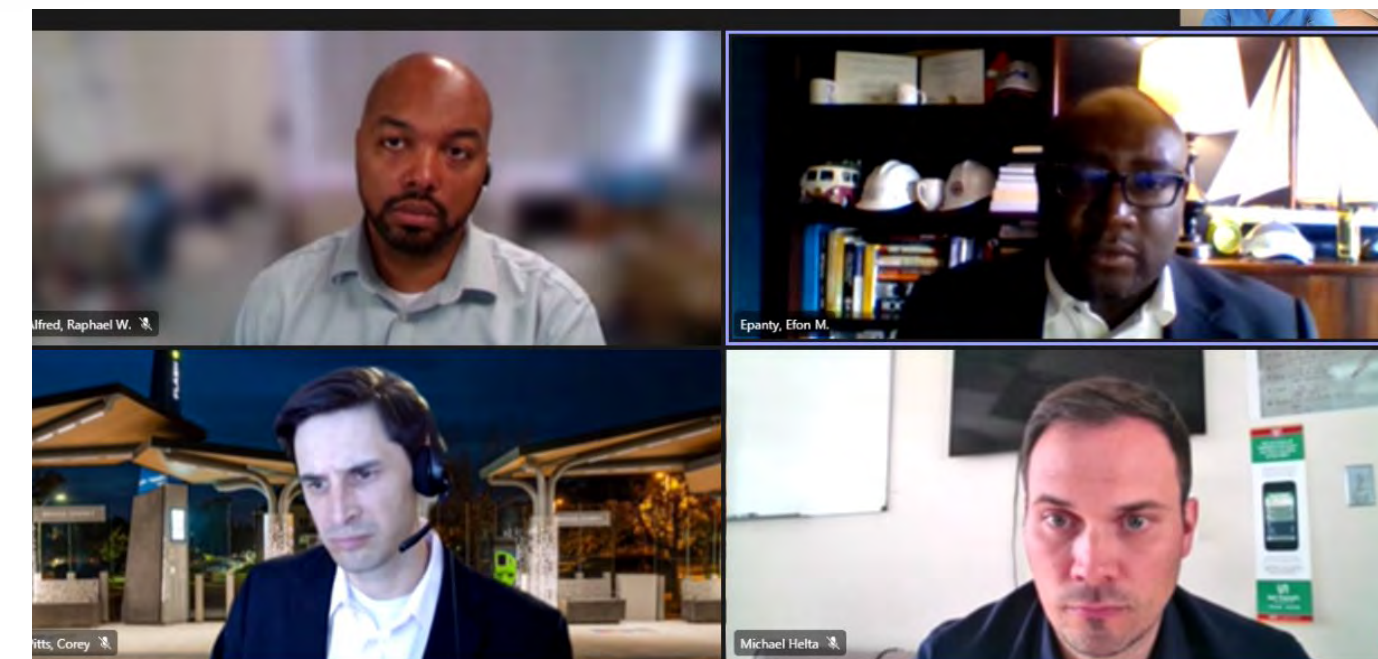
The panel was part of Economic Development Day for the Leadership Arlington Class of 2022. The organization cites its purpose “to transform a highly motivated group of individuals into a network of leaders with the knowledge and commitment to benefit our community.”



## Warner, Kaine Talk Infrastructure at Reagan National

NVTC Vice-Chair Canek Aguirre, VRE Operations Board Chair Elizabeth Bennett-Parker and Executive Director Kate Mattice had the honor of being invited by Sens. Mark Warner and Tim Kaine to join a roundtable discussion about recently completed infrastructure projects at Reagan National Airport and how the surrounding region will benefit from the Bipartisan Infrastructure Investment and Jobs Act in September.

This infrastructure package includes an estimated \$1.2 billion investment over five years to improve public transportation in Virginia, \$25 billion to improve airports across the country like DCA and a federal funding reauthorization for Metro through fiscal year 2030 at current annual levels.



## NVTC’s Transit Technology Program Featured at Regional Meeting

NVTC’s Transit Technology Senior Program Manager Patricia Happ participated in the Washington, D.C. Section Institute of Transportation Engineers (WDCSITE) Annual Meeting as part of a panel on bus technology in November. The panel, organized by WSP, discussed zero-emission buses and fare technology, which are both part of NVTC’s Transit Technology program portfolio.



# Honors



## Chair Cristol Awarded for Environmental Efforts

The Greater Washington Region Clean Cities Coalition (GWRCCC) recognized Chair Katie Cristol and Arlington Transit at its annual luncheon in October. GWRCCC honored Chair Cristol with one of its Visionary Awards for her work with NVTC, the Arlington County Board and Virginia Railway Express, calling her "an outspoken and effective transportation leader for Northern Virginia." The coalition noted "her strong advocacy to address climate change and congestion mitigation by encouraging greater utilization of a safe, dependable and interconnected transit system and to secure essential funding for capital improvements to our region's transportation infrastructure."



photo by [Jeanine Finch](#)

## Commission Snyder Recognized for Enhancing Regionalism

The George Mason University Schar School recognized Commissioner David Snyder for his work as part of its Regional Elected Leaders Initiative (RELI). As Northern Virginia grows and faces new challenges, RELI recognizes the value of working across jurisdictional boundaries and levels of government to identify and implement effective and sustainable solutions. Commissioner Snyder received the honor at an awards dinner in December.



# Advancing Transit

2021 YEAR IN REVIEW

*The 2021 Year in Review is a product of the Northern Virginia Transportation Commission*

## Contact Us

### Northern Virginia Transportation Commission

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[www.novatransit.org](http://www.novatransit.org)

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[instagram.com/novatransit\\_ig/](https://instagram.com/novatransit_ig/)



Northern Virginia Transportation Commission  
[youtube.com/channel/UCxoEyLdf1DyphCalO6pfP6A/](https://youtube.com/channel/UCxoEyLdf1DyphCalO6pfP6A/)



Kate Mattice  
Executive Director  
Northern Virginia Transportation  
Commission

# Understanding the Dynamics of Public Transportation in Northern Virginia

November 18, 2021



# Northern Virginia Transportation Commission



*"NVTC advances a robust and reliable public transit network to support communities in Northern Virginia."*

---



Funds and stewards NoVa's investments in WMATA (Metrorail, Metrobus, MetroAccess) and Virginia Railway Express



Manages state and regional funding for five jurisdictional bus systems

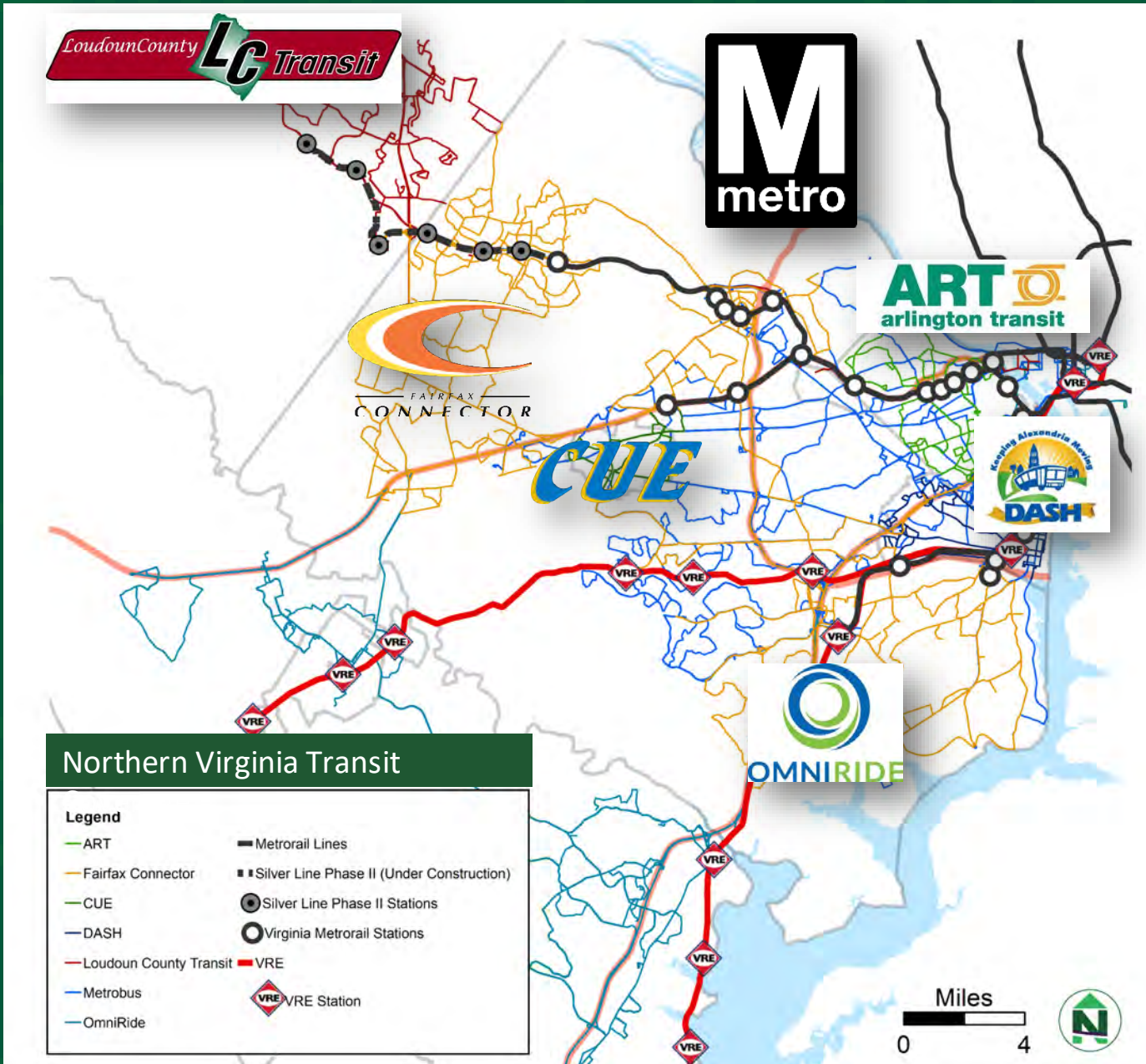


Works across jurisdictional boundaries to develop regional public transit strategies and policies



Administers the Commuter Choice Program, using toll revenues to support more transit along I-66 Inside the Beltway and I-395/I-95 Express Lanes





Transit is as important to our region as power and water lines

275K

people take transit each weekday in Northern Virginia (pre-COVID)

65%

of households are within ¼ mile of transit in Northern Virginia

846K

jobs are within a ¼ mile of transit stops in Northern Virginia

\$600M

in statewide revenues earned each year from economic activities supported by Metrorail and VRE





**During COVID, public transit has been an essential service for the region's essential workers.**



## **Initial Service Changes**

- Continued key routes to essential workplaces
- Rightsized service to respond to ridership needs, operator safety
- Eliminated front-door boarding on buses / reduced "touch" points

## **Enhanced Safety Measures**

- ✓ Stepped up cleaning
- ✓ Social distancing markings
- ✓ Driver safety shields
- ✓ Contactless boarding
- ✓ Mask requirements





**Transit is running strong.... Roads are getting full...**

**What does this mean for the future of moving people?**

Transit service levels are at

**93%**

of 2019 levels\*



Overall ridership still lags

**46%**

of 2019 levels\*\*

But interstate traffic volumes are at

**97%**

of pre-pandemic levels!





# How will people move in the short term... ... how about the long term?

What is the near-term return to full service for Metrorail?

What is the impact on transit services with increased telework / flexible schedules?



*Of surveyed regional workers*

**60%**

**telecommuted during the peak of the COVID-19 public health emergency.**

**91%**

**would like to continue telecommuting at least some of the time.**

*Source: National Capital Region Transportation Planning Board's Voices of the Region 2020 Survey*



# What is the impact of innovation?



## Transit Technology

- ✓ SmarTrip Mobile
- ✓ New faregates
- ✓ Low & Zero Emissions Buses

## Metrorail

- ✓ Silver Line Phase 2
- ✓ Potomac Yard Station
- ✓ New station entrances
  - Ballston
  - Crystal city
  - McLean



## Passenger Rail

- ✓ VRE & Amtrak (& MARC)
  - New Long Bridge
  - Station improvements & Expansions



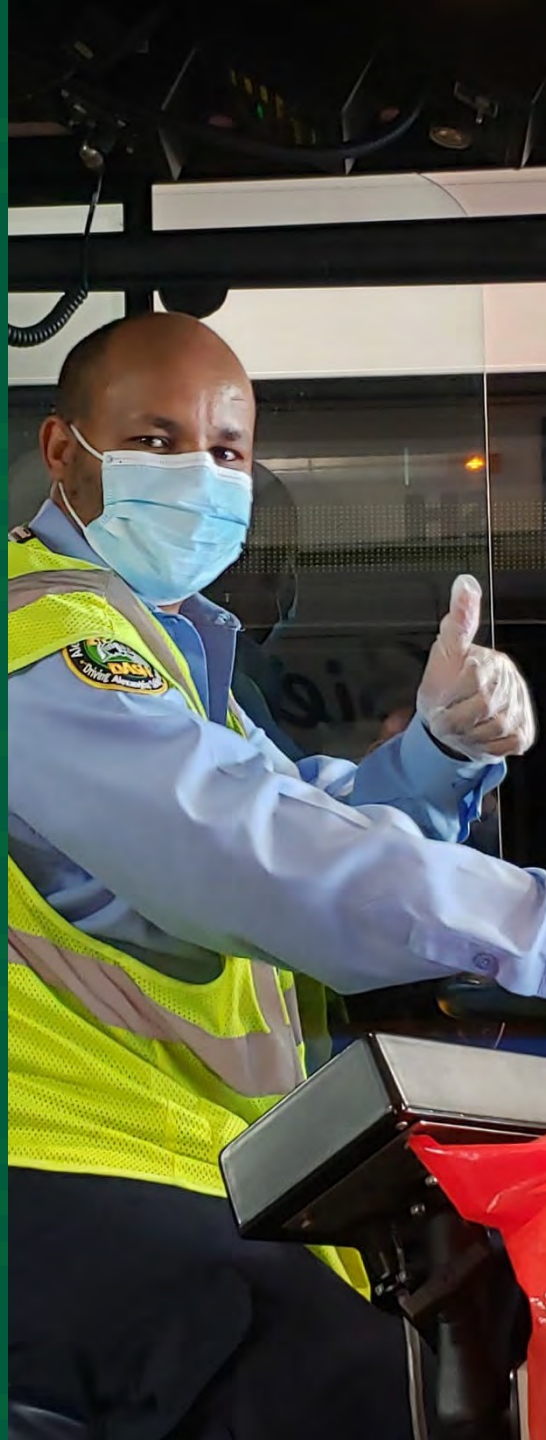
## Bus Rapid Transit

- ✓ Metroway
- ✓ Envision Route 7
- ✓ Richmond Highway
- ✓ West End Alexandria





**A well-supported transit network is essential to Northern Virginia's economy**



Public transit remains a critical service to our region

- ✓ Attracts businesses and talent
- ✓ Controls congestion
- ✓ Provides equitable access to jobs and services
- ✓ Reduces parking needs
- ✓ Provides options to employees

**NOVA's transit network allows our economy and community to thrive.**





# Thank You.

**Kate Mattice**

*Executive Director  
Northern Virginia Transportation Commission*



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# The State of Public Transportation in Northern Virginia

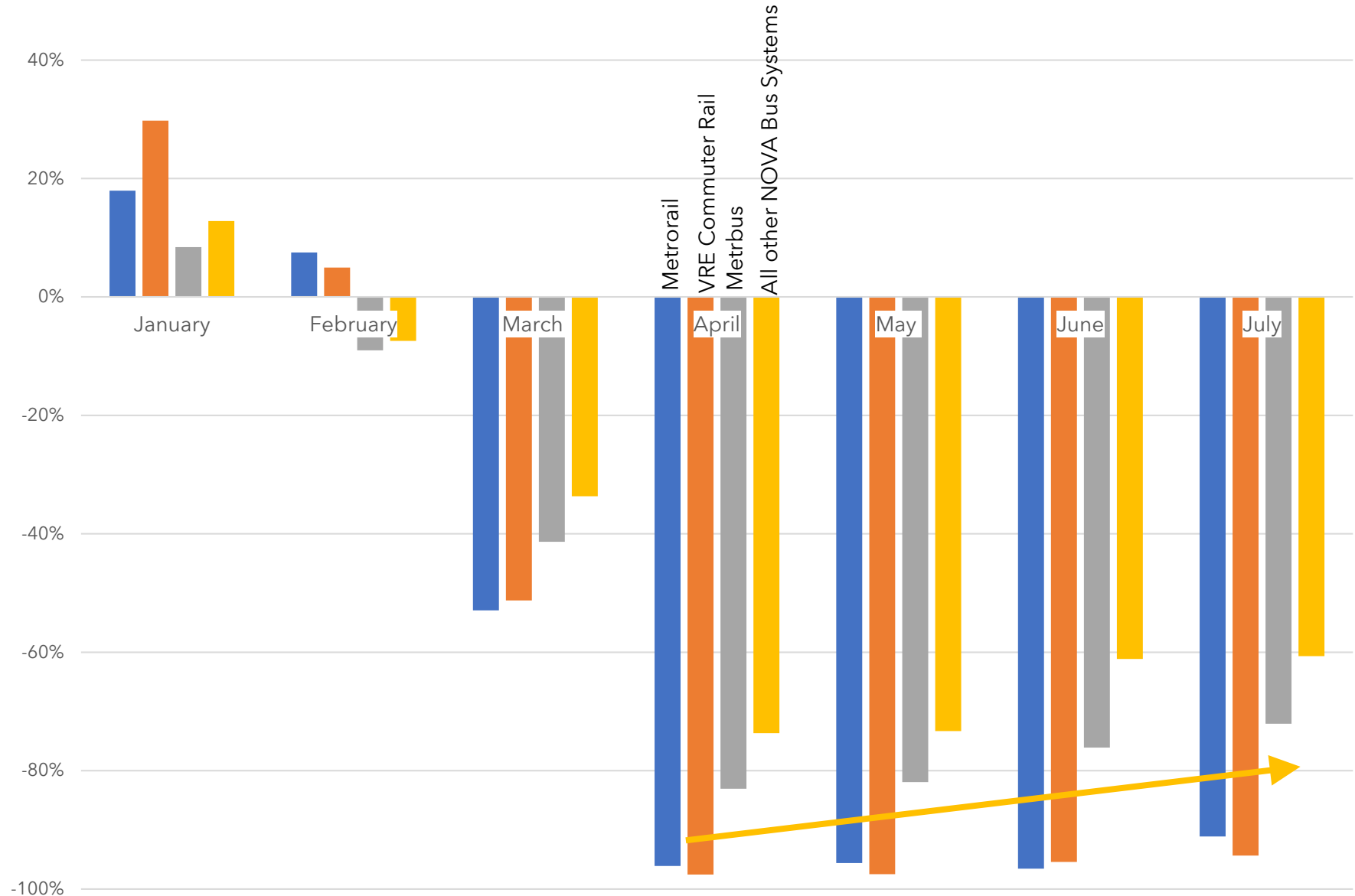
**Executive Committee Highlights**

**Kate Mattice**  
*Executive Director*

**Scott Kalkwarf**  
*Director of Finance and  
Administration*



Percent Change in Ridership 2019-2020, by Service Type

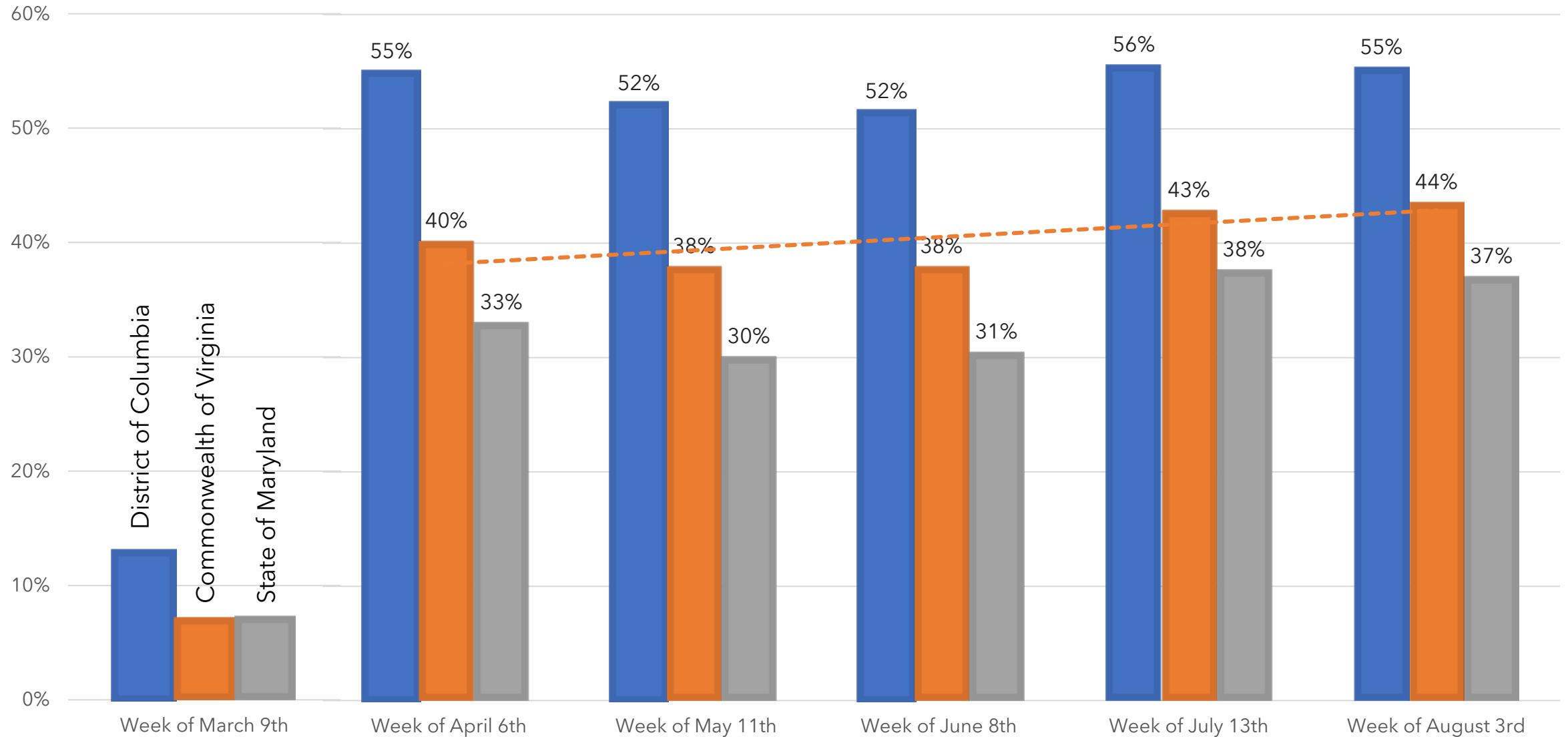


**Early in 2020, NOVA transit ridership was trending above 2019.**

**Stay-at-home orders affected ridership on all transit services, but not equally.**



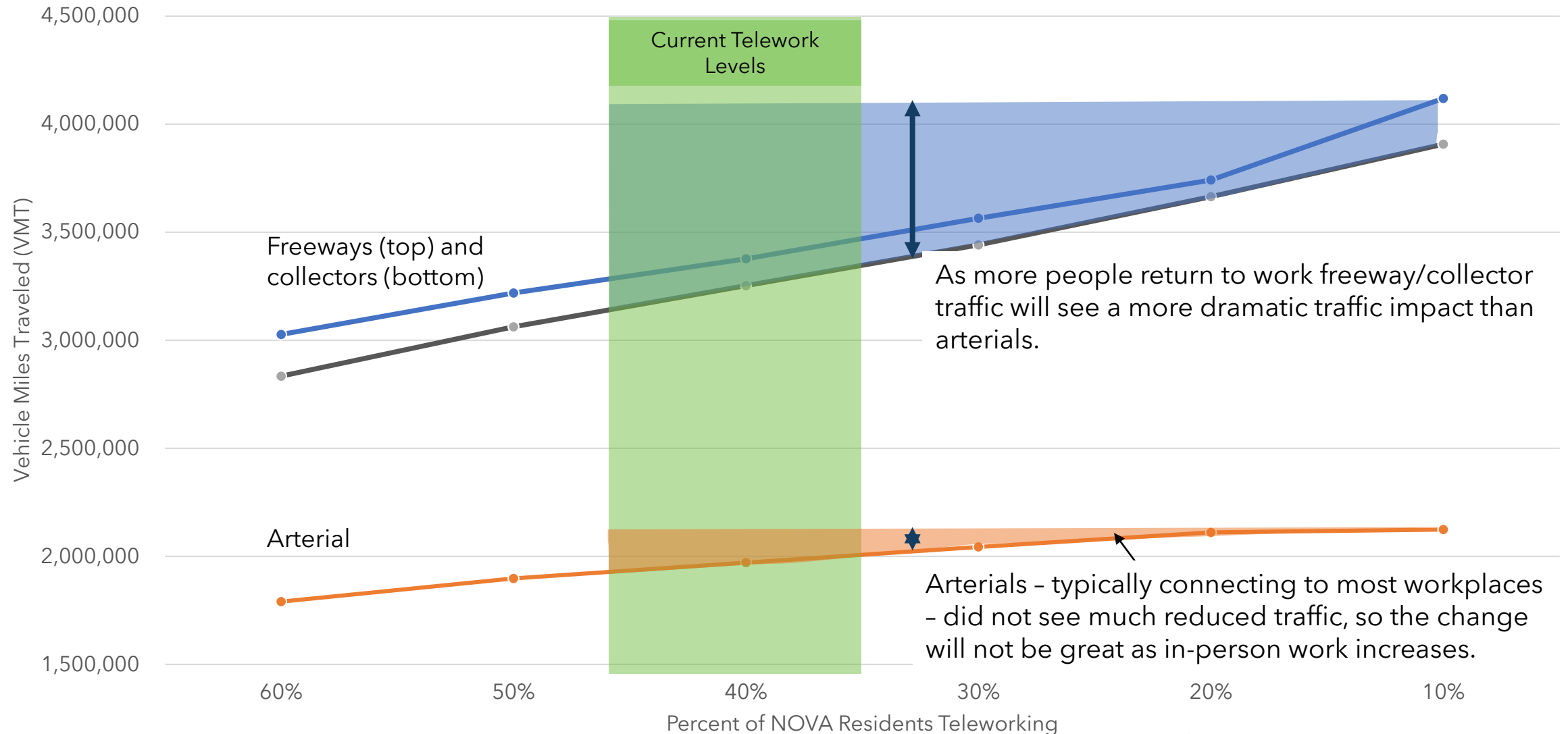
# Working from Home Trends





# Level of Telework does affect NOVA Roadways differently

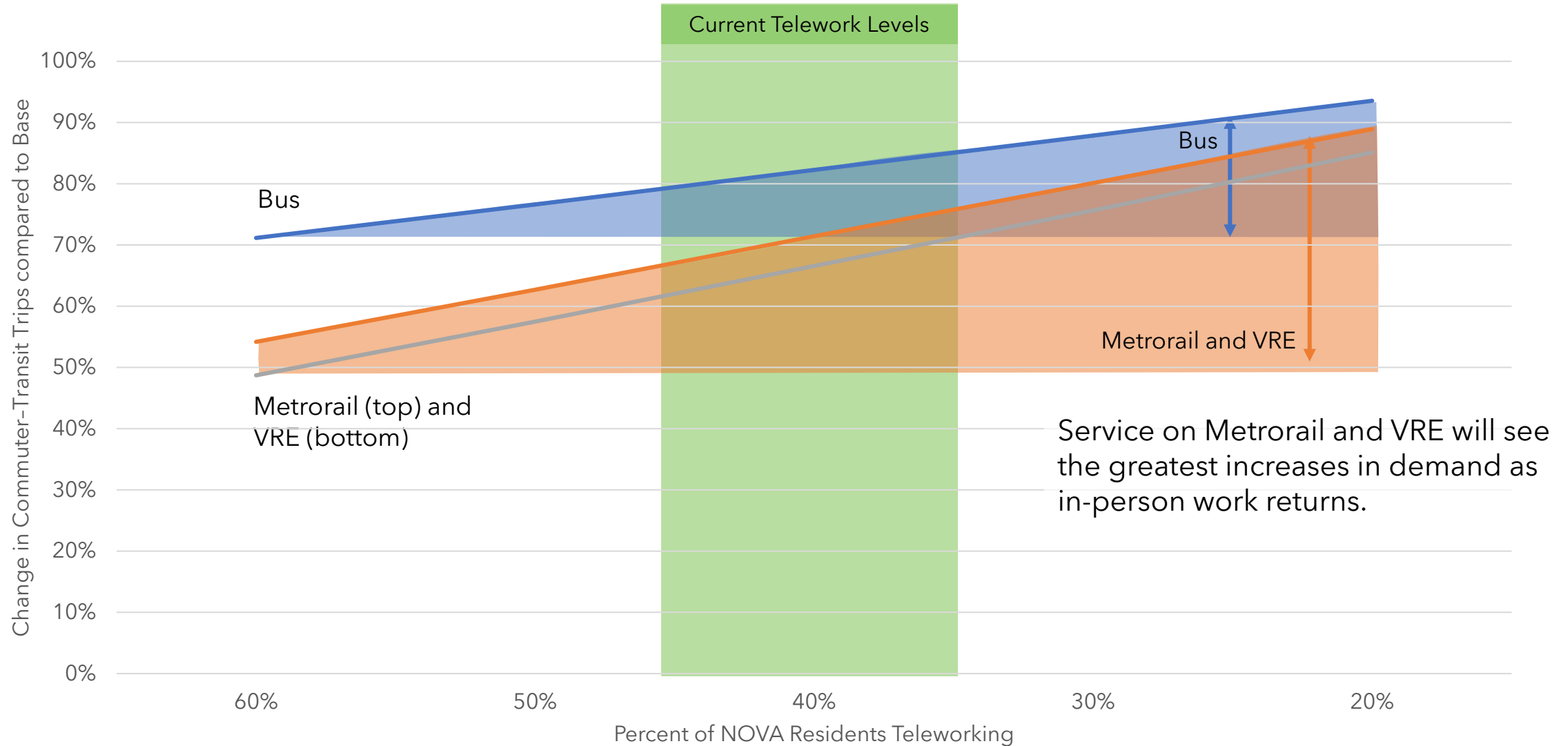
Sensitivity Test Results for Northern Virginia Morning Peak Period Vehicle Miles Traveled (VMT)





# Which can translate into different impact by transit type

Percent Change in Northern Virginia Commute Transit Trips by Type, Compared to Base







# NVTC Revenue Sources

## Revenue through NVTC

- Regional Motor Fuels Tax
- DRPT Capital and Operating Assistance
- Commuter Choice I-66
- Commuter Choice I-395/95
- NVTC General and Administrative Budget

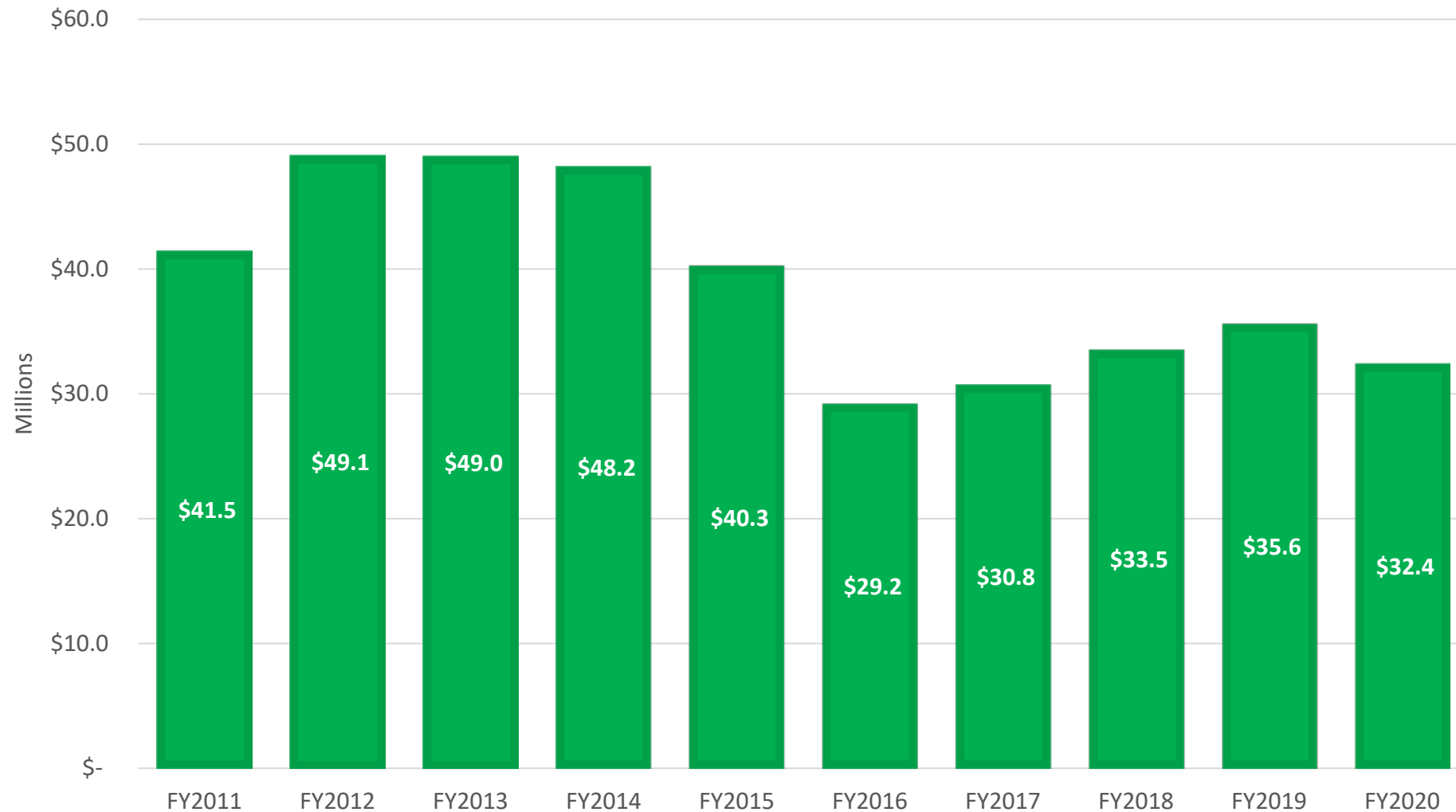
## Revenue Direct to WMATA

- DRPT WMATA Capital Fund - Dedicated Funding
- DRPT PRIIA Match



# NVTC Regional Motor Fuels Tax

NVTC Collections by Fiscal Year

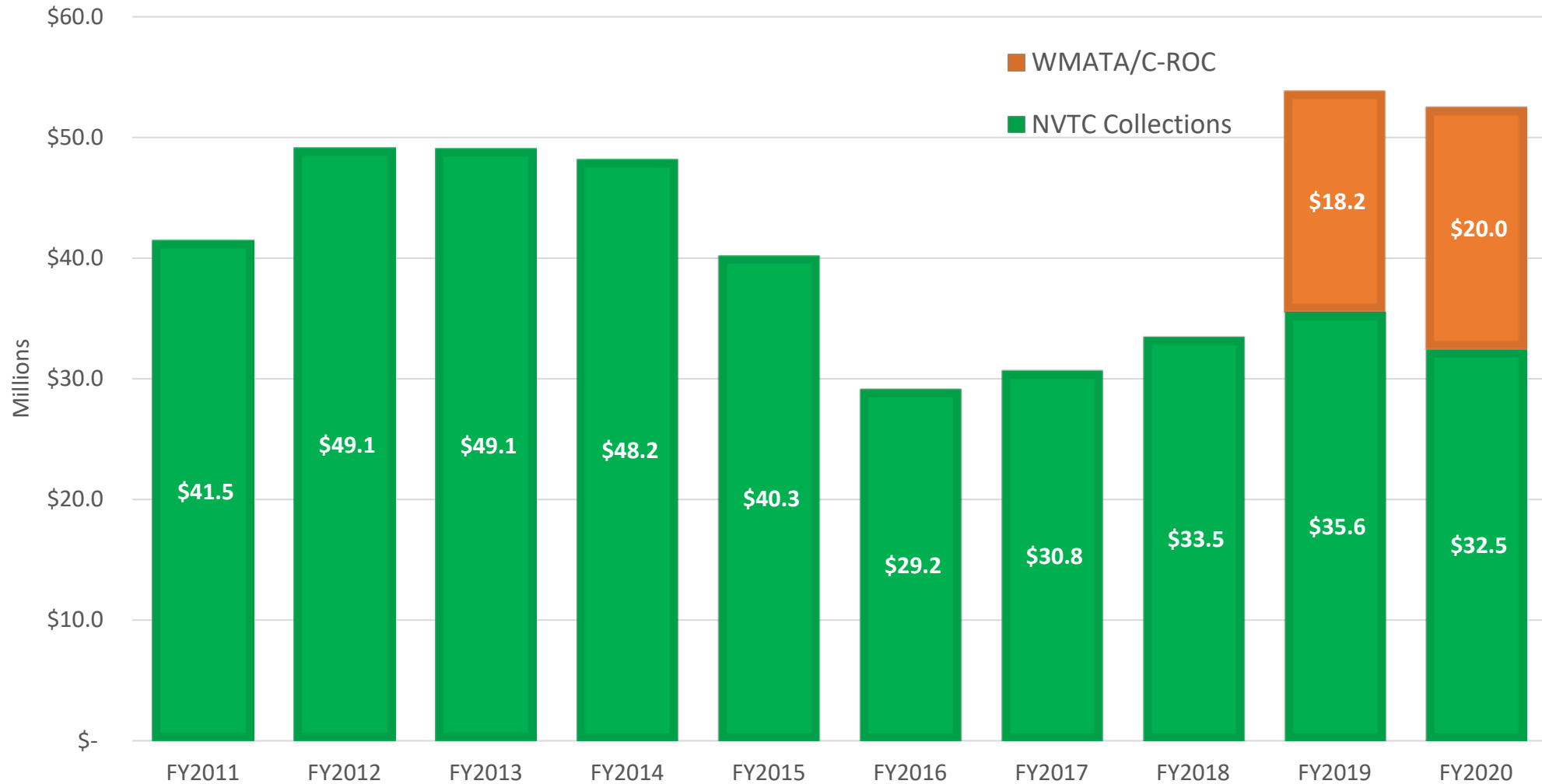


Source: NVTC



# NVTC Regional Motor Fuels Tax

Gross and NVTC Collections by Fiscal Year

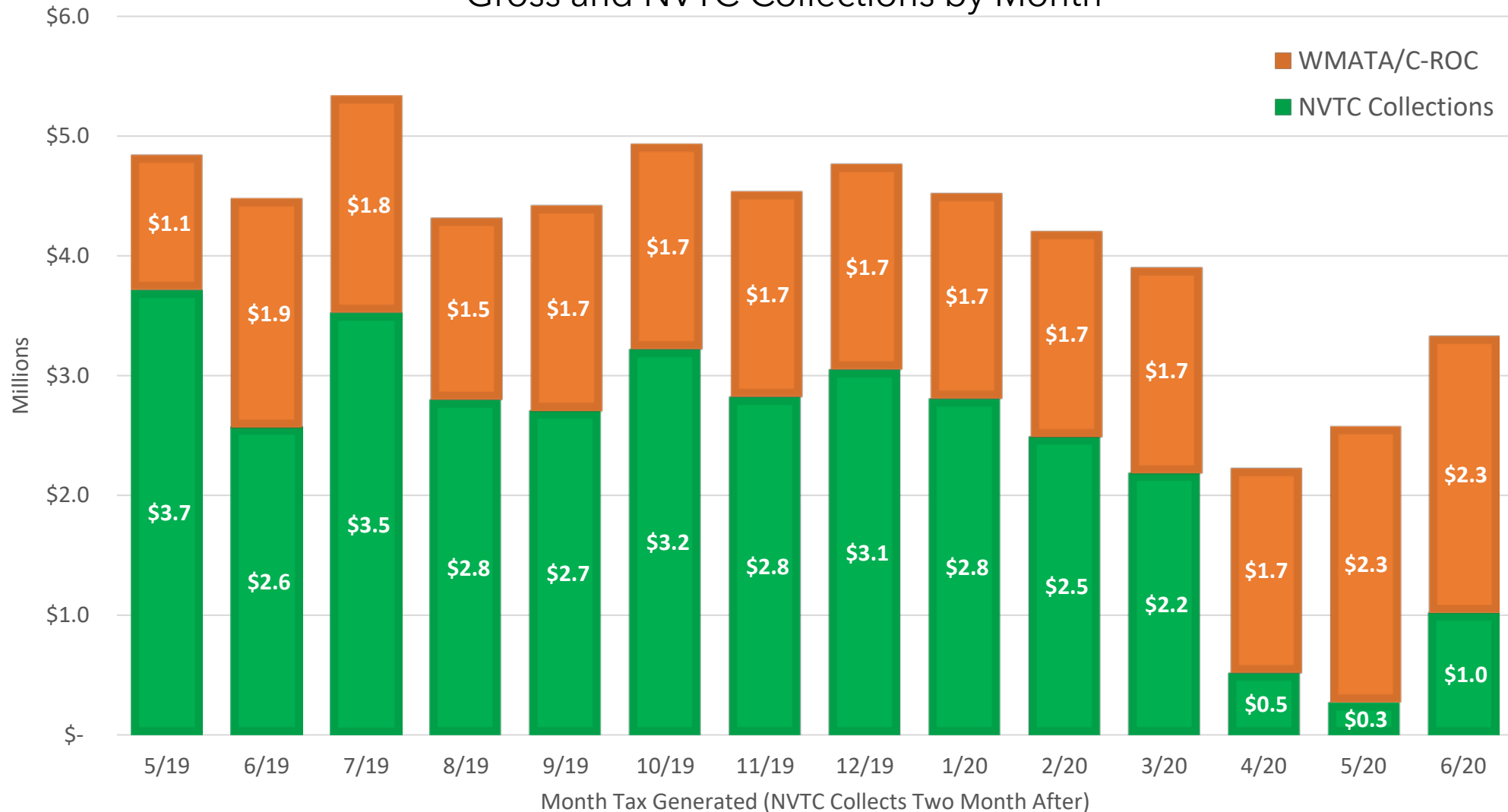


Source: NVTC/Department of Motor Vehicles



# NVTC Regional Motor Fuels Tax

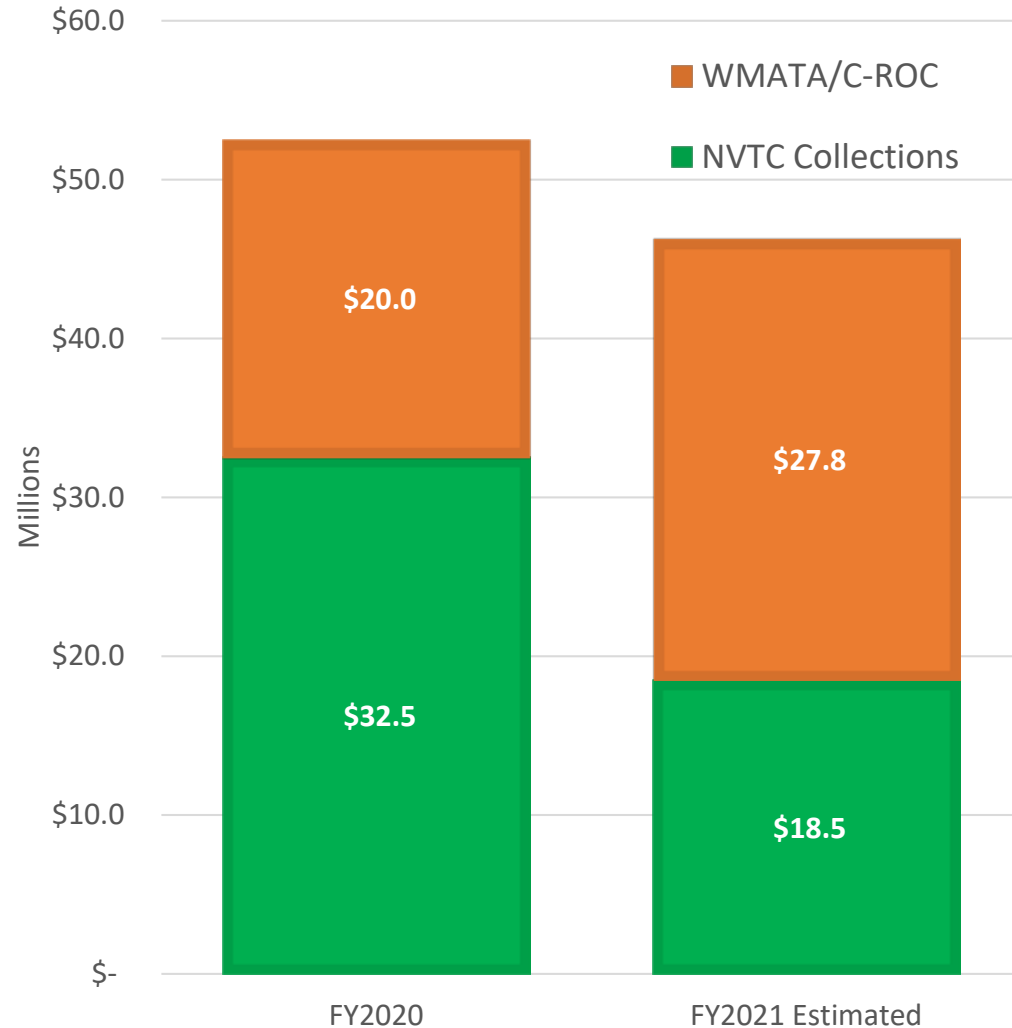
## Gross and NVTC Collections by Month



Source: NVTC / DMV

# NVTC Regional Motor Fuels Tax

FY2021 Estimated Gross and NVTC Collections



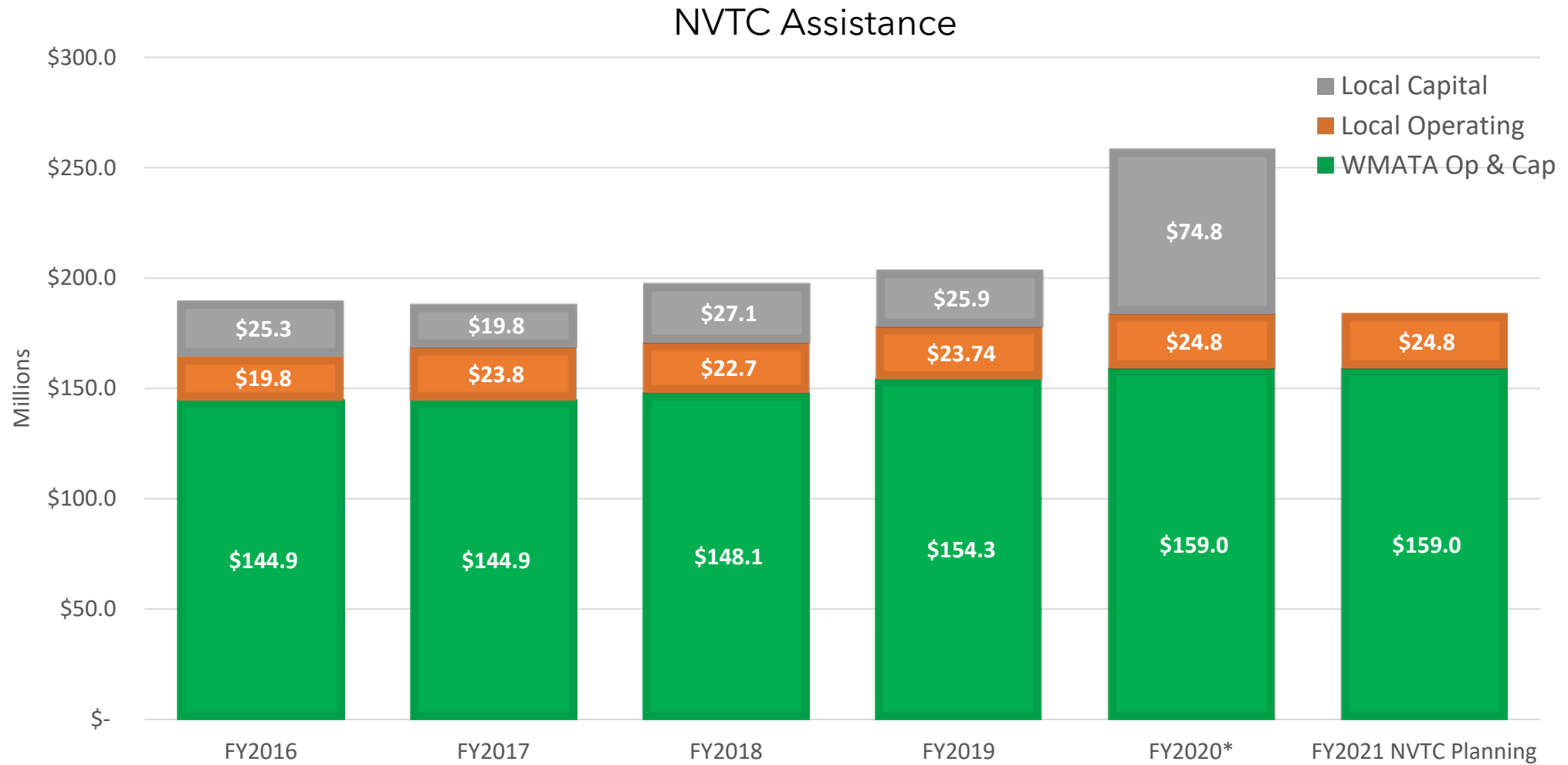
- DMV does not prepare revenue projections of the regional motor fuels tax
- Assuming state-wide motor fuels tax revenue projections can be applied to the NVTC regional tax, gross revenue would decrease by about \$6 million
- Withholding for WMATA & C-ROC Funds:

	<u>FY2020</u>	<u>FY2021</u>
WMATA Capital Fund	\$ 14.4	\$ 22.2
VRE C-ROC Fund	5.6	5.6
	<u>\$ 20.0</u>	<u>\$ 27.8</u>

Source: NVTC / DMV



# DRPT Capital and Operating Assistance



\*Table does not include \$2.9M in FY2020 supplemental crisis funding for local operations

Source: NVTC / DRPT SYIP

# DRPT Capital and Operating Assistance

## Official and Interim Standard Commonwealth Transportation Fund Forecasts

	Fiscal Year 2021			Growth over FY20	
	Official	Interim	Change	Official	Interim
Motor Fuels Taxes (1)	\$ 1,124.6	\$ 1,010.4	\$ (114.2)	29.8 %	16.6 %
Priority Transportation Fund (2)	197.6	181.4	(16.2)	7.6	-1.2
Motor Vehicles Sales Tax (3)	1,038.9	929.9	(109.0)	4.6	-6.3
Retail Sales Tax	1,183.0	1,021.6	(161.4)	5.2	-9.1
Motor Vehicle License Fees	223.5	223.5	0.0	-17.5	-17.5
All Other Revenue	186.9	186.9	0.0	11.4	11.4
<b>Total (4)</b>	<b>\$ 3,954.5</b>	<b>\$ 3,553.7</b>	<b>\$ (400.8)</b>	<b>9.7 %</b>	<b>-1.4 %</b>

	Fiscal Year 2022			Growth over FY21	
	Official	Interim	Change	Official	Interim
Motor Fuels Taxes (1)	\$ 1,371.5	\$ 1,255.6	\$ (115.9)	22.0 %	24.3 %
Priority Transportation Fund (2)	205.9	205.9	0.0	4.2	13.5
Motor Vehicles Sales Tax (3)	1,062.1	981.0	(81.1)	2.2	5.5
Retail Sales Tax	1,202.1	1,050.2	(151.9)	1.6	2.8
Motor Vehicle License Fees	224.9	224.9	0.0	0.6	0.6
All Other Revenue	197.0	197.0	0.0	5.4	5.4
<b>Total (4)</b>	<b>\$ 4,263.5</b>	<b>\$ 3,914.6</b>	<b>\$ (348.9)</b>	<b>7.8 %</b>	<b>10.2 %</b>

Notes:

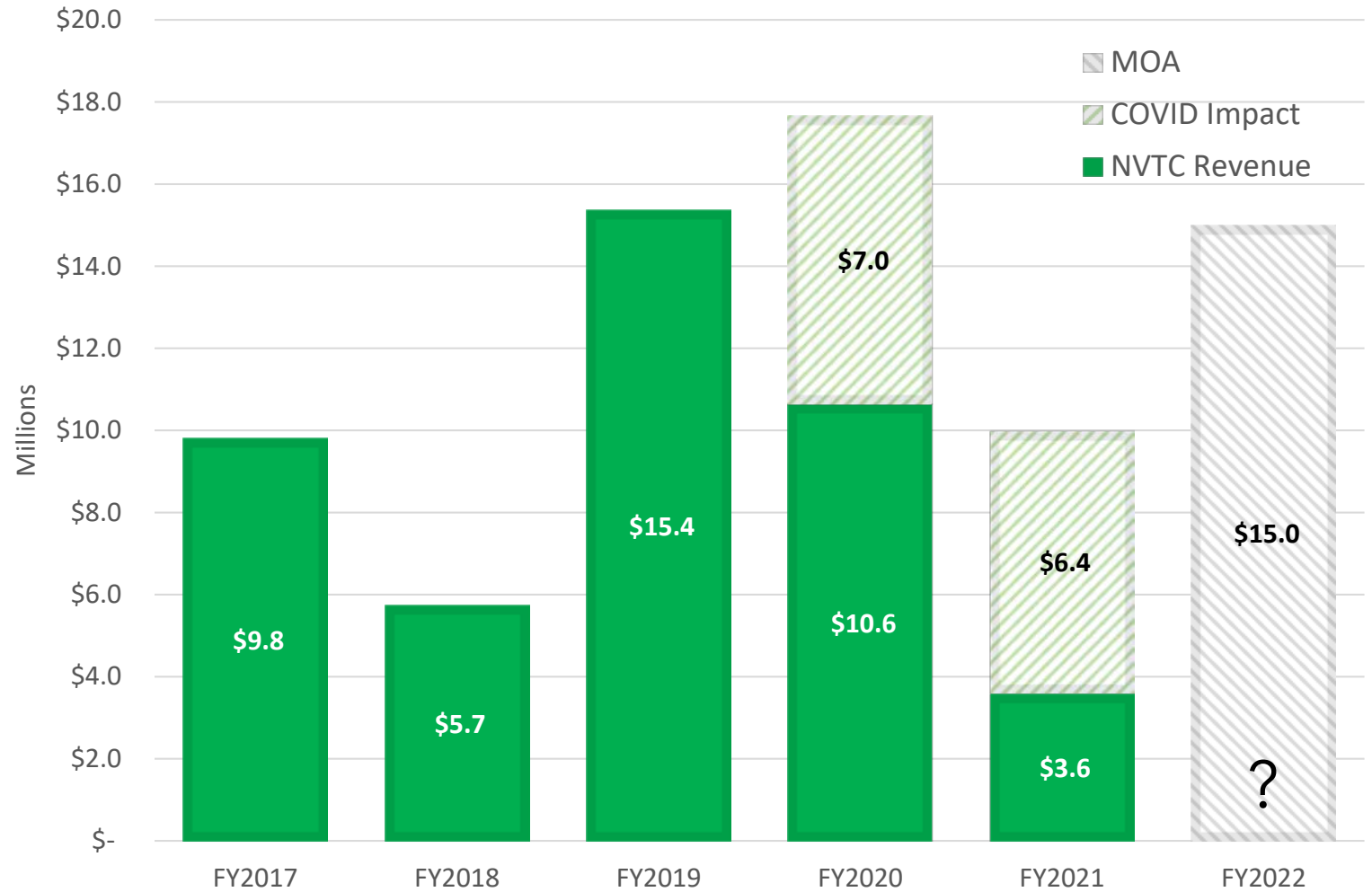
- (1) Includes aviation and road tax
- (2) Insurance premiums tax
- (3) Includes rental tax
- (4) Total state taxes and fees.





# Commuter Choice I-66

Revenue by Fiscal Year





## Commuter Choice I-395/95

- Under a 68-year agreement with the Commonwealth, NVTC and PRTC receive a \$15 million escalating concessionaire payment from the I-395/95 tolling facility to fund a program of projects to benefit the users of the corridor
- The commissions have agreed NVTC will administer the program
- The initial payment was due at the start of tolling in the Fall of 2019, with annual payments on the anniversary date



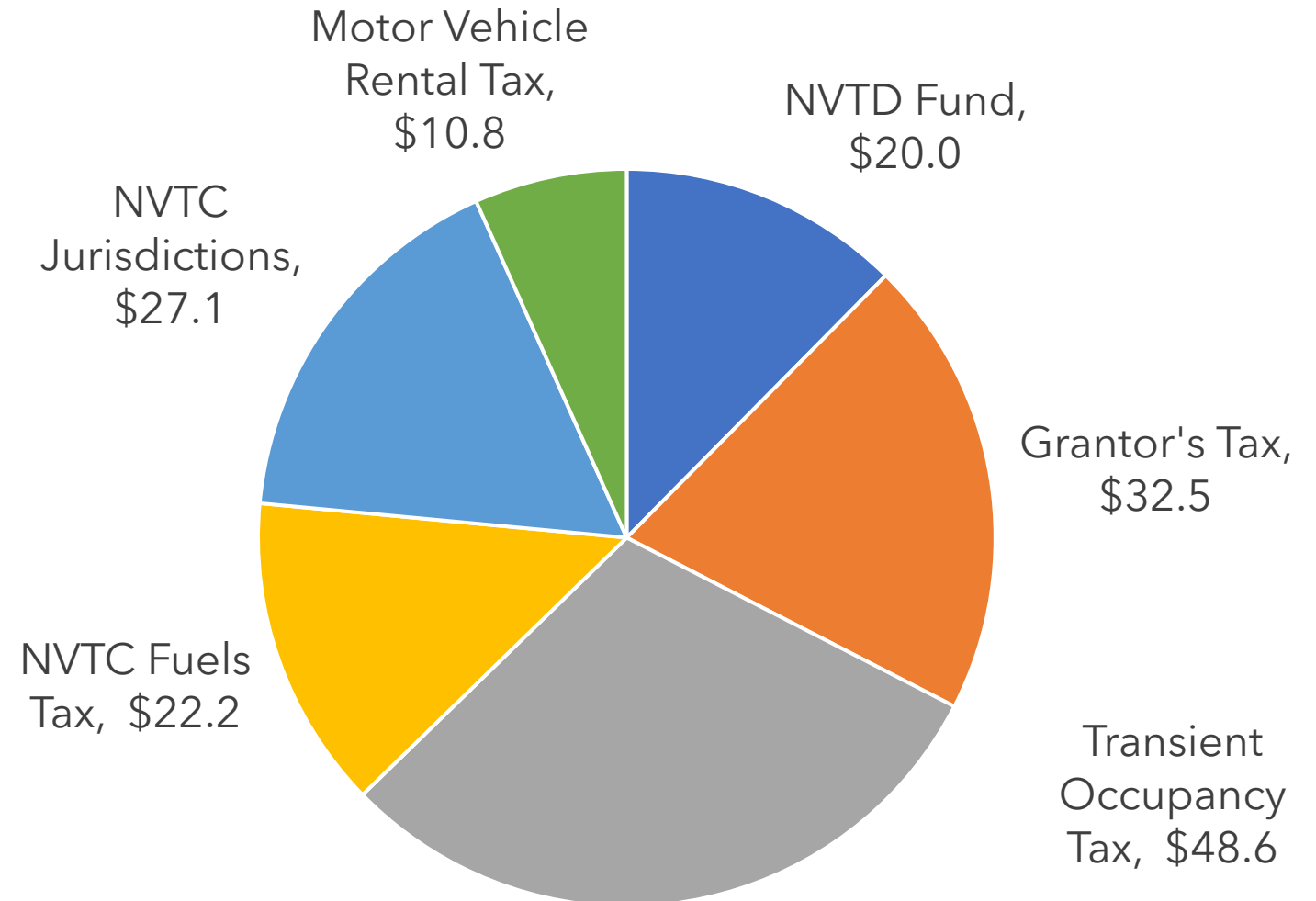
# NVTC General & Administrative Budget



- As required by the Code of Virginia, NVTC prepares an annual budget of its general and administrative activities to determine the member jurisdiction contributions
- The local contributions are made in two ways:
  - Direct contribution payments from the localities
  - Revenue taken off the top of state assistance received by NVTC as reimbursement of jurisdiction transit expenditures
- Other G&A funding sources include:
  - Commuter Choice revenue for the administration and marketing of the program
  - NVTC project grant revenue
  - Interest
  - Carryover of prior year surplus

# DRPT WMATA Capital Fund

FY2021 Pre-COVID Revenue Projections (\$161.2 M)





# DRPT WMATA PRIIA Match

- As a condition of receiving \$150 million annually in federal funding under the Passenger Rail Investment and Improvement Act (PRIIA), Maryland, the District and Virginia each committed to provide a \$50 million annual match.
- DRPT has provided the match through transportation bond revenues, which will continue through FY2021
- Beginning in FY2022, the match will be off the top of DRPT revenues



## DRPT WMATA PRIIA Match

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- DRPT has provided the match through transportation bond revenues, which will continue through FY2021
- Beginning in FY2022, the match will be off the top of DRPT revenues





# NVTC Responsibilities

Financial/ Grants Mgmt	Oversight / Analysis / Reports	Program Administration	Public Engagement	Commission Management	NVTC Internal Operations
<ul style="list-style-type: none"> <li>DRPT WMATA Grants</li> <li>DRPT VRE Grants</li> <li>DPRT NVTC Localities Grants</li> <li>DPRT NVTC Grants</li> <li>NVTA VRE Grants</li> <li>Federal Grants</li> <li>Regional Gas Tax Revenues</li> <li>----- NEW -----</li> <li>WMATA Capital Fund <sup>(1)</sup></li> <li>I-66 Toll Revenue Fund</li> <li>VRE C-ROC Fund</li> <li>DRPT Performance-Based Capital Grants <sup>(2)</sup></li> <li>DRPT Performance-Based Operating Grants <sup>(2)</sup></li> </ul>	<ul style="list-style-type: none"> <li>DRPT Oversight and Reporting</li> <li>I-66 Oversight and CTB Reporting</li> <li>Federal Oversight and Reporting</li> <li>Quarterly Transit Performance Reporting</li> <li>----- NEW -----</li> <li>NVTC Annual Report on WMATA Performance and Condition</li> <li>Certification of WMATA Documents</li> <li>Report on use of WMATA Capital Funds</li> <li>I-66 Corridor Transit Performance</li> </ul>	<ul style="list-style-type: none"> <li>I-66 Commuter Choice</li> <li>Route 7 BRT</li> <li>Regional Fare Payment</li> <li>Regional Bus Agenda</li> <li>Emergency Preparedness</li> <li>----- NEW -----</li> <li>I-395/95 Commuter Choice</li> <li>I-66 Revised Evaluation Criteria</li> <li>I-66 TDM Program</li> <li>Regional Fare Payment Joint Procurement <sup>(3)</sup></li> </ul>	<ul style="list-style-type: none"> <li>I-66 Commuter Choice Project Selection</li> <li>Route 7 BRT</li> <li>VA WMATA Board Public Meetings</li> <li>----- NEW -----</li> <li>WMATA Strategic Plan Public Hearing</li> <li>WMATA Capital Improvement Program Public Hearing</li> <li>Joint Planning District 8 Public Meeting</li> <li>General Assembly NOVA Transit Tour</li> </ul>	<ul style="list-style-type: none"> <li>Meeting administration and preparation</li> <li>Commissioner engagement</li> <li>----- NEW -----</li> <li>Additional Committee Support</li> <li>WMATA Board Member Support</li> <li>Live-stream / video/audio recording of Commission meetings</li> </ul>	<ul style="list-style-type: none"> <li>Human Resources</li> <li>Information Technology</li> <li>Legal Support</li> <li>Legislative Support</li> <li>Accounting and Internal Controls</li> <li>NVTC Fellows Program</li> </ul>

Notes: (1) These funds are administered directly to WMATA from DPRT; it is anticipated that NVTC will continue to support the analysis of the use of these funds as a component of Virginia WMATA funding. (2) As required by HB1539/SB856, DPRT funding is allocated under a new prioritization approach for applications. (3) Pending outcome of NVTC Regional Fare Collection discussions.

# NVTC Commission Structure

**NVTC Chairman**

**Executive Committee**

- Officers
- Immediate Past Chair
- Committee Chairs
- Senior GA Member

- ✓ Approves budget and work plan
- ✓ Deliberates on broad Commission issues
- ✓ Oversight of personnel matters, including ED annual review
- ✓ Serves as nominating and audit committees

**WMATA Committee**

- Member from each jurisdiction + GA rep
- Governor’s appointment

---

- ✓ Formalized in bylaws
- ✓ Duties include review of WMATA budget and work plan, policy issues affecting Commission
- ✓ Meets monthly; aligned to WMATA decision points

**Legislative and Policy Committee**

- Member from each jurisdiction + GA rep

---

- ✓ Formalized in bylaws
- ✓ Approves annual Legislative and Policy agenda
- ✓ Reports to Commission on legislative activities
- ✓ Meets monthly from October – March; other times as necessary

**Program Advisory Committee**

- Member from each jurisdiction + GA Rep

---

- ✓ Formalized in bylaws
- ✓ Provides oversight and guidance on NVTC program areas, including
  - Commuter Choice (66 + 395)
  - Route 7
  - Regional Bus
  - Fare Collection
- ✓ Meets as necessary prior to key Commission decisions



## 2022 NVTC OFFICERS AND COMMISSIONERS

Canek Aguirre, Chair  
Dalia Palchik, Vice-Chair  
Matt de Ferranti, Secretary-Treasurer

### Arlington County

Katie Cristol  
Matt de Ferranti  
Libby Garvey

### City of Alexandria

Canek Aguirre  
Sarah Bagley  
Kirk McPike, alternate

### Fairfax County

Walter Alcorn  
John Foust  
Jeff McKay  
Dalia Palchik  
James Walkinshaw  
Daniel G. Storck, alternate

### City of Falls Church

David Snyder  
Phil Duncan, alternate

### Loudoun County

Matt Letourneau  
Michael Turner

### City of Fairfax

David Meyer  
Jon Stehle, alternate

### General Assembly

Senate:  
John Bell  
Adam Ebbin

### Commonwealth of Virginia

Paul Smedberg  
Jennifer DeBruhl (DRPT), alternate

House of Delegates Appointees:

Nick Clemente  
Aimee S. Gilroy  
M. David Skiles  
John C. Tuck, III



Approved 01-06-2022

# 2022 NVTC COMMITTEE AND BOARD APPOINTMENTS

## NVTC EXECUTIVE COMMITTEE

Chair, Canek Aguirre  
 Vice-Chair, Dalia Palchik  
 Secretary-Treasurer, Matt de Ferranti  
 Legislative & Policy Committee Chair, David Meyer  
 Program Advisory Committee Chair, David Snyder  
 WMATA Committee Chair, Walter Alcorn  
 Immediate Past Chair, Katie Cristol  
 General Assembly Member, Adam Ebbin  
*Non-Voting Members:*  
 WMATA Principal Member, Paul Smedberg  
 (Commonwealth Appointee)  
 WMATA Principal Member, Matt Letourneau  
 (NVTC Appointee)

## NVTC WMATA COMMITTEE

Chair, WMATA Alternate Member, Walter Alcorn  
 WMATA Principal Member, Matt Letourneau  
 WMATA Principal Member, Paul Smedberg  
 WMATA Alternate Member, Canek Aguirre  
 Commission Members:  
 (drawn from member jurisdictions in a representative manner)  
 Arlington County, Matt de Ferranti  
 City of Falls Church, David Snyder  
 City of Fairfax, David Meyer

## NVTC LEGISLATIVE AND POLICY COMMITTEE

Chair, David Meyer  
 Commission Members:  
 (drawn from member jurisdictions in a representative manner)  
 City of Alexandria, Canek Aguirre  
 Arlington County, Libby Garvey  
 City of Falls Church, David Snyder  
 Fairfax County, James Walkinshaw  
 Loudoun County, Matt Letourneau  
*Non-Voting Member:*  
 General Assembly Member, Adam Ebbin

## NVTC PROGRAM ADVISORY COMMITTEE

Chair, David Snyder  
 Commission Members:  
 (drawn from member jurisdictions in a representative manner)  
 City of Alexandria, Sarah Bagley  
 Arlington County, Libby Garvey  
 City of Fairfax, David Meyer  
 Fairfax County, John Foust  
 Loudoun County, Michael Turner

## NVTC'S WMATA BOARD OF DIRECTORS

### Principals:

Paul Smedberg  
 (Commonwealth Appointee)  
 Term expires 01-05-2026

Matt Letourneau  
 (NVTC Appointee)  
 Term expires 01-03-2023

### Alternates:

Canek Aguirre  
 Term expires 01-07-2025

Walter Alcorn  
 Term expires 01-04-2024

## NVTC'S VIRGINIA RAILWAY EXPRESS OPERATIONS BOARD

### Principals:

Fairfax County:  
 Walter Alcorn  
 Daniel G. Storck  
 James Walkinshaw  
City of Alexandria:  
 Sarah Bagley  
Arlington County:  
 Libby Garvey

### Alternates:

Fairfax County:  
 Jeff McKay  
  
City of Alexandria:  
 Canek Aguirre  
Arlington County:  
 Katie Cristol

## NVTC'S VIRGINIA TRANSIT ASSOCIATION BOARD OF DIRECTORS

### Principals:

David Snyder  
 Kate Mattice

### Alternates:

Katie Cristol  
 Canek Aguirre



## NVTC 2022 MEETING SCHEDULE

— UPDATED January 7, 2022 —

NVTC Commission meetings start at 7:00 p.m. on the first Thursday of the month. Meetings are usually held in the First Floor Main Conference Room of the Navy League Building, 2300 Wilson Blvd, Arlington, Virginia, unless otherwise noted. The Executive Committee meets at 6:00 p.m. Please check NVTC's [meeting website page](#) for updates.

January 6, 2022

February 3, 2022 - Meeting Canceled

March 3, 2022

April 7, 2022 - Meeting Canceled

May 5, 2022

June 2, 2022

July 7, 2022

August 2022 – No Commission Meeting

September 1, 2022

October 6, 2022

November 3, 2022

December 1, 2022

### **Other NVTC Meetings:**

*May/June – Joint NVTC/NVTA/VRE/CTB Public Meeting – date/location TBD*

*December 5, 2022 – Joint NVTC-PRTC Legislative Briefing – Embassy Suites Hotel,  
Springfield*

## Commissioner Per Diem

Commissioners are compensated for attendance at NVTC, WMATA and VRE public meetings and for representing NVTC at functions and events. The amount of compensation and the procedures followed differ for General Assembly members and local elected officials.

### ▪ **General Assembly Members**

The per diem rate is \$300; however, Item 1#1c of the 2019 Appropriations Act (<https://budget.lis.virginia.gov/amendment/2019/1/HB1700/Introduced/CR/1/1c/>) includes the following budget amendment:

*"If the member attends two or more official meetings during the same day, and at least one of which occurs in the morning and one of which occurs in the afternoon, than the member shall be compensated at a rate of \$400 for the entire day, otherwise compensation is capped at the \$300 per day."*

Therefore, NVTC provides the meeting/event start and end times along with the names of those members attending NVTC meetings or representing NVTC at meetings/events to the Senate and House of Delegates, using a specified transmittal form. Since members receive payment through the Commonwealth's payroll system, NVTC does not determine the amount of per diem a member makes on a given day. Members are not compensated for NVTC meetings when the General Assembly is in Session (generally January, February and March). Members may be reimbursed by NVTC for mileage associated with their attendance or representation. If seeking mileage reimbursement, General Assembly members must provide the meeting date and mileage to NVTC's Comptroller Colethia Quarles at [colethiaquarles@novatransit.org](mailto:colethiaquarles@novatransit.org). Requests must be submitted after each meeting attended.

### ▪ **Local Elected Officials and Commonwealth Representative**

The per diem rate is \$50. Non-legislative Commissioners are limited to a single payment on any one day, regardless of the number of NVTC-related meetings or events attended. NVTC documents attendance at its public meetings and events and receives documentation of meeting attendance from WMATA and VRE. NVTC issues checks to Commissioners on a monthly basis (so there is a month-lag time) to their home address, unless another address is requested. Commissioners representing NVTC at any other meeting or event must notify NVTC's Comptroller Colethia Quarles ([colethiaquarles@novatransit.org](mailto:colethiaquarles@novatransit.org) / 571/483-3221). Local elected officials are not reimbursed for mileage. NVTC is not able to process direct deposit for per diems.

## Commissioner Bonding

The Virginia Code ([VA Code 33.2-1909](#)) and NVTC's [By-Laws \(Section 8.A.1-2\)](#) stipulate that Commissioners must be bonded. NVTC secures a public official bond – \$5,000 for each Commissioner and \$25,000 for the Secretary-Treasurer – for the faithful performance of duties. Bond premiums are paid by the Commission and filed with and preserved by the Department of the Treasury's Division of Risk Management. At the start of their service on NVTC, Commissioners will be asked to fill out a bond application.



## **2022 NVTC STAFF**

**Katherine A. Mattice**  
**Executive Director**

Scott Kalkwarf, Director of Finance and Administration  
Allan Fye, Director of Programs and Policy  
Becky Merriner, Director of Human Resources

Monique Blyther, Marketing and Engagement Manager

Genoveva Cutrell, Assistant to the Executive Director

Andrew D'Huyvetter, WMATA Senior Program Manager

Matt Friedman, Communications and Public Affairs Manager

Rhonda Gilchrest, Commission Secretary/Meetings and Events Manager/FOIA Officer

Adam Hager, Commuter Choice Senior Program Analyst

Xavier Harmony, Transit Resource Center Senior Program Manager

Tenley O'Hara, Legislative and Administrative Assistant

Ben Owen, Commuter Choice Senior Program Manager

Colethia Quarles, Comptroller

Sophie Spiliotopoulos, Program Analyst

Silas Sullivan, Transit Fellow

Brittany Sumpter, Grants Manager and DBE Liaison Officer

Melissa Walker, IT and Web Resources Manager

Ronnetta Zack-Williams, Program Analyst

**For questions related to Commissioner's per diem: Colethia Quarles (571) 483-3221**  
**For questions related to Commission meetings: Rhonda Gilchrest (571) 483-3226**

## Management Advisory Committee (MAC)

NVTC formed the Management Advisory Committee (MAC) in the early 1970's consisting of transportation staff and financial officials of its member jurisdictions. This group meets monthly on the third Tuesday at 1:30 P.M. at NVTC, chaired by NVTC's Director of Programs and Policy Allan Fye, to discuss regional transit issues; consider technical questions pertaining to NVTC's administration of transit aid funds; advise NVTC staff on jurisdictional positions and policies; review items for future NVTC Commission meetings; and serve as a liaison between NVTC staff and Commissioners representing the jurisdictions. Generally, members of the MAC staff their Commissioner(s) and are heavily involved in transit planning, funding and operations at their jurisdiction.

### City of Alexandria

Jennifer Slesinger  
Chris Ziemann

### Arlington County

Lynn Rivers  
Rich Roisman

### City of Fairfax

Wendy Block Sanford  
Chloe Ritter

### Fairfax County

Malcolm Watson  
Noelle Dominguez

### City of Falls Church

Cindy Mester  
Jeffrey Sikes

### Loudoun County

Scott Gross  
Penny Newquist

### Many additional staff attend MAC meetings as needed, depending on the agenda:

NVTC: Kate Mattice ▪ Allan Fye ▪ Scott Kalkwarf ▪ Monique Blyther ▪ Andrew D’huyvetter ▪ Matt Friedman ▪ Rhonda Gilchrest ▪ Adam Hager ▪ Patricia Happ ▪ Colethia Quarles ▪ Tenley O’Hara ▪ Ben Owen ▪ Aimee Perron Seibert ▪ Sophie Spiliotopoulos ▪ Brittany Sumpter ▪ Melissa Walker ▪ Ronnetta Zack-Williams

VRE: Karen Finucan Clarkson ▪ Joe Swartz

WMATA: Greg Potts ▪ Regina Sullivan

DRPT: Clinton Edwards ▪ Todd Horsley ▪ Tim Roseboom ▪ Ciara Williams

PRTC: Bob Schneider ▪ Joe Stainsby

VDOT: Fatemah Allahdoust ▪ Heidi Mitter

NVTA: Monica Backmon ▪ Sree Nampoothiri ▪ Mackenzie Love

COG: Kanti Srikanth



**NVTC Statutory Reference,  
NVTC By-Laws  
and Related Policies**

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## Chapter 19. Transportation District Act of 1964

### Article 1. General Provisions

#### **§ 33.2-1900. Declaration of policy**

The development of transportation systems, composed of transit facilities, public highways, and other modes of transport, is necessary for the orderly growth and development of the urban areas of the Commonwealth; for the safety, comfort, and convenience of its citizens; and for the economical utilization of public funds. The provision of the necessary facilities and services cannot be achieved by the unilateral action of the counties and cities, and the attainment thereof requires planning and action on a regional basis, conducted cooperatively and on a continuing basis, between representatives of the affected political subdivisions and the Commonwealth Transportation Board. In those urban areas of the Commonwealth that together form a single metropolitan area, solutions must be jointly sought with the affected political subdivisions and highway departments. Such joint action should be conducted in a manner that preserves, to the extent the necessity for joint action permits, local autonomy over patterns of growth and development of each participating political subdivision or locality. The requisite joint action may best be achieved through the device of a transportation district, having the powers, functions, and duties set forth in this chapter. In the provision of improved or expanded transit facilities, it is the policy of the Commonwealth to make use of private enterprise to the extent reasonably practicable.

1964, c. 631, § 15.1-1343; 1986, c. 438; 1997, c. 587, § 15.1-4501; 2014, c. [805](#).

#### **§ 33.2-1901. Definitions**

As used in this chapter, unless the context requires a different meaning:

"Agency" or "such agency" means an agency authorized by, or arising from action of, the General Assembly to plan for or provide transportation facilities and service for a metropolitan area located wholly or in part in the Commonwealth.

"Commission" or "district commission" means the governing body of a district.

"Component governments" means the counties and cities composing a transportation district and the various departments, bureaus, and divisions of such counties and cities.

"District" means a transportation district authorized to be created by this chapter.

"Governing bodies" means the boards of supervisors of counties and councils of cities composing a transportation district.

"Metropolitan area" means a metropolitan statistical area as defined by the U.S. Census Bureau and the Office of Management and Budget or any contiguous counties or cities within the Commonwealth that together constitute an urban area.

"Person" means an individual, partnership, association, or corporation or any governmental agency or authority.

"State," when applied to a part of the United States, includes any of the 50 states and the District of Columbia.

"Transportation facilities," "transit facilities," or "facilities" means all those matters and things utilized in rendering transportation service by means of rail, bus, water, or air and any other mode of travel, including tracks, rights-of-way, bridges, tunnels, subways, and rolling stock for rail, motor vehicle, marine, and air transportation; stations, terminals, and ports; areas for parking; buildings; structures; and all equipment, fixtures, and business activities reasonably required for the performance of transportation service, but does not include any such facilities owned by any person, company, association, or corporation the major part of whose transportation service extends beyond a transportation district created in this chapter.

1964, c. 631, § 15.1-1344; 1986, c. 438; 1997, c. 587, § 15.1-4502; 2014, c. 805.

### **§ 33.2-1902. Authorization to issue summons**

Conductors of railroad trains, motormen, and station and depot agents of any transportation district created pursuant to this chapter shall have the power to issue a summons for any violation of § 18.2-160.1 with respect to any train operated by or under contract with such transportation district.

1988, c. 762, § 15.1-1344.1; 1997, c. 587, § 15.1-4503; 2014, c. 805.

## **Article 2. Creation of Districts**

### **§ 33.2-1903. Procedure for creation of districts**

A. Any two or more counties or cities may, in conformance with the procedure set forth in this section, or as otherwise may be provided by law, constitute a transportation district and shall have and exercise the powers set forth in this section and such additional powers as may be granted by the General Assembly. A transportation district may be created by ordinance adopted by the governing body of each participating county and city, which ordinances shall (i) set forth the name of the proposed transportation district, which shall include the words "transit district" or "transportation district," (ii) fix the boundaries thereof, (iii) name the counties and cities that are in whole or in part to be embraced therein, and (iv) contain a finding that the orderly growth and development of the county or city and the comfort, convenience, and safety of its citizens require an improved transportation system, composed of transit facilities, public highways, and other modes of transport, and that joint action through a transportation district by the counties and cities that are to compose the proposed transportation district will facilitate the planning and development of the needed transportation system. Such ordinances shall be filed with the Secretary of the Commonwealth and, upon certification by that officer to the Tax Commissioner and the governing body of each of the participating counties and cities that the ordinances required by this chapter have been filed and, upon the basis of the facts set forth therein, satisfy such requirements, the territory defined in such ordinances, upon the entry of such certification in the minutes of the proceedings of the governing body of each of the counties and cities, shall be and constitute a transportation district for all of the purposes of this chapter, known and designated by the name stated in the ordinances.

B. Notwithstanding the provisions of subsection A, any county or city may, subject to the applicable provisions of this chapter, constitute itself a transportation district in the event that no governing body of any contiguous county or city wishes to combine for such purpose, provided that the governing body of such single locality transportation district shall comply with



the provisions of subsection A by adopting an ordinance that (i) sets forth the name of the proposed transportation district, which shall include the words "transit district" or "transportation district"; (ii) fixes, in such county or city, the boundaries thereof; (iii) names the county or city that is in whole or in part to be embraced therein; and (iv) contains a finding that the orderly growth and development of the county or city and the comfort, convenience, and safety of its citizens require an improved transportation district, composed of transit facilities, public highways, and other modes of transport, and that joint action with contiguous counties and cities has not been agreed to at this time, but that the formation of a transportation district will facilitate the planning and development of the needed transportation system, and shall file such ordinance in the manner and mode required by subsection A. At such time as the governing body of any contiguous county or city desires to combine with the original locality for the formation of an enlarged transportation district, it shall enter into an agreement with the commission of the original transportation district on such terms and conditions, consistent with the provisions of this chapter, as may be agreed upon by such commission and such additional county or city, and in conformance with the following procedures. The governing body of the county or city having jurisdiction over the territory to be added to the original transportation district shall adopt an ordinance specifying the area to be enlarged, containing the finding specified in clause (iv) of subsection A, and a statement that a contract or agreement between the county or city and the commission specifying the terms and conditions of admittance to the transportation district has been executed. The ordinance, to which shall be attached a certified copy of such contract, shall be filed with the Secretary of the Commonwealth and, upon certification by that officer to the Tax Commissioner, the commission, and the governing body of each of the component counties and cities that the ordinance required by this section has been filed, and that the terms thereof conform to the requirements of this section, such additional county, or part thereof, or city, upon the entry of such certification in the minutes of the proceedings of the governing body of such county or city, shall become a component government of the transportation district and the county, or portion thereof specified, or city shall be embraced by the transportation district.

1964, c. 631, § 15.1-1345; 1966, c. 419; 1972, c. 832; 1973, c. 324; 1997, c. 587, § 15.1-4504; 2006, c. 354; 2014, c. 805.

### **§ 33.2-1904. Northern Virginia Transportation District and Commission**

A. There is hereby created the Northern Virginia Transportation District (the District), comprising the Counties of Arlington, Fairfax, and Loudoun; the Cities of Alexandria, Falls Church, and Fairfax; and such other county or city contiguous to the District that agrees to join the District.

B. There is hereby established the Northern Virginia Transportation Commission (the Commission) as a transportation commission pursuant to this chapter. The Commission shall consist of five nonlegislative citizen members from Fairfax County, three nonlegislative citizen members from Arlington County, two nonlegislative citizen members from Loudoun County, two nonlegislative citizen members from the City of Alexandria, one nonlegislative member from the City of Falls Church, one nonlegislative citizen member from the City of Fairfax, and the Chairman of the Commonwealth Transportation Board or his designee to serve ex officio with voting privileges. If a county or city contiguous to the District agrees to join the District, such locality shall appoint one nonlegislative citizen member to the Commission. Members from the counties and cities shall be appointed from their respective governing bodies. The Commission shall also include four members appointed by the Speaker of the House of Delegates who may be

members of the House of Delegates and two members of the Senate appointed by the Senate Committee on Rules. All legislative members shall serve terms coincident with their terms of office. Members may be reappointed for successive terms. All members shall be citizens of the Commonwealth. Except for the Chairman of the Commonwealth Transportation Board or his designee, all members of the Commission shall be residents of the localities composing the District. Vacancies occurring other than by expiration of a term shall be filled for the unexpired term. Vacancies shall be filled in the same manner as the original appointments.

2004, c. [1000](#), § 15.1-4503.1; 2014, c. [805](#); 2016, cc. [117](#), [374](#).

### Article 3. Incorporation of District; Creation, Organization, Etc., of Commission **§ 33.2-1905. District a body corporate**

Each transportation district created pursuant to this chapter, or pursuant to an act of the General Assembly, is hereby created as a body corporate and politic under the name of, and to be known by, the name of the district with the word "commission" appended.

1964, c. 631, § 15.1-1346; 1997, c. 587, § 15.1-4505; 2014, c. [805](#).

### **§ 33.2-1906. Creation of commission to control corporation**

In and for each transportation district a commission is hereby created to manage and control the functions, affairs, and property of the corporation and to exercise all of the rights, powers, and authority and perform all of the duties conferred or imposed upon the corporation.

1964, c. 631, § 15.1-1347; 1997, c. 587, § 15.1-4506; 2014, c. [805](#).

### **§ 33.2-1907. Members of transportation commissions**

A. Any transportation district commission created pursuant to this chapter shall consist of the number of members the component governments shall agree upon, or as may otherwise be provided by law. The governing body of each participating county and city shall appoint from among its members the number of commissioners to which the county or city is entitled; however, for those commissions with powers as set forth in subsection A of § [33.2-1915](#), the governing body of each participating county or city is not limited to appointing commissioners from among its members. In addition, the governing body may appoint, from its number or otherwise, designated alternate members for those appointed to the commission who shall be able to exercise all of the powers and duties of a commission member when the regular member is absent from commission meetings. Each such appointee shall serve at the pleasure of the appointing body; however, no appointee to a commission with powers as set forth in subsection B of § [33.2-1915](#) may continue to serve when he is no longer a member of the appointing body. Each governing body shall inform the commission of its appointments to and removals from the commission by delivering to the commission a certified copy of the resolution making the appointment or causing the removal.

The Chairman of the Commonwealth Transportation Board, or his designee, shall be a member of each commission, ex officio with voting privileges. The Chairman of the Commonwealth Transportation Board may appoint an alternate member who may exercise all the powers and duties of the Chairman of the Commonwealth Transportation Board when neither the Chairman of the Commonwealth Transportation Board nor his designee is present at a commission meeting.

The Potomac and Rappahannock Transportation Commission shall also include two members



who reside within the boundaries of the transportation district appointed by the Speaker of the House who may be members of the House of Delegates and one member of the Senate appointed by the Senate Committee on Rules. Each legislative member shall be from a legislative district located wholly or in part within the boundaries of the transportation district and shall serve a term coincident with his term of office. The members of the General Assembly shall be eligible for reappointment for successive terms. Vacancies occurring other than by expiration of a term shall be filled for the unexpired term. Vacancies shall be filled in the same manner as the original appointments.

The Transportation District Commission of Hampton Roads shall include one member of the House of Delegates and one member of the Senate, one of whom shall represent a district that includes the City of Hampton or Newport News and one of whom shall represent a district that includes the City of Chesapeake, Norfolk, Portsmouth, or Virginia Beach. The member of the House of Delegates shall be appointed by the Speaker of the House of Delegates for a term coincident with his term of office, and the member of the Senate shall be appointed by the Senate Committee on Rules for a term coincident with his term of office. The members of the General Assembly shall be eligible for reappointment for successive terms, and vacancies occurring other than by expiration of a term shall be filled for the unexpired term. The Transportation District Commission of Hampton Roads shall also consist of one nonlegislative citizen member appointed by the Governor from each county and city embraced by the transportation district. Nonlegislative citizen members shall have experience in at least one of the following fields: transit, transportation, or land use planning; management of transit, transportation, or other public sector operations; public budgeting or finance; corporate communications; government oversight; or state or local government. All gubernatorial appointments shall be for terms of four years. The governing body of each such county or city may appoint either a member of its governing body or its county or city manager to serve as an ex officio member with voting privileges. Every such ex officio member shall be allowed to attend all meetings of the commission that other members may be required to attend. Vacancies shall be filled in the same manner as the original appointments.

B. The Secretary or his designee and any appointed member of the Northern Virginia Transportation Commission are authorized to serve as members of the board of directors of the Washington Metropolitan Area Transit Authority (§ 33.2-3100 et seq.) and while so serving the provisions of § 2.2-2800 shall not apply to such member. In appointing Virginia members of the board of directors of the Washington Metropolitan Area Transit Authority (WMATA), the Northern Virginia Transportation Commission shall include the Secretary or his designee as a principal member on the board of directors of WMATA. Any designee serving as the principal member must reside in a locality served by WMATA.

In selecting from its membership those members to serve on the board of directors of WMATA, the Northern Virginia Transportation Commission shall comply with the following requirements:

1. A board member shall not have been an employee of WMATA within one year of appointment to serve on the board of directors.
2. A board member shall have (i) experience in at least one of the fields of transit planning, transportation planning, or land use planning; transit or transportation management or other public sector management; engineering; finance; public safety; homeland security; human resources; or the law or (ii) knowledge of the region's transportation issues derived from working on regional transportation issue resolution.

3. A board member shall be a regular patron of the services provided by WMATA.

4. Board members shall serve a term of four years with a maximum of two consecutive terms. A board member's term or terms must coincide with his term on the body that appointed him to the Northern Virginia Transportation Commission. Any vacancy created if a board member cannot fulfill his term because his term on the appointing body has ended shall be filled for the unexpired term in the same manner as the member being replaced was appointed within 60 days of the vacancy. The initial appointments to a four-year term will be as follows: the Secretary, or his designee, for a term of four years; the second principal member for a term of three years; one alternate for a term of two years; and the remaining alternate for a term of one year. Thereafter, board members shall be appointed for terms of four years. Service on the WMATA board of directors prior to July 1, 2012, shall not be considered in determining length of service. Any person appointed to an initial one-year or two-year term, or appointed to an unexpired term in which two years or less is remaining, shall be eligible to serve two consecutive four-year terms after serving the initial or unexpired term.

5. Members may be removed from the board of directors of WMATA if they attend fewer than three-fourths of the meetings in a calendar year; if they are conflicted due to employment at WMATA; or if they are found to be in violation of the State and Local Government Conflict of Interests Act (§ 2.2-3100 et seq.). If a board member is removed during a term, the vacancy shall be filled pursuant to the provisions of subdivision 4.

6. Each member of the Northern Virginia Transportation Commission appointed to the board of directors of WMATA shall file semiannual reports with the Secretary's office beginning July 1, 2012. The reports shall include (i) the dates of attendance at WMATA board meetings, (ii) any reasons for not attending a specific meeting, and (iii) dates and attendance at other WMATA-related public events.

7. Each nonelected member of the Northern Virginia Transportation Commission appointed to the board of directors of WMATA shall be eligible to receive reasonable and necessary expenses and compensation pursuant to §§ 2.2-2813 and 2.2-2825 from the Northern Virginia Transportation Commission for attending meetings and for the performance of his official duties as a board member on that day.

Any entity that provides compensation to a WMATA board member for his service on the WMATA board shall be required to submit on July 1 of each year to the Secretary the amount of that compensation. Such letter will remain on file with the Secretary's office and be available for public review.

C. When the Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission enter into an agreement to operate a commuter railway, the agreement governing the creation of the railway shall provide that the Chairman of the Commonwealth Transportation Board or his designee shall have one vote on the oversight board for the railway. For each year in which the state contribution to the railway is greater than or equal to the highest contribution from an individual locality, the total annual subsidy as provided by the member localities used to determine vote weights shall be recalculated to include the Commonwealth contributing an amount equal to the highest contributing locality. The vote weights shall be recalculated to provide the Chairman of the Commonwealth Transportation Board or his designee the same weight as the highest contributing locality. The revised vote



weights shall be used in determining the passage of motions before the oversight board.

1964, c. 631, § 15.1-1348; 1966, c. 419; 1973, c. 231; 1975, c. 179; 1977, c. 137; 1986, c. 438; 1987, c. 441; 1993, c. 867; 1997, c. 587, § 15.1-4507; 2000, cc. 439, 443; 2004, c. 1000; 2011, c. 515; 2012, c. 377; 2013, c. 589; 2014, cc. 655, 721, 805; 2016, c. 130; 2018, Sp. Sess. I, c. 2; 2021, Sp. Sess. I, c. 435.

### **§ 33.2-1908. Officers of commission**

Within 30 days after the appointment of the original commission members, the commission shall meet on the call of any member and shall elect one of its members as chairman and another as vice-chairman, each to serve for a term of one year or until his successor is elected and qualified. The commission shall employ a secretary and treasurer, who may or may not be a member of the commission, and, if not a commission member, fix his compensation and duties. All officers shall be eligible for reelection. Each commission member, before entering on the performance of his public duties, shall take and subscribe the oath or affirmation specified in Article II, Section 7 of the Constitution of Virginia. Such oath may be administered by any person authorized to administer oaths under § 49-4.

1964, c. 631, § 15.1-1349; 1971, Ex. Sess., c. 1; 1987, c. 153; 1997, c. 587, § 15.1-4508; 2014, c. 805

### **§ 33.2-1909. Bonds of members**

Each commission member shall, before entering upon the discharge of his duties under this chapter, give bond payable to the Commonwealth in a form approved by the Attorney General, in such penalty as fixed by the Governor, with some surety or guaranty company authorized to do business in the Commonwealth and approved by the Governor, as security, conditioned upon the faithful discharge of his duties. The premium of such bonds shall be paid by the commission and the bonds shall be filed with and preserved by the Department of the Treasury's Division of Risk Management.

1964, c. 631, § 15.1-1350; 1997, c. 587, § 15.1-4509; 2002, c. 32; 2014, c. 805.

### **§ 33.2-1910. Compensation and expenses of members**

The commission members shall receive no salary but shall be entitled to reimbursement of all reasonable and necessary expenses and compensation allowed members of the Commonwealth Transportation Board for the performance of their official duties as provided in §§ 2.2-2813 and 2.2-2825.

1964, c. 631, § 15.1-1351; 1997, c. 587, § 15.1-4510; 2004, c. 1000; 2014, c. 805.

### **§ 33.2-1911. Meetings of commission**

Regular meetings of the commission shall be held at least once every month at such time and place as the commission shall prescribe. Special meetings of the commission shall be held upon mailed notice, or actual notice otherwise given, to each commission member upon call of the chairman or any two commission members, at such time and in such place within the district as such notice may specify, or at such other time and place with or without notice as all commission members may expressly approve. All regular and special meetings of the commission shall be open to the public, but the public shall not be entitled to any notice other than provided in this section. Unless a meeting is called for the purpose of a public hearing, members of the public shall have no right to be heard or otherwise participate in the proceedings of the meeting, except

to the extent the chairman may in specific instances grant. All commission records shall be public records.

1964, c. 631, § 15.1-1352; 1997, c. 587, § 15.1-4511; 2014, c. 805.

### **§ 33.2-1912. Quorum and action by commission**

A majority of the commission, which majority shall include at least one commissioner from a majority of the component governments, shall constitute a quorum. Members of the commission who are members of the General Assembly shall not be counted in determining a quorum while the General Assembly is in session. The Chairman of the Commonwealth Transportation Board or his designee shall be included for the purposes of constituting a quorum. The presence of a quorum and a vote of the majority of the members necessary to constitute a quorum of all the members appointed to the commission, including an affirmative vote from a majority of the members, shall be necessary to take any action. The Chairman of the Commonwealth Transportation Board or his designee shall have voting rights equal to appointees of component governments on all matters brought before the commission. Notwithstanding the provisions of § 2.2-3708.2, members of the General Assembly may participate in the meetings of the commission through electronic communication means while the General Assembly is in session.

1964, c. 631, § 15.1-1353; 1966, c. 419; 1975, c. 7; 1997, c. 587, § 15.1-4512; 2004, c. 1000; 2013, c. 589; 2014, c. 805; 2018, c. 55.

### **§ 33.2-1913. Funds of commission**

A. All moneys of a commission, whether derived from any contract of the commission or from any other source, shall be collected, received, held, secured, and disbursed in accordance with any relevant contract of the commission. This section shall apply to such moneys only if and to the extent they are consistent with such commission contracts.

B. Such moneys shall not be required to be paid into the state treasury or into the treasury or to any officer of any county or city.

C. All such moneys shall be deposited by the commission in a separate bank account, appropriately designated, in banks or trust companies designated by the commission.

1964, c. 631, § 15.1-1355; 1997, c. 587, § 15.1-4513; 2014, c. 805.

### **§ 33.2-1914. Accounts and records**

Every commission shall keep and preserve complete and accurate accounts and records of all moneys received and disbursed; business and operations; and all property and funds it owns, manages, or controls. Each commission shall prepare and transmit to the Governor and to the governing body of each county and city within the district, annually and at such other times as the Governor requires, complete and accurate reports of the state and content of such accounts and records, together with other relevant information as the Governor may require.

1964, c. 631, § 15.1-1356; 1997, c. 587, § 15.1-4514; 2014, c. 805.

## **Article 4. Powers and Functions of Commission**

### **§ 33.2-1915. Powers and functions generally**

A. Notwithstanding any other contrary provision of law, a commission shall, except as provided in subsection B, have the following powers and functions:



1. The commission shall prepare the transportation plan for the transportation district and shall revise and amend the plan in accordance with the planning process and procedures specified in Article 7 (§ 33.2-1928 et seq.).
2. The commission may, when a transportation plan is adopted according to Article 7 (§ 33.2-1928 et seq.), construct or acquire, by purchase or lease, the transportation facilities specified in such transportation plan.
3. The commission may enter into agreements or leases with private companies for the operation of its facilities or may operate such facilities itself.
4. The commission may enter into contracts or agreements with the counties and cities within the transportation district, with counties and cities that adjoin the transportation district and are within the same planning district, or with other commissions of adjoining transportation districts to provide, or cause to be provided, transit facilities and service to such counties and cities or to provide transit facilities and other modes of transportation between adjoining transportation districts. Such contracts or agreements, together with any agreements or leases for the operation of such facilities, may be utilized by the transportation district to finance the construction and operation of transportation facilities, and such contracts, agreements, or leases shall inure to the benefit of any creditor of the transportation district.

However, except in any transportation district containing any or all of the Counties of Chesterfield, Hanover, and Henrico or the City of Richmond, being so delegated by the respective local governments, the commission shall not have the power to regulate services provided by taxicabs, either within municipalities or across municipal boundaries, which regulation is expressly reserved to the municipalities within which taxicabs operate. In any transportation district containing any or all of the Counties of Chesterfield, Hanover, and Henrico or the City of Richmond, the commission may, upon proper authority granted by the respective component governments, regulate services provided by taxicabs, either within localities or across county or city boundaries.

B. The Northern Virginia Transportation Commission:

1. Shall not prepare a transportation plan or construct or operate transit facilities, but shall collaborate and cooperate in the manner specified in Article 7 (§ 33.2-1928 et seq.) with an agency in preparing, revising, and amending a transportation plan for such metropolitan area.
2. Shall, according to Article 7 (§ 33.2-1928 et seq.) and in cooperation with the governing bodies of the component governments embraced by the transportation district, formulate the tentative policy and decisions of the transportation district with respect to the planning, design, location, construction, operation, and financing of transportation facilities.
3. May, when a transportation plan applicable to such a transportation district is adopted, enter into contracts or agreements with an agency to contribute to the capital required for the construction or acquisition of transportation facilities and for meeting expenses and obligations in the operations of such facilities.
4. May, when a transportation plan applicable to such transportation district is adopted, enter into contracts or agreements with the counties and cities within the transportation district to provide or cause to be provided transportation facilities and service to such counties and cities.
5. Notwithstanding any other provision in this section to the contrary:

- a. May acquire land or any interest therein by purchase, lease, gift, condemnation, or otherwise and provide transportation facilities thereon for use in connection with any transportation service;
- b. May acquire land or any interest therein by purchase, lease, gift, condemnation, or otherwise in advance of need for sale or contribution to an agency, for use by that agency in connection with an adopted mass transit plan;
- c. May, in accordance with the terms of any grant from or loan by the United States of America or the Commonwealth, or any agency or instrumentality thereof, or when necessary to preserve essential transportation service, acquire transit facilities or any carrier that is subject to the jurisdiction of the Washington Metropolitan Area Transit Commission by acquisition of the capital stock or transit facilities and other assets of any such carrier and shall provide for the performance of transportation by any such carrier or with such transit facilities by contract or lease. However, the contract or lease shall be for a term of no more than one year, renewable for additional terms of similar duration, and, in order to assure acceptable fare levels, may provide for financial assistance by purchase of service, operating subsidies, or otherwise. No such service shall be rendered that will adversely affect transit service rendered by the transit facilities owned or controlled by the agency or any existing private transit or transportation company. When notified by the agency that it is authorized to perform or cause to be performed transportation services with motor vehicle facilities, the commission, upon request by the agency, shall transfer such capital stock or transit facilities to the agency at a price to be agreed upon; and
- d. May prepare a plan for mass transportation services with cities, counties, agencies, authorities, or commissions and may further contract with transportation companies, cities, counties, commissions, authorities, agencies, and departments of the Commonwealth and appropriate agencies of the federal government or governments contiguous to the Commonwealth to provide necessary facilities, equipment, operations and maintenance, access, and insurance pursuant to such plan.
- C. The provisions of subdivisions B 1 through 4 and subdivisions B 5 b and c shall not apply (i) to any transportation district that may be established on or after July 1, 1986, and that includes any one or more localities that are located within a metropolitan area, but that were not, on January 1, 1986, members of any other transportation district or (ii) to any locality that, after July 1, 1989, joins a transportation district that was established on or before January 1, 1986. The provisions of this subsection shall apply only to any transportation district or locality that is contiguous to the Northern Virginia Transportation District. Any such district or locality shall be subject to the provisions of subsection A and further may exercise the powers granted by subdivision B 5 a to acquire land or any interest therein by purchase, lease, gift, condemnation, or otherwise and provide transportation facilities thereon for use in connection with any transportation service.
- D. Until such time as a commission enters into contracts or agreements with its component governments under the provisions of subdivisions A 4 and B 4 and is receiving revenues thereunder adequate to meet the administrative expenses of the commission after paying or providing for the payment of the obligations arising under said subdivisions, the administrative expenses of the commission shall be borne by the component governments in the manner set forth in this section. The commission annually shall submit to the governing bodies of the component counties and cities a budget of its administrative requirements for the next year.



E. The administrative expenses of the Northern Virginia Transportation Commission, to the extent funds for such expenses are not provided from other sources, shall be allocated among the component governments on the basis of population as reflected by the latest population statistics of the U.S. Census Bureau; however, upon the request of any component government, the commission shall make the allocation upon estimates of population prepared in a manner approved by the commission and by the governing body of the component government making such request. The administrative expenses of the Northern Virginia Transportation Commission, to the extent funds for such expenses are not provided from other sources, shall be allocated among the component governments on the basis of the relative shares of state and federal transit aids allocated by the Commission among its component governments. Such budget shall be limited solely to the administrative expenses of the Commission and shall not include any funds for construction or acquisition of transportation facilities or the performing of transportation service. In addition, the Northern Virginia Transportation Commission annually shall submit to the governing bodies of the component counties and cities a budget of its other expenses and obligations for the ensuing year. Such expenses and obligations shall be borne by the component counties and cities in accordance with prior arrangements made therefor.

F. When a transportation plan has been adopted under subdivision 4 of § 33.2-1929, the commission shall determine the equitable allocation among the component governments of the costs incurred by the district in providing the transportation facilities proposed in the transportation plan and any expenses and obligations from the operation thereof to be borne by each county and city. In making such determinations, the commission shall consider the cost of the facilities located within each county and city, the population of each county and city, the benefits to be derived by each county and city from the proposed transportation service, and all other factors that the commission determines to be relevant. Such determination, however, shall not create a commitment by the counties and cities, and such commitments shall be created only under the contracts or agreements specified in subdivisions A 4 and B 4.

1964, c. 631, § 15.1-1357; 1970, c. 449; 1972, c. 791; 1974, cc. 161, 566; 1975, c. 6; 1976, c. 566; 1981, c. 444; 1985, c. 257; 1986, c. 438; 1987, c. 158; 1989, c. 150; 1991, c. 231; 1997, c. 587, § 15.1-4515; 2014, c. 805; 2015, c. 256.

### **§ 33.2-1916. Commission control of transportation district**

The commission may exercise exclusive control, notwithstanding any provision of law to the contrary, of matters of regulation of fares, schedules, franchising agreements, and routing of transit facilities within the boundaries of its transportation district; however, the provisions of § 5.1-7 shall be applicable to airport commissions.

1972, c. 832, § 15.1-1357.1; 1973, c. 392; 1997, c. 587, § 15.1-4516; 2014, c. 805.

### **§ 33.2-1917. Protection of employees of public transportation systems**

In any county or city, the commission referred to in § 33.2-1915, in addition to other prohibitions, shall not operate any such transit facility, or otherwise provide or cause to be provided any transportation services, unless fair and equitable arrangements have been made for the protection of employees of existing public transportation systems in the transportation district or in the metropolitan area in which the transportation district is located. Such protections shall include (i) assurances of employment to employees of such transportation systems to the fullest extent possible consistent with sound management, and priority of employment or, if terminated or laid off, reemployment; (ii) preservation of rights, privileges,

and benefits, including continuation of pension rights and benefits, under existing collective bargaining agreements or otherwise; (iii) continuation of collective bargaining rights; (iv) protection of individual employees against a worsening of their positions with respect to their employment, to the extent provided by 49 U.S.C. § 5333 (b), also known as § 13(c) of the Federal Transit Act; and (v) paid training and retraining programs. Such protections shall be specified by the commission in any contract or lease for the acquisition or operation of any such transit facilities or services. The employees of any transit facility operated by the commission shall have the right, in the case of any labor dispute relating to the terms and conditions of their employment for the purpose of resolving such dispute, to submit the dispute to final and binding arbitration by an impartial umpire or board of arbitration acceptable to the parties.

1974, c. 53, § 15.1-1357.2; 1997, c. 587, § 15.1-4517; 2014, c. 805.

### **§ 33.2-1918. Background checks of applicants and employees**

A. Any commission created pursuant to this chapter may require any individual who is offered a position of employment with the commission, or with any contractor of the commission when such individual is to be assigned to directly provide transit services to the public under a contract with the commission, to submit to fingerprinting and to provide personal descriptive information to be forwarded along with the individual's fingerprints through the Central Criminal Records Exchange to the Federal Bureau of Investigation for the purpose of obtaining criminal history record information regarding such individual. The commission shall bear all costs of obtaining criminal history record information regarding such individual, including expenses incurred by the State Police in connection with such fingerprinting or criminal records check. The commission may require such individual or contractor to reimburse the commission for the cost of the fingerprinting or a criminal records check or both.

B. The Central Criminal Records Exchange, upon receipt of an individual's record or notification that no record exists, shall make a report to the commission's chief administrative officer, who must belong to a governmental entity. The information shall not be disseminated except as provided for in this section.

2010, cc. 189, 563, § 15.1-4517.1; 2014, c. 805.

### **§ 33.2-1919. Additional powers**

Without limiting or restricting the general powers created by this chapter, the commission may:

1. Adopt and have a common seal and alter the seal at pleasure;
2. Sue and be sued;
3. Make regulations for the conduct of its business;
4. Make and enter into all contracts or agreements, as the commission may determine, that are necessary or incidental to the performance of its duties and to the execution of the powers granted under this chapter;
5. Apply for and accept loans and grants of money or materials or property at any time from the United States of America or the Commonwealth or any agency or instrumentality thereof, for itself or as an agent on behalf of the component governments or any one or more of them, and in connection therewith purchase or lease as lessor or lessee any transit facilities required under the terms of any such grant made to enable the commission to exercise its powers under subdivision



B 5 of § 33.2-1915;

6. In the name of the commission, and on its behalf, acquire, hold, and dispose of its contract or other revenues;

7. Exercise any power usually possessed by private corporations, including the right to expend, solely from funds provided under this chapter, such funds as may be considered by the commission to be advisable or necessary in the performance of its duties and functions;

8. Employ engineers, attorneys, other professional experts and consultants, and general and clerical employees deemed necessary and prescribe their powers and duties and fix their compensation;

9. Do anything authorized by this chapter under, through, or by its own officers, agents, and employees, or by contracts with any persons;

10. Execute instruments and do anything necessary, convenient, or desirable for the purposes of the commission or to carry out the powers expressly given in this chapter;

11. Institute and prosecute any eminent domain proceedings to acquire any property authorized to be acquired under this title in accordance with the provisions of Chapter 2 (§ 25.1-200 et seq.) of Title 25.1 and subject to the approval of the State Corporation Commission pursuant to § 25.1-102;

12. Invest in if required as a condition to obtaining insurance, participate in, or purchase insurance provided by foreign insurance companies that insure railroad operations, provided this power is available only to those commissions that provide rail services;

13. Notwithstanding the provisions of § 8.01-195.3, contract to indemnify, and to obtain liability insurance to cover such indemnity, any person who is liable, or who may be subjected to liability, regardless of the character of the liability, as a result of the exercise by a commission of any of the powers conferred by this chapter. No obligation of a commission to indemnify any such person shall exceed the combined maximum limits of all liability policies, as defined in subsection C of § 33.2-1927, maintained by the commission; and

14. Notwithstanding any other contrary provision of law, regulate traffic signals and other traffic control devices within the district, through the use of computers and other electronic communication and control devices, so as to effect the orderly flow of traffic and to improve transportation services within the district; however, an agreement concerning the operation of traffic control devices acceptable to all parties shall be entered into between the commission and the Department and all the counties and cities within the transportation district prior to the commencement of such regulation.

1964, c. 631, § 15.1-1358; 1966, c. 419; 1970, c. 449; 1974, c. 529, § 15.1-1357.3; 1988, c. 834; 1997, c. 587, § 15.1-4518; 2003, c. 940; 2014, c. 805.

## Article 5. Financing

### § 33.2-1920. Authority to issue bonds and other obligations

A. 1. A transportation district may issue bonds or other interest-bearing obligations, as provided in this chapter, for any of its purposes and pay the principal and interest thereon from any of its funds, including any moneys paid to or otherwise received by the district pursuant to any law

enacted or any contract or agreement or any grant, loan, or contribution authorized by this chapter. For the purposes of this chapter, bonds include bonds, notes, and other interest-bearing obligations, including notes issued in anticipation of the sale and issuance of bonds.

2. Neither the members of a transportation district nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds and other obligations of a district (and such bonds and obligations shall so state on their face) shall not be a debt of the Commonwealth or any political subdivision thereof, and only the district shall be liable thereon. The bonds shall not constitute an indebtedness within the meaning of any debt limitation or restriction except as provided under this section.

B. 1. Bonds of a transportation district shall be authorized by resolution, may be issued in one or more series, shall be dated, shall mature at such times not exceeding 40 years from their dates, shall bear interest at rates determined by the commission, and may be made redeemable before maturity, at the option of the commission at such price or prices and under such terms as the commission fixes prior to issuing the bonds. The commission shall determine the form of the bonds, including any interest coupons to be attached and the manner of execution of the bonds, and shall fix the denominations of the bonds and the places of payment of principal and interest, which may be at any bank or trust company within or outside the Commonwealth. If any officer whose signature or facsimile signature appears on any bonds or coupons ceases to be such officer before delivery of such bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. Notwithstanding any other provisions of this article or any recitals in any bonds issued under the provisions of this article, all such bonds shall be negotiable instruments under the laws of the Commonwealth. The bonds may be issued in coupon or registered form or both, as the commission may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest. The transportation district may sell such bonds in such manner, either at public or private sale, and for such price as it may determine to be for the best interests of the district. A transportation district is authorized to enter into indentures or agreements with respect to all such matters, and such indentures or agreements may contain such other provisions as the commission may deem reasonable and proper for the security of the bondholders. The resolution may provide that the bonds shall be payable from and secured by all or any part of the revenues, moneys, or funds of the district as specified therein. Such pledge shall be valid and binding from the time the pledge is made, and such revenues, moneys, and funds so pledged and thereafter received by the district shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act. The lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the district, irrespective of whether such parties have notice thereof. Neither the resolution nor any trust indenture by which a pledge is created need be filed or recorded except in the records of the district. All expenses incurred in carrying out the provisions of such indentures or agreements may be treated as a purpose of the transportation district. A transportation district may issue refunding bonds for the purpose of redeeming or retiring any bonds before or at maturity, including the payment of any premium, accrued interest, and costs or expenses thereof.

2. Prior to the preparation of definitive bonds a transportation district may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds have been executed and are available for delivery. A



transportation district may also provide for the replacement of any bonds that have been mutilated, destroyed, or lost.

3. Bonds may be issued pursuant to this article without obtaining the consent of any commission, board, bureau, or agency of the Commonwealth or of any governmental subdivision, and without any referendum, other proceedings, or the happening of other conditions except for those proceedings or conditions that are specifically required by this article.

C. Any holder of bonds, notes, certificates, or other evidence of borrowing issued under this article or of any of the coupons appertaining thereto, and the trustee under any trust indenture or agreement, except to the extent of the rights given in this article may be restricted by such trust indenture or agreement, may, either at law or in equity, by suit, action, injunction, mandamus, or other proceedings, protect and enforce any and all rights under the laws of the Commonwealth or granted by this article or under such trust indenture or agreement or the resolution authorizing the issuance of such bonds, notes, or certificates, and may enforce and compel the performance of all duties required by this article or by such trust indenture or agreement or resolution to be performed by the transportation district or by any officer or agent thereof.

D. The exercise of the powers granted by this article shall be in all respects for the benefit of the inhabitants of the Commonwealth, for the promotion of their safety, health, welfare, convenience, and prosperity, and any facility or service that a transportation district is authorized to provide will constitute the performance of an essential governmental function. The bonds of a district are declared to be issued for an essential public and governmental purpose and their transfer and the income therefrom, including any profit made on the sale thereof, shall at all times be free and exempt from taxation by the Commonwealth and by any governmental subdivision thereof.

E. Bonds issued by a transportation district under this article are securities in which all public officers and public bodies of the Commonwealth and its governmental subdivisions and all insurance companies, trust companies, banks, banking associations, investment companies, executors, administrators, trustees, and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are securities that may properly and legally be deposited with and received by any state or local officer or any agency or governmental subdivision of the Commonwealth for any purpose for which the deposit of bonds or obligations is now or may hereafter be authorized by law.

1968, c. 551, § 15.1-1358.2; 1972, c. 791; 1997, c. 587, § 15.1-4519; 2014, c. 805.

### **§ 33.2-1921. Judicial determination of validity of bonds**

The provisions of Article 6 (§ 15.2-2650 et seq.) of Chapter 26 of Title 15.2 apply to all suits, actions, and proceedings of whatever nature involving the validity of bonds issued by a transportation district under the provisions of this article.

1968, c. 551, § 15.1-1358.3; 1997, c. 587, § 15.1-4520; 2014, c. 805.

## **Article 6. Powers and Duties of Localities; Liability of Commonwealth and Localities**

### **§ 33.2-1922. Contracts and payment thereof**

A. Any county or city embraced by a transportation district is authorized to enter into contracts

or agreements with the commission for such transportation district, or with an agency, pursuant to which such transportation district, subject to the limitations contained in this section, or such agency undertakes to provide the transportation facilities specified in a duly adopted transportation plan or to render transportation service. Any obligations arising from such contracts are deemed to be for a public purpose and may be paid for, in the discretion of each county or city, in whole or in part, by appropriations from general revenues or from the proceeds of a bond issue or issues; however, any such contract must specify the annual maximum obligation of any county or city for payments to meet the expenses and obligations of the transportation district or such agency or provide a formula to determine the payment of any such county or city for such expenses and obligations. Each county or city desiring to contract with a transportation district or an agency is authorized to do so, provided it complies with the appropriate provisions of law, and thereafter is authorized to do everything necessary or proper to carry out and perform every such contract and to provide for the payment or discharge of any obligation thereunder by the same means and in the same manner as any other of its obligations.

B. Except as otherwise provided by law:

1. No bonded debt shall be contracted by any county to finance the payment of any obligations arising from its contracts hereunder unless the voters of such county shall approve by a majority vote of the voters voting in an election the contracting of any such debt, the borrowing of money, and issuance of bonds. Such debt shall be contracted and bonds issued and such election shall be held in the manner provided in and subject to the provisions of the Public Finance Act (§ [15.2-2600](#) et seq.) relating to counties; and

2. The contracting of debt, borrowing of money, and issuance of bonds by any city to finance the payment of any obligations arising from its contracts hereunder shall be effected in the manner provided in and subject to the provisions of the Public Finance Act (§ [15.2-2600](#) et seq.) relating to cities.

1964, c. 631, § 15.1-1359; 1968, c. 363; 1997, c. 587, § 15.1-4521; 2014, c. [805](#).

### **§ 33.2-1923. Venue**

Every such contract shall be enforceable by the transportation district with which the contract is made, as provided under the laws of the Commonwealth, and, if any such contract is entered into with an agency or is relied upon in a contract between a commission and any such agency, the agency also shall have the right to enforce the contract. The venue for actions on any contract between a transportation district and a component government shall be as specified in subdivision 10 of § [8.01-261](#). Venue in all other matters arising hereunder shall be as provided by law.

1964, c. 631, § 15.1-1360; 1977, c. 624; 1997, c. 587, § 15.1-4522; 2014, c. [805](#).

### **§ 33.2-1924. Acquisition of median strips for transit facilities in interstate highways**

When the district commission, the Commonwealth Transportation Board, and the governing bodies of the component governments determine that the time schedule for construction of any interstate highway, as defined in § [33.2-100](#), within the district makes it necessary to acquire median strips for transit facilities in such highway prior to the adoption of a transportation plan, each county and city within the district is authorized to pay to the Commonwealth Transportation Board such sums as may be agreed upon among the district commission and such counties and cities to provide the Commonwealth Transportation Board with the necessary



matching funds to acquire the median strips. Any such acquisition shall be made by and in the name of the Commonwealth Transportation Board.

1964, c. 631, § 15.1-1361; 1997, c. 587, § 15.1-4523; 2014, c. 805.

### **§ 33.2-1925. Appropriations**

The governing bodies of counties and cities participating in a transportation district are authorized to appropriate funds for the administrative and other expenses and obligations (i) of the commission of the transportation district, as provided in subsection D of § 33.2-1915, (ii) of an agency, and (iii) for such other purposes as may be specified in a law creating a transportation district.

1964, c. 631, § 15.1-1362; 1970, c. 449; 1997, c. 587, § 15.1-4524; 2014, c. 805.

### **§ 33.2-1926. Powers granted are in addition to all other powers**

The powers conferred by this chapter on counties and cities are in addition and supplemental to the powers conferred by any other law, and may be exercised by resolution or ordinance of the governing bodies thereof, as required by law, without regard to the terms, conditions, requirements, restrictions, or other provisions contained in any other law, general or special, or in any charter.

1964, c. 631, § 15.1-1363; 1997, c. 587, § 15.1-4525; 2014, c. 805.

### **§ 33.2-1927. Liabilities of Commonwealth, counties, and cities**

A. Except for claims cognizable under the Virginia Tort Claims Act, Article 18.1 (§ 8.01-195.1 et seq.) of Chapter 3 of Title 8.01, no pecuniary liability of any kind shall be imposed on the Commonwealth or upon any county or city constituting any part of any transportation district because of any act, agreement, contract, tort, malfeasance, misfeasance, or nonfeasance by or on the part of the commission of such transportation district, or any commission member, or its agents, servants, and employees, except as otherwise provided in this chapter with reference to contracts and agreements between the commission or interstate agency and any county or city.

B. Except for claims cognizable under the Virginia Tort Claims Act, Article 18.1 (§ 8.01-195.1 et seq.) of Chapter 3 of Title 8.01, the obligations and any indebtedness of a commission shall not be in any way a debt or liability of the Commonwealth, or of any county or city in whole or in part embraced by the transportation district, and shall not create or constitute any indebtedness, liability, or obligation of the Commonwealth or of any such county or city, legal, moral, or otherwise, and nothing in this chapter contained shall be construed to authorize a commission or district to incur any indebtedness on behalf of or in any way to obligate the Commonwealth or any county or city in whole or in part embraced by the transportation district; however, any contracts or agreements between the commission and any county or city provided for in subdivisions A 4 and B 4 of § 33.2-1915 shall inure to the benefit of any creditor of the transportation district or, when applicable, to an agency as therein provided.

C. For purposes of this section, "liability policy," as it is used in the Virginia Tort Claims Act, specifically includes any program of self-insurance maintained by a district and administered by the Department of the Treasury's Division of Risk Management.

1964, c. 631, § 15.1-1364; 1986, c. 584; 1987, c. 383; 1997, c. 587, § 15.1-4526; 2014, c. 805.

## Article 7. Planning Process and Procedures

### § 33.2-1928. Planning process

A. In performing the duties imposed under subsections A and B of § 33.2-1915, the commission shall cooperate with the governing bodies of the counties and cities embraced by the transportation district and agencies thereof, with the Commonwealth Transportation Board, and with an agency of which members of the district commission are also members, to the end that the plans, decisions, and policies for transportation shall be consistent with and shall foster the development and implementation of the general plans and policies of the counties and cities for their orderly growth and development.

B. Each commission member shall serve as the liaison between the commission and the body by which he was appointed, and those commission members who are also members of an agency shall provide liaison between the district commission and such agency, to the end that the district commission, its component governments, the Commonwealth Transportation Board, and any such agency shall be continuously, comprehensively, and mutually advised of plans, policies, and actions requiring consideration in the planning for transportation and in the development of planned transportation facilities.

C. To assure that planning, policy, and decision-making are consistent with the development plans for the orderly growth of the counties and cities and coordinated with the plans and programs of the Commonwealth Transportation Board and are based on comprehensive data with respect to current and prospective local conditions, including land use, economic and population factors, the objectives for future urban development, and future travel demands generated by such considerations, the commission may:

1. Create, subject to their appointment, technical committees from the personnel of the agencies of the counties and cities and from the Commonwealth Transportation Board concerned with planning, collection, and analysis of data relevant to decision-making in the transportation planning process. Appointments to such technical committees, however, are to be made by the governing bodies of the counties and cities and by the Commonwealth Transportation Board; or
2. If the transportation district is located within an area that has an organized planning process created in conformance with the provisions of 23 U.S.C. § 134, utilize the technical committees created for such planning process.

D. The commission, on behalf of the counties and cities within the transportation district, but only upon their direction, is authorized to enter into the written agreements specified in 23 U.S.C. § 134 to assure conformance with the requirements of that law for continuous, comprehensive transportation planning.

1964, c. 631, § 15.1-1365; 1997, c. 587, § 15.1-4527; 2014, c. 805.

### § 33.2-1929. Procedures

To ensure that the planning process specified in § 33.2-1928 is effectively and efficiently utilized, the commission shall conform to the following procedures and may prescribe such additional procedures as it deems advisable:

1. Commission meetings shall be held at least monthly and more often in the discretion of the commission, as the proper performance of its duties requires.
2. At such meetings the commission shall receive and consider reports from:



- a. Its members who are also members of an agency, as to the status and progress of the work of such agency, and if the commission deems that such reports are of concern to them, shall fully inform its component governments, committees, and the Commonwealth Transportation Board with respect thereto, as a means of developing the informed views requisite for sound policy-making; and
- b. Its members, technical and other committees, members of the governing bodies of the component governments, and consultants, presenting and analyzing studies and data on matters affecting the making of policies and decisions on a transportation plan and the implementation thereof.
3. The objective of the procedures specified in this section is to develop agreement, based on the best available information, among the district commission, the governing bodies of the component governments, the Commonwealth Transportation Board, and an interstate agency with respect to the various factors that affect the making of policies and decisions relating to a transportation plan and the implementation thereof. If any material disagreements occur in the planning process with respect to objectives and goals, the evaluation of basic data, or the selection of criteria and standards to be applied in the planning process, the commission shall exert its best efforts to bring about agreement and understanding on such matters. The commission may hold hearings in an effort to resolve any such basic controversies.
4. Before a transportation plan is adopted, altered, revised, or amended by the commission or by an agency on which it is represented, the commission shall transmit such proposed plan, alteration, revision, or amendment to the governing bodies of the component governments, to the Commonwealth Transportation Board, and to its technical committees and shall release to the public information with respect thereto. A copy of the proposed transportation plan, amendment, or revision shall be kept at the commission office and shall be available for public inspection. Upon 30 days' notice, published once a week for two successive weeks in one or more newspapers of general circulation within the transportation district, a public hearing shall be held on the proposed plan, alteration, revision, or amendment. The 30 days' notice period shall begin to run on the first day the notice appears in any such newspaper. The commission shall consider the evidence submitted and statements and comments made at such hearings and, if objections in writing to the whole or any part of the plan are made by the governing body of any component government, or by the Commonwealth Transportation Board, or if the commission considers any written objection made by any other person, group, or organization to be sufficiently significant, the commission shall reconsider the plan, alteration, revision, or amendment. If, upon reconsideration, the commission agrees with the objection, then the commission shall make appropriate changes to the proposed plan, alteration, revision, or amendment and may adopt them without further hearing. If, upon reconsideration, the commission disagrees with the objection, the commission may adopt the plan, alteration, revision, or amendment. No facilities shall be located in and no service rendered, however, within any county or city that does not execute an appropriate agreement with the commission or with an interstate agency as provided in § 33.2-1922; but in such case, the commission shall determine whether the absence of such an agreement so materially and adversely affects the feasibility of the transportation plan as to require its modification or abandonment.

1964, c. 631, § 15.1-1366; 1997, c. 587, § 15.1-4528; 2014, c. 805; 2015, c. 256.

## Article 8. Enlargement of Transportation Districts

### **§ 33.2-1930. Procedure for enlargement**

A transportation district may be enlarged to include any additional county or part thereof, or city or part thereof, contiguous thereto, upon such terms and conditions, consistent with the provisions of this chapter, as may be agreed upon by the commission and such additional county or city and in conformance with the following procedures. The governing body of the county or city shall adopt an ordinance specifying the area to be enlarged, containing the finding specified in § 33.2-1903 and a statement that a contract or agreement between the county or city and the commission specifying the terms and conditions of admittance to the transportation district has been executed. The ordinance, to which shall be attached a certified copy of the contract, shall be filed with the Secretary of the Commonwealth. Upon certification by the Secretary of the Commonwealth to the Tax Commissioner, the commissioner, and the governing bodies of each of the component counties and cities that the ordinance required by this section has been filed and that its terms conform to the requirements of this section, the additional county or part thereof, or city or part thereof, upon the entry of such certification in the minutes of the proceedings of the governing body of such county or city, shall become a component government of the transportation district and part of the transportation district.

1964, c. 631, § 15.1-1367; 1974, c. 566; 1975, c. 405; 1997, c. 587, § 15.1-4529; 2006, c. 354; 2014, c. 805.

## Article 9. Withdrawal from Transportation District

### **§ 33.2-1931. Resolution or ordinance**

A county or city may withdraw from the transportation district by resolution or ordinance, as may be appropriate, adopted by a majority vote of its governing body. The withdrawal of any county or city shall not be effective until the resolution or ordinance of withdrawal is filed with the transportation district commission and with the Secretary of the Commonwealth.

1964, c. 631, § 15.1-1368; 1997, c. 587, § 15.1-4530; 2014, c. 805.

### **§ 33.2-1932. Financial obligations**

The withdrawal from the transportation district of any county or city shall not relieve the county or city from any obligation or commitment made or incurred while a district member.

1964, c. 631, § 15.1-1369; 1997, c. 587, § 15.1-4531; 2014, c. 805.

## Article 10. Exemption from Taxation; Tort Liability

### **§ 33.2-1933. Public purpose; exemption from taxation**

It is hereby found, determined, and declared that the creation of any transportation district pursuant to this chapter and the carrying out of the corporate purposes of any such transportation district is in all respects for the benefit of the people of the Commonwealth and is a public purpose and that the transportation district and the commission will be performing an essential governmental function in the exercise of the powers conferred by this chapter.

Accordingly, the transportation district shall not be required to pay taxes or assessments upon any of the property acquired by it or under its jurisdiction, control, possession, or supervision or upon its activities in the operation and maintenance of any transportation facilities or upon any revenues therefrom, and the property and the income derived therefrom shall be exempt from all state, municipal, and local taxation. This exemption shall include all motor vehicle license fees,



motor vehicle sales and use taxes, retail sales and use taxes, and motor fuel taxes. The governing body of any political subdivision within a transportation district may refund in whole or in part any payments for taxes or license fees or abate in whole or in part any assessments for taxes or license fees on any property exempt from taxation or license fees under this section that were assessed and levied prior to the acquisition of any transportation facilities by a transportation district.

1964, c. 631, § 15.1-1370; 1975, c. 486; 1997, c. 587, § 15.1-4532; 2014, c. 805.

### **§ 33.2-1934. Liability for torts**

Every district shall be liable for its torts and those of its officers, employees, and agents committed in the conduct of any proprietary function but shall not be liable for any torts occurring in the performance of a governmental function. However, this section shall not apply to a transportation district subject to the provisions of the Virginia Tort Claims Act (§ 8.01-195.1 et seq.).

1964, c. 631, § 15.1-1371; 1986, c. 584; 1991, c. 23; 1997, c. 587, § 15.1-4533; 2014, c. 805.

## **Article 11. Construction of Chapter**

### **§ 33.2-1935. Liberal construction**

This chapter, being necessary for the welfare of the Commonwealth and its inhabitants, shall be liberally construed to effect the purposes thereof.

1964, c. 631, § 15.1-1372; 1997, c. 587, § 15.1-4534; 2014, c. 805.

### **§ 33.2-1936. Transportation districts with unique needs**

The General Assembly finds that transportation districts that (i) have a population of 1.7 million or more, as shown by the most recent United States Census, (ii) have not less than 1.5 million motor vehicles registered therein, and (iii) have a total transit ridership of not less than 75 million riders per year across all transit systems within the transportation district and in which a rapid heavy rail commuter mass transportation system operating on an exclusive right-of-way and a bus commuter mass transportation system are owned, operated, or controlled by an agency or commission as defined in § 33.2-1901 have unique transportation needs.

2018, cc. 854, 856.

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# **NVTC BY-LAWS**

# NORTHERN VIRGINIA TRANSPORTATION COMMISSION

## BY-LAWS

Adopted 3 Mar. 66  
Revised 4 Aug. 66  
Revised 9 Jan. 69  
Revised 5 Jun. 75  
Revised 6 May 81  
Revised 11 Jul. 85  
Revised 3 Oct. 85  
Revised 3 Jan. 90  
Revised 1 Mar. 90  
Revised 1 Jul. 04  
Revised 5 April 12  
Revised 7 July 16  
Revised 4 Oct. 18

### **1. PURPOSE**

The Northern Virginia Transportation Commission (NVTC) was created by the Virginia General Assembly in 1964. NVTC's mission is to serve the public by providing a forum for elected officials, focusing primarily on public transit; develop strategies; identify funding sources; advocate for additional funding; prioritize funding allocations; oversee transit systems such as the Virginia Railway Express (VRE) and the Washington Metropolitan Area Transit Authority (WMATA); and pursue new transit programs and innovations. NVTC works to improve mobility, safety, and transit customer service; reduce traffic congestion; protect the environment; and stimulate the regional economy; all by increasing the use of transit and ridesharing. The duties and powers of the Commission are set forth in the Transportation District Act of 1964, Sections 33.2-1900 through 33.2-1935 of the Virginia Code<sup>1</sup>.

### **2. PARTICIPATING GOVERNMENTS**

A. The following local governments comprising the Northern Virginia Transportation District (Section 33.2-1904 of the Virginia Code) are eligible to participate in the Northern Virginia Transportation Commission, with representatives from their respective governing bodies as noted:

- |     |                             |                            |
|-----|-----------------------------|----------------------------|
| (1) | Fairfax County              | --Five members             |
| (2) | Arlington County            | --Three members            |
| (3) | City of Alexandria          | --Two members              |
| (4) | City of Fairfax             | --One member               |
| (5) | City of Falls Church        | --One member               |
| (6) | Loudoun County <sup>2</sup> | --Two members <sup>3</sup> |

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<sup>1</sup> Previously located in Sections 15.2-4500 through 15.2-4534 of the Virginia Code.

<sup>2</sup> Loudoun County's membership is governed by the terms of an agreement dated December 14, 1989 between NVTC and the county.

<sup>3</sup> Chapter 117 of the 2016 Acts of Assembly amended Section 33.1-1904 of the Virginia Code to add a second Loudoun County member to NVTC.



- B. In addition, the chairman of the Commonwealth Transportation Board or his designee shall serve as an ex officio member of the Commission.
- C. The General Assembly of Virginia is represented by two senators, appointed by the Senate Committee on Rules, and four delegates or as otherwise designated by the Speaker of the House of Delegates<sup>4</sup>.
- D. Additional contiguous counties and cities may be added to the transportation district by agreement and shall appoint one representative.
- E. Local governments may appoint alternates from their respective governing bodies to vote in the absence of their principal members.

### **3. MEETINGS**

#### **A. Regular Public Meetings**

Regular public meetings will be held on the first Thursday night of each month unless two thirds of the members consent to an alternate date. If the meeting night occurs on a holiday, the Commission shall designate a substitute night as a matter of business during a prior meeting.

#### **B. Quorum and Action by Commission**

Section 33.2-1912 of the Virginia Code stipulates the requirements of a quorum and action by the Commission. A quorum requires 11 members including at least one member from each of four jurisdictions. The chairman of the Commonwealth Transportation Board or his designee shall be included for the purposes of constituting a quorum. However, while the General Assembly is in session, NVTC's General Assembly members shall not be counted in determining a quorum. General Assembly members on the Commission represent the Commonwealth of Virginia and not the jurisdictions from which they are elected. The presence of a quorum and a vote of the majority of the members necessary to constitute a quorum of all the members appointed to the Commission, including an affirmative vote from a majority of the members, shall be necessary to take any action.

Notwithstanding the provisions of Sections 2.2-3708 and 3708.1, members of the General Assembly may participate in the meetings of the Commission through electronic communications while the General Assembly is in session.

### **4. RULES OF PROCEDURE**

Robert's Rules, as amended, shall apply.

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<sup>4</sup> General Assembly budget amendment passed 2018 Session amended Section 33.2-1904 of the Virginia Code to allow the Speaker of House to appoint non-House members to NVTC.

## **5. OFFICERS**

- A. The officers of the Commission shall be elected from the membership of the Commission and shall serve terms of one year, or until their successors are elected, and may succeed themselves.
- B. The officers and their duties shall be as follows:
  - (1) Chairman: The chairman presides at meetings of the Commission, represents the Commission before the United States Congress, the Virginia General Assembly, and other commissions, and is the Commission's spokesman in matters of policy. The chairman shall not also be an appointee to the WMATA Board of Directors as a principal member.
  - (2) Vice Chairman: The vice chairman shall, in the absence or disability of the chairman, perform the duties and exercise the powers of the chairman.
  - (3) Secretary-Treasurer: The secretary-treasurer shall monitor the financial administration of the Commission including the investment of funds and securities of the Commission and monitor financial records and the issuance of such reports as required by law, i.e., annual audit and other financial statements as determined by the Commission. The secretary-treasurer shall direct staff to present monthly reports on the financial condition of the Commission, giving the status and basis for all investments and of all money and other valuable effects in the name or in the credit of the Commission.
- C. Election of the officers shall take place annually at the January meeting of the Commission, and the officers shall serve until their successors are duly elected. Notice of meeting must state that election of officers will be a matter of business at the meeting.

## **6. EMPLOYEES**

- A. The Commission shall employ an executive director who shall hire and direct such other employees as may be necessary to perform the functions of the Commission.
- B. The duties, qualifications, terms, compensation and related benefits of employees shall be prescribed in NVTC's Administrative Regulations as adopted and amended from time to time by the Commission and/or executive director.

## **7. ACCOUNTS AND RECORDS**

- A. The Virginia Code stipulates the types of records to be maintained by the Commission.
- B. The annual financial report of the Commission shall be for the fiscal year period.
- C. The official minutes of the Commission shall be in the custody of the executive director of the Commission who shall certify copies and abstracts of the minutes when required.



## **8. BONDING OF COMMISSIONERS AND EMPLOYEES**

A. The Commission shall secure a public official bond for the faithful performance of duties in the amount of:

- (1) \$5,000 for each member of the Commission except the secretary-treasurer:
- (2) \$25,000 for the secretary-treasurer.

The bonds shall be filed with and preserved by the Comptroller of the Commonwealth.

B. The Commission shall secure a fidelity bond for the faithful performance of duties in the amount of:

- (1) \$1,000,000 for the executive director; and
- (2) As directed, for other members of the Commission staff and officers where appropriate.

The executive director's and staff bonds will be held by the Commission.

## **9. FINANCES**

A. Fiscal Year

The fiscal year shall begin the first day of July in each year.

B. Budget

- (1) The executive director shall submit a proposed budget for the succeeding fiscal year to the Executive Committee for approval prior to the month of January.
- (2) The budget approved by the Executive Committee shall be submitted to the Commission by its January meeting. The notice of this meeting must state that the budget for the coming fiscal year is to be a matter of business at the meeting.
- (3) The administrative expenses of the Commission, to the extent funds for such expenses are not provided from other sources, shall be allocated among the component governments on the basis of the relative shares of state and federal transit aids allocated by the Commission among its component governments, as stated in the Virginia Code (Section 33.2-1915E).

C. Audit

The books of the Commission shall be audited by a certified public accountant or accountants, and the audit report shall be included in the annual financial report.

## 10. COMMITTEES

### A. General Provisions

- (1) The Commission shall, at its January annual organizational meeting, or thereafter, establish such committees as it deems appropriate. Such committees shall continue throughout the calendar year unless dissolved. The Commission shall designate the chairman and membership of each such committee unless expressly provided for elsewhere in these By-Laws.
- (2) Excluding the Executive Committee, the Commission chairman shall not also serve as the chairman of a committee unless determined otherwise by an affirmative vote that includes (a) not less than two-thirds of the Commission members present and voting and (b) Commission members from not less than two thirds of the member jurisdictions.
- (3) To encourage participation by all member jurisdictions, the Commission shall strive to distribute Commission leadership and committee leadership and membership among all members from the member jurisdictions.
- (4) All committees shall adhere to all open meeting requirements contained in the Virginia Code including those pertaining to notice, minutes, and public attendance. All members of NVTC are eligible to attend meetings of all NVTC's committees and subcommittees, including closed meetings, but only committee members shall be eligible to vote at committee meetings.

### B. Executive Committee

- (1) Membership: There shall be an Executive Committee consisting of the chairman, who shall chair the Executive Committee; the immediate past chairman, if still a member of the Commission; the vice chairman; the secretary-treasurer; the chairs of the WMATA Committee, the Legislative and Policy Committee, and the Program Advisory Committee; and one member of the General Assembly. The Chairman of the Commonwealth Transportation Board<sup>5</sup> or his designee appointed by the Commission as a principal member to the WMATA Board of Directors and the principal member appointed by the Commission to the WMATA Board of Directors shall serve as non-voting members of the Executive Committee.
- (2) The General Assembly member on the Executive Committee shall be nominated by the Executive Committee and be approved by the Commission as a part of the annual nomination process.
- (3) Charge: The Executive Committee shall:
  - (a) Review and approve the proposed annual budget and the work program of the Commission and oversee and provide direction to the executive director on activities within policies set by the Commission.

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<sup>5</sup> By statute, the Secretary of Transportation serves as the Chairman of the Commonwealth Transportation Board.

- (b) Identify and present to the Commission policy issues related to transportation improvements and the administration of NVTC.
  - (c) Review the current administration of the Commission including the expenditure and investment of Commission funds.
  - (d) Consider and make recommendations to the Commission on the substantive program areas for Commission activity and for the establishment and disestablishment of committees and subcommittees required for each activity.
  - (e) Regularly report its deliberations to the Commission.
  - (f) Regularly review the performance of the executive director at least annually, including establishing performance goals and recommending any changes in compensation to the full Commission.
  - (g) Function as an audit committee by reviewing periodic financial reports, responding to recommendations from the Commission's auditors and meeting with those auditors as needed.
  - (h) Serve as or establish the nominating committee for the Commission officers, board appointments, and all Commission committee chairs and members, unless expressly provided for elsewhere in these By-Laws.
- (4) Meetings: The Executive Committee shall meet immediately prior to each monthly meeting of the Commission and at such other times as the committee determines or the Commission directs.

C. WMATA Committee

- (1) Membership: There shall be a WMATA Committee consisting of the two alternate members appointed by the Commission to the WMATA Board of Directors, one of whom shall be the WMATA Committee chair; the Chairman of the Commonwealth Transportation Board or his designee appointed by the Commission as a principal member to the WMATA Board of Directors; the principal member appointed by the Commission to the WMATA Board of Directors; and Commission members drawn from other member jurisdictions not already represented by the foregoing members.
- (2) Charge: The WMATA Committee shall:
  - (a) Provide NVTC-wide regional guidance to the Virginia appointees to the WMATA Board of Directors and a framework for sharing institutional knowledge.
  - (b) Serve as a venue for discussion of WMATA issues directly affecting the NVTC region including but not limited to WMATA budget decisions that affect jurisdictional subsidies, service changes that affect Virginia riders, and actions that affect Northern Virginia transit providers.
  - (c) Ensure that member jurisdictions' issues are elevated to WMATA when appropriate.



- (d) Discuss and recommend to the Commission NVTC-wide regional positions on WMATA issues through consensus-based deliberations.
  - (e) Provide leadership and support to NVTC staff in the development of WMATA-related oversight objectives, policies, procedures, and agreements, including but not limited to NVTC's annual report to the General Assembly and Governor on the financial and operational performance of WMATA (§33.2-3403).
- (3) Meetings: The WMATA Committee shall meet as necessary to align with activities of and decisions coming before the WMATA Board of Directors.

D. Legislative and Policy Committee

- (1) Membership: There shall be a Legislative and Policy Committee consisting of a chairman and Commission members drawn from member jurisdictions in a representative manner. One Commission member from the General Assembly shall serve as a non-voting member of the Legislative and Policy Committee.
- (2) Charge: The Legislative and Policy Committee shall:
- (a) Develop the Commission's annual legislative and policy agenda.
  - (b) Serve as a venue for discussion of legislative and policy matters that directly affect the NVTC region and transit in Northern Virginia.
  - (c) Meet with appropriate state and federal entities, as needed.
- (3) Meetings: The Legislative and Policy Committee shall meet regularly from October through March and as necessary in other months and shall be available to meet on short notice during the state and federal legislative sessions.

E. Program Advisory Committee

- (1) Membership: There shall be a Program Advisory Committee consisting of a chairman and Commission members drawn from member jurisdictions in a representative manner.
- (2) Charge: The Program Advisory Committee shall:
- (a) Provide leadership and guidance in the development and implementation of Commission-administered programs including but not limited to the Commuter Choice program.
  - (b) Discuss and recommend to the Commission policies and the annual program for projects under the Commission's discretionary programs such as I-66 Commuter Choice and I-395/I-95 Commuter Choice.
- (3) Meetings: The Program Advisory Committee shall meet as necessary to align with the processes and decisions associated with the various policy and programs it oversees and Commission decisions related to them.

**11. AMENDMENT TO BY-LAWS**

- A. The By-Laws may be altered or amended by the presentation of such proposed alterations or amendments at one meeting with explanations of the proposed changes. Action on the proposed changes shall be taken at the following or subsequent meetings. Notice of proposed action to amend the By-Laws shall be included in the meeting notice.
- B. The enactment of a change of the By-Laws requires a majority vote of the full Commission.

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**NVTC ELECTRONIC PARTICIPATION POLICY**  
**Approved July 7, 2022 to be effective September 1, 2022**

Occasions may arise when the Northern Virginia Transportation Commission (“NVTC”) determines it is necessary to hold an all-virtual public meeting or when a NVTC Commissioner is unable to be physically present at a public meeting. Under certain circumstances, the Virginia [Freedom of Information Act](#), Virginia Code Ann. §§ 2.2-3700 et seq., (the “Act”) permits a public body, such as NVTC and its duly appointed committees, to conduct all-virtual public meetings and also permits members of a public body to participate in meetings through electronic means such as telephone and video conferencing. The Act limits the instances in which this may occur and prescribes procedures that must be followed, including adoption of a policy governing electronic meetings. The NVTC Electronic Participation Policy (“Policy”), as hereafter set forth, identifies the instances when NVTC and its duly appointed committees and sub-committees may conduct all-virtual public meetings, including during a declared state of emergency, and when a commissioner may participate electronically in an in-person NVTC meeting, including NVTC appointed committee and subcommittee meetings, and the procedures that apply.<sup>1</sup>

**Nothing in this Policy should be construed to prohibit the use of audio or audio/visual means to increase public participation at meetings even if no NVTC Commission members are participating electronically. NVTC welcomes the use of electronic means to increase public access to its meetings.** The specific requirements and limitations on electronic participation described herein apply only to the members of NVTC holding a public meeting.

**Circumstances When Electronic Participation By a Member Is Permitted for In-Person Meetings**

A commissioner may participate in an in-person NVTC Commission or NVTC committee or subcommittee meeting through electronic communication means from a remote location that is not open to the public under the following circumstances:

- A. A commissioner who is unable to attend the meeting due to a **medical reason**:
  - 1) A commissioner’s temporary or permanent disability or other medical condition that prevents the commissioner’s physical attendance;
  - 2) A medical condition of a member of a commissioner’s family that requires the commissioner to provide care and prevents the commissioner’s physical attendance;

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<sup>1</sup> This Policy does not apply to the Virginia Railway Express Operations Board, which is a joint committee of NVTC and the Potomac and Rappahannock Transportation Commission (“PRTC”). A separate policy, approved by NVTC and PRTC, shall apply to the Operations Board.

- 3) The above subsections A.1 and 2 allows an unlimited number of times a commissioner can participate electronically due to disability, medical condition or care for a family member.
- B. A commissioner who is unable to attend the meeting due to a **personal reason** and identifies with specificity the nature of the personal matter. However, a commissioner may not use remote participation due to personal matters more than two meetings per calendar year or 25% of the meetings held per calendar year rounded up to the next whole number, whichever is greater.
- (Example: if NVTC holds 10 or 11 Commission meetings a year, a commissioner could participate electronically for a personal reason 2.5 or 2.75 times, rounded up to three (3) meetings a year. For NVTC committees and subcommittees that do not have an annual meeting schedule or that do not actually hold each meeting on the schedule, the number of times a commissioner may participate in a meeting remotely is not readily calculated and should be done only in consultation with the commission secretary).
- C. A commissioner whose **principal residence is more than 60 miles from the meeting location** identified in the required notice for such meeting.

#### **Procedural Requirements for Remote Participation By a Member in In-Person Meetings**

The term “remote participation” is defined by the Act to mean “participation by an individual member of a public body by electronic communication means in a public meeting where a quorum of the public body is otherwise physically assembled.”

Remote participation by a NVTC Commissioner as authorized above (by A-C) shall be only under the following conditions:

1. A quorum of NVTC Commissioners is physically assembled at the primary or central meeting location.
2. NVTC or its committee or subcommittee, as applicable, can make arrangements for the voice of the commissioner who is participating remotely to be heard by all persons at the primary or central meeting location.
3. A commissioner must notify the applicable chair (Commission chair or committee chair), with notification copied to the executive director and commission secretary, on or before the day of the meeting, not later than eight (8) hours prior to the start of the meeting, that such commissioner is unable to attend and identify the reason in A, B, or C above that prevents physical attendance. The request can be made verbally but should be followed up in writing as soon as possible.
4. The minutes must reflect that (1) the existence of a disability or medical condition (which need not be disclosed with specificity) of the commissioner, or of a family member who

requires the commissioner's care, prevents the commissioner's in-person attendance at the meeting; (2) a personal matter, described with specificity, prevents the commissioner's in-person attendance at the meeting; or (3) the commissioner's primary residence is 60 miles or more from the meeting location. The minutes must also reflect a general description of the remote location from which the commissioner is participating in the meeting electronically.

5. A commissioner's remote participation must be in accordance with this Policy. If the commissioner's participation from a remote location is disapproved because such participation would violate the provisions of this Policy or the Act, such disapproval shall be recorded in the minutes with specificity.

**NOTE:** As stated above, if a commissioner's remote participation is disapproved, the commissioner may still monitor the meeting by listening or watching by electronic communication means. However, the member cannot be counted as present and cannot participate. The minutes shall reflect the names of commissioners monitoring a meeting. In such a situation, as a matter of best practices, the chair should make a statement to inform the public and the other members, such as: *"Please observe that [member name] could not attend today's meeting but is [listening/watching] the meeting by [speakerphone, videoconferencing, or whatever electronic communications means is being utilized]. However, [member name] is only monitoring the meeting and is not counted as present, and cannot make motions, vote or otherwise participate."*

### **Guidelines for the NVTC Electronic Participation Policy for Remote Participation by a Member in In-Person Meetings**

The determination of whether requests by commissioners to participate in NVTC Commission meetings, as well as committee or subcommittee meetings, from remote locations complies with the NVTC Electronic Participation Policy ("Policy") shall be made by the NVTC chair or the appropriate committee or subcommittee chair, subject to final approval by the Commission or committee or subcommittee. The following guidelines shall be used by the chair and NVTC or committee or subcommittee in considering and acting upon requests:

1. This Policy applies to NVTC meetings, including Commission, committee and subcommittee meetings, provided the technology is available to accommodate remote participation.
2. This Policy shall be applied strictly and uniformly, without exception, to all commissioners and without regard to the identity of the commissioner requesting to participate remotely or the matters that will be considered or voted on at the meeting.
3. Notification of the request to participate electronically shall be provided by the commissioner seeking to participate remotely to the applicable chair (Commission chair or committee chair), with notification copied to the executive director and commission secretary, at the earliest practicable time, not later than eight (8) hours before the



meeting start time. The request can be made verbally but should be followed up in writing as soon as possible.

4. Individual participation from a remote location shall be approved unless such participation would violate this Policy or the provisions of the Act. If the Commission or committee or subcommittee votes to disapprove the member's remote participation because such participation would violate this Policy or the Act, such disapproval shall be recorded in the minutes with specificity.
5. The commissioner requesting to participate remotely shall provide sufficient specificity as to the nature of the matter as is necessary for the chair, and the Commission or committee or subcommittee, to determine whether the circumstances warrant remote participation.
6. For purposes of this Policy, a personal matter includes circumstances that prevent a member from physically attending a meeting including personal and business travel.
7. For purposes of this Policy, a temporary or permanent disability or a medical condition of either a commissioner or their family member who requires the commissioner's care that prevents physical attendance at the meeting should be evident based on the nature of the disability or the condition. Examples include temporary hospitalization or being confined to home, contagious illness or any disability that prevents travel to the meeting location.
8. Disclosure of specific medical conditions or disabilities, and medical verification of a medical condition or physical disability shall not be required.
9. More than one commissioner may participate electronically at the same meeting, as long as a physical quorum is present at the primary meeting location.
10. Commissioners participating remotely are allowed to fully participate in NVTC Commission or NVTC committee or subcommittee public meetings, which includes but is not limited to making motions and voting.
11. The commissioner may participate remotely in a NVTC Commission or NVTC committee or subcommittee public meeting, using all available electronic communication means including telephone and video conferencing. For the purposes of this Policy, "electronic communication" is defined to mean "the use of technology having electrical, digital, magnetic, wireless, optical, electromagnetic or similar capabilities to transmit or receive information." The definition is applicable to all types of electronic participation described in this Policy.
12. Remote participation shall be permitted only under circumstances where all attendees at the primary meeting location, including the public, can, at a minimum, hear the remote member. If the means used for participation in the meeting, or other circumstances at

the remote location, are disruptive to the meeting, the chair, subject to Commission or committee or subcommittee approval, may deny or withdraw the approval to participate remotely, including during the meeting. While not required, the commissioner participating remotely is encouraged to monitor the meeting via electronic means to the extent it is available.

13. NVTC's commission secretary shall be responsible for ensuring a commissioner does not participate electronically for personal reasons more than two times per calendar year or 25% of the meetings held per calendar year rounded up to the next whole number, whichever is greater.

### **NVTC All-Virtual Public Meetings**

An "all-virtual public meeting" is defined by the Act to mean "a public meeting conducted by a public body (i) using electronic communication means (ii) during which **all members of the public body who participate do so remotely rather than being assembled in one physical location** and (iii) to which public access is provided through electronic communication means."

The Act limits the number of times per calendar year NVTC and its committees and subcommittees can conduct all-virtual meetings. NVTC and each of its committees and subcommittees **shall not** conduct an all-virtual public meeting more than two times per calendar year or 25% of their respective meetings held per calendar year rounded up to the next whole number, whichever is greater, OR consecutively with another of their all-virtual public meeting.

Since there is a limited number of times the Commission and its committees and subcommittees can conduct all-virtual meetings during a calendar year, the Commission and its committees and subcommittees will be strategic in planning for these types of meetings, in order to respond to quorum issues or other factors that could influence being able to hold an in-person meeting (i.e. scheduling conflicts such as jurisdictional budget hearings or holidays close to regularly scheduled meetings, etc.). The Commission and its committees and subcommittees may include planned all-virtual meetings as part of its approved meeting schedule. Throughout the year, the Commission and its committees and subcommittees also reserve the right to change the type of meeting to an all-virtual meeting, as long as the required meeting notification procedures are followed.

NVTC staff, in consultation with the Commission chair or appropriate committee or subcommittee chair, will determine whether a public meeting will be all-virtual prior to posting the meeting agenda. NVTC staff will follow all meeting notice requirements required by the Act to inform commissioners and the public of any change in the type of meeting (in-person or all-virtual).

If a quorum is determined to be not achievable for a regularly scheduled in-person meeting, the executive director will consult with the chair to discuss if the meeting should be changed to an all-virtual meeting. If an all-virtual meeting is determined to be needed, staff will notify

commissioners and the public at least 72 hours in advance of the meeting. The agenda will be updated with the all-virtual meeting information and will be posted on NVTC's website.

The all-virtual meeting provisions of this Policy apply to all NVTC public meetings, including the Commission, committees and subcommittees.

### **Guidelines for All-Virtual Public Meetings**

The following guidelines shall be used by the Commission and committee and subcommittee chairs and NVTC staff in conducting all-virtual meetings:

1. The required meeting notice shall indicate whether the meeting will be an in-person or all-virtual public meeting along with a statement notifying the public that the method by which the Commission or its committee or subcommittee chooses to meet shall not be changed unless the Commission or its committee or subcommittee provides a new meeting notice in accordance with the provisions of the Act;
2. Public access to the all-virtual public meeting will be provided via electronic communication means;
3. The electronic communication means used will allow the public to hear all members of the Commission or its committee or subcommittee participating in the all-virtual public meeting and, when audio-visual technology is available, to see the members as well;
4. A phone number or other live contact information will be provided to alert the Commission or its committee or subcommittee if the audio or video transmission of the meeting fails; the Commission or its committee or subcommittee will monitor such designated means of communication during the meeting; and the Commission or its committee or subcommittee will take a recess until public access is restored if the transmission fails for the public;
5. A copy of the proposed agenda and all agenda packets and, unless exempt, all materials furnished to members of the Commission or its committee or subcommittee for a meeting will be made available to the public in electronic format at the same time that such materials are provided to members of the Commission or its committee or subcommittee;
6. The public is afforded the opportunity to comment through electronic means, including by way of written comments, at those public meetings when public comment is customarily received;
7. No more than two members of the Commission or its committee or subcommittee are together in any one remote location unless that remote location is open to the public to physically access it;



8. If a closed meeting is held during an all-virtual public meeting, transmission of the meeting to the public will resume before the Commission or its committee or subcommittee votes to certify the closed meeting as required by the Act;
9. The Commission or its committee or subcommittee will not convene an all-virtual public meeting (i) more than two times per calendar year or 25% of the meetings held per calendar year rounded up to the next whole number, whichever is greater, or (ii) consecutively with another all-virtual public meeting; and
10. Minutes of an all-virtual public meeting held by electronic communication means will be taken as required by the Act and include the fact that the meeting was held by electronic communication means and the type of electronic communication means by which the meeting was held. If a member's participation from a remote location pursuant to this subsection is disapproved because such participation would violate the Policy or the Act, such disapproval shall be recorded in the minutes with specificity.

### **NVTC Electronic Participation During a Declared State of Emergency**

The Act allows any public body to meet by electronic communication means without a quorum of the public body physically assembled at one location under certain circumstances. As part of its NVTC Electronic Participation Policy, the Commission and its committees and subcommittees will adhere to § 2.2-3708.2. which reads:

*Any public body, or any joint meeting thereof, may meet by electronic communication means without a quorum of the public body physically assembled at one location **when the Governor has declared a state of emergency pursuant to § 44-146.17 or the locality in which the public body is located has declared a local state of emergency pursuant to § 44-146.21, provided that:***

- (i) the catastrophic nature of the declared emergency makes it impracticable or unsafe to assemble a quorum in a single location; and*
- (ii) the purpose of the meeting is to provide for the continuity of operations of the public body or the discharge of its lawful purposes, duties and responsibilities.*

*The public body convening a meeting in accordance with this section shall:*

- 1. Give public notice using the best available method given the nature of the emergency, which notice shall be given contemporaneously with the notice provided members of the public body conducting the meeting;*
- 2. Make arrangements for public access to such meeting through electronic communication means, including videoconferencing if already used by the public body;*

3. *Provide the public with the opportunity to comment at those meetings of the public body when public comment is customarily received; and*
4. *Otherwise comply with the provisions of this section.*

*The nature of the emergency, the fact that the meeting was held by electronic communication means, and the type of electronic communication means by which the meeting was held shall be stated in the minutes.*

*The provisions of this section shall be applicable only for the duration of the emergency declared pursuant to § 44-146.17 or § 44-146.21.*

NVTC and its committees and subcommittees shall adopt a resolution at each meeting held by electronic means during a declared emergency finding that the need for the electronic meeting exists based on the nature of the emergency, and that the purposes of the meeting as set forth in the meeting agenda comply with the Act.

## **NVTC Consent Agenda Policy and Guidelines**

### Items eligible for inclusion in the consent agenda:

- Commission meeting minutes
- Committee and staff reports
- Updates or background reports provided for information only
- Correspondence requiring no action
- Correspondence on matters where a position has previously been taken
- Staff appointments requiring Board confirmation
- Final approval of proposals or reports that Commissioners have been dealing with for some time and are familiar with the implications
- Routine procurement actions that fall within policies and guidelines
- Confirmation of documents or items that need no discussion but are required by the bylaws
- Approval of applications for state capital and operating assistance
- Approval of applications for technical assistance
- Approval of matters referred previously approved by the VRE Operations Board (Note the consent process allows for matters to move from the consent agenda for clarification and discussion)
- Information items
- Monthly financial reports

### Consent Process:

1. The Chairman decides what items will be placed into the consent portion of the agenda.
2. The full agenda, including consent items, are disseminated prior to the Commission meeting along with any documentation or backup information so that Commissioners and staff can review the consent agenda before the meeting.
3. As the first item of business, the Chairman asks Commissioners if any one wishes to remove any item under the consent portion of the agenda to be discussed. They can request to discuss the item, question the item or register a vote against the item.
4. If an agenda item is removed from the consent agenda, the Chairman will place it on the regular meeting agenda.
5. The Chairman then asks for a motion to accept the consent agenda.



# NVTC Social Media Policy

Updated 07-27-2021

NVTC uses social media to share information about programs and projects and encourages public interaction under the following guidelines.

## **Disclaimer**

NVTC cannot verify or confirm the accuracy of user comments or their compliance with the guidelines outlined here. NVTC does not endorse any of the views in comments posted by users.

## **Privacy**

NVTC's social media presence on a third-party service provider's platform means NVTC has limited control over how each platform uses personal data provided by users. Users are encouraged to read the privacy policy of each social media platform in advance of engaging with NVTC via these platforms.

As a reminder, communications with NVTC, whether on social media or in an e-mail or traditional mail, are subject to Virginia Freedom of Information Act (VA. Code Ann. §§ 2.2-3700 et seq.,). Generally speaking, social media and e-mail interactions are public records, and are subject to disclosure, according to that Act.

NVTC recommends that users of social media platforms refrain from including personal information that they wish to remain confidential when interacting with the NVTC's social media accounts.

## **Expectations**

Keep your comments clean and appropriate. Followers who consistently disregard this policy are subject to being banned from Northern Virginia Transportation Commission's (NVTC) social media sites indefinitely.

NVTC reserves the right, but is not obligated, to remove content from NVTC social media sites for any reason, including submissions which:

- are obscene, vulgar, or explicit including masked words (\*\*\*), acronyms and abbreviations or are abusive, threatening, hateful or intended to defame any person, business, organization or governmental agency
- are intended to intimidate others
- promote, foster or perpetuate discrimination on the basis of race, creed, color, age, sex, religion, gender, national origin, social caste, sexual orientation, disability or disease
- threaten to humiliate or assault others • are clearly off topic, disruptive, random or unintelligible
- are fraudulent or deceptive and intended to mislead • are intended to compromise the safety or security of the public or public systems
- contain spam, advertising, solicitations or include links to other sites
- promote products, non-NVTC services, political organizations or campaigns
- infringe on copyrights or trademarks

## NVTC Social Media Policy

Updated 07-27-2021

- advocate illegal activity
- violate a legal ownership interest, such as a copyright, of any party
- contain any external links
- violate any policies of NVTC
- contain personally identifiable information about others or impersonate someone else

### Contact information

NVTC's social media accounts are managed by our communications staff. Contact us at [nvtc@novatranit.org](mailto:nvtc@novatranit.org)

# NVTC Digital Services Privacy Policy

Updated 08-05-2019



## Summary

The Northern Virginia Transportation Commission (NVTC) is committed to protecting the privacy of our visitors. The following information explains our current digital services privacy practices, which may be amended at any time without notice. Please check the terms from time to time as your continued use of the site signifies your acceptance of the terms and conditions, including changed items. If you have any questions or concerns about our digital services privacy policy, please contact [nvtc@novatransit.org](mailto:nvtc@novatransit.org).

## Virginia Laws

NVTC protects its records in accordance with applicable Virginia and federal law including, but not limited to, the Government Data Collection and Dissemination Practices Act and the Virginia Freedom of Information Act. Any web pages that appear after navigating away from the NVTC website are controlled by a different agency or entity, whose practices are not under NVTC's control and for which NVTC is not responsible.

## Essential Technical Information Collected and How it is Used

NVTC endeavors to collect only the minimum amount of information needed to provide services. NVTC will automatically collect and store the following essential technical information about your visit to the NVTC website:

1. The Internet domain and IP address from the device you used to access the website;
2. The type of browser and operating system you used;
3. The date and time you visited the website;
4. The pages visited; and
5. If you linked from another website, the address of that website.

## How the Essential Technical Information Collected is Used

The information collected is used to improve the content of NVTC's web services and to help NVTC understand how people are using its website. NVTC analyzes this data to continually improve the value of the content on its website, the website's functionality and to diagnose problems with our servers.

## User Personally Identifiable Information

The only personally identifiable information NVTC collects is volunteered directly from individuals who subscribe to services or participate in surveys. Collecting personal information is necessary for NVTC to deliver the services requested. Personal information collected, retained, and used is in NVTC's judgment essential to administer its business and to provide products, services and other opportunities requested by NVTC's customers. Users may unsubscribe to such services at any time.



# NVTC Digital Services Privacy Policy

Updated 08-05-2019



## **Restrictions on the Disclosure of Personal Information**

NVTC does not share, sell or trade users' personal information to any outside company or organization. It does not reveal specific information about users or other personally identifiable data to unaffiliated third-parties for their independent use, except as required by the Virginia Freedom of Information Act or other law.

## **Communicating with Us**

If you send NVTC an e-mail message, it will collect the e-mail address and contents of the message, including audio, video, and graphic information or documentation you send. NVTC uses your e-mail address to respond to your request.

## **Cookies**

When you visit a web site and request information, the site's server sends the request to you and then breaks the connection. The connection does not resume until you perform another action. To ensure that we maintain a connection between our server and your computer, NVTC uses a standard web technology called "cookies." A cookie is a very small amount of data that is sent from our server to your computer's hard drive. In addition, cookies allow us to save the information that you input while progressing through an online transaction. If your browser is not configured to "accept" cookies, you will still be able to access the static information on our web site, but you may not be able to use certain features.

## **Advertising Cookies**

Advertising cookies (or web beacons) are used to show you content relevant to you and your interests. They are also used to limit the number of times you see an advertisement, as well as help measure the effectiveness of advertising campaigns. They are usually placed by advertising networks, with our permission. A web beacon is a transparent image that has been placed on a webpage and sends a signal when a user has visited that page. They may be used to show you content relevant to you and your interests, limit the number of times you see an advertisement, as well as help measure the effectiveness of advertising campaigns. A web beacon does not contain any personal information. No personal information is transmitted to the third party using the web beacon.

## **Third Party Information Collection**

Some content or applications, including advertisements, on NVTC's website are served by third-parties, including advertisers, ad networks and servers, content providers, and application providers. These third parties may use cookies (alone or in conjunction with web beacons or other tracking technologies) and/or device identifiers to collect information about you when you use our website. They may combine this information with other data about your online activities over time and across different websites and other online services. They may use this information to provide you with interest-based (behavioral) advertising or other targeted content. NVTC does not control these third parties' tracking technologies or how they may be used. If you have any questions about an advertisement or other targeted content, you should contact the responsible provider directly. Visitors may opt out of a third-party vendor's use of cookies by visiting

# NVTC Digital Services Privacy Policy

Updated 08-05-2019



the Network Advertising Initiative opt-out page or control the use of device identifiers by using your device's settings.

## **Embedded Content**

NVTC may also embed content from websites such as YouTube or Instagram. As a result, when you visit a page featuring such content, you may be presented with cookies in the embedded content from these third-parties. NVTC does not control these cookies and cannot prevent these sites or domains from collecting information on your use of this content. You should check the relevant third-party website for more information about them and how to opt out. If you are not logged in to their services, they will not know who you are but may still gather anonymous usage information.

## **Links to Other Web Sites**

This web site and its document collection might include hyperlinks to sites on the World Wide Web or Internet that are neither controlled nor sponsored by the NVTC. They are included here solely for their value as reference, research or educational tools or because they relate to the mission of this agency. Inclusion of any hyperlink should not be interpreted as an endorsement by NVTC of either the site's sponsor or any commercial product. If you have questions or concerns about a site NVTC links to, please read the privacy and security information for that site.

## **Security**

The NVTC site has security measures in place to protect against the loss, misuse and alteration of information under our control. When you browse public areas of the NVTC web site, none of your personal information is captured or stored by NVTC.

## **Firewalls**

Our firewalls are a complex system of hardware and software that allow us to strictly regulate information and data that can both enter and exit our servers. This ensures that only authorized access occurs and that NVTC information remains confidential.

## **Customer Comments**

If you have any questions about this privacy statement, the practices of this site, or your interaction with this site, please contact us at [nvtc@novatransit.org](mailto:nvtc@novatransit.org) or 703-524-3322.

# NVTC Disadvantaged Business Enterprise (DBE) Policy Overview

Updated 2021



**\*\*NVTC's Complete DBE Goals and Methodology Report can be found in Part 3 Reference Material.**

The Disadvantaged Business Enterprise (DBE) program is a Federal program designed to remedy ongoing discrimination and the continuing effects of past discrimination in federally-assisted highway, transit and airport contracting markets nationwide. The primary remedial goal and objective of the DBE program is to level the playing field by providing small businesses owned and controlled by socially and economically disadvantaged individuals a fair opportunity to compete for federally-funded transportation contracts.

NVTC has developed and implemented a DBE program and overall agency goal that conforms to the U.S. Department of Transportation's (DOT) standards set forth in 49 CFR Part 26. The overall agency goal is updated on a triennial basis.

The objectives of NVTC's DBE program are:

- To ensure nondiscrimination in the award and administration of DOT-assisted contracts;
- To ensure that only firms fully meeting the eligibility requirements of the DBE program are permitted to participate as DBEs;
- To help create a level playing field on which DBEs can fairly compete for DOT-assisted contracts;
- To help remove barriers to the participation of DBEs in DOT-assisted contracts;
- To promote the use of DBEs in all types of federally-assisted contracts and procurement activities conducted by NVTC and its subrecipients;
- To assist in the development of firms that can compete successfully in the marketplace outside of the DBE program; and
- To ensure that the DBE program is narrowly tailored in accordance with applicable federal, state and local laws;

These objectives will be implemented through NVTC's DBE program utilizing race-neutral measures to the maximum extent feasible.

Small businesses interested in participating in DOT-assisted contracts with NVTC under the DBE program must be Virginia DBE certified. More information regarding the certification process for the Commonwealth of Virginia can be found by visiting the [Virginia Department of Small Business and Supplier Diversity](#).



# NVTC Title VI Policy Overview

Updated 2021



**\*\*NVTC's Complete Title VI Program can be found in Part 3 Reference Material.**

The Northern Virginia Transportation Commission (NVTC) is committed to ensuring that no person is excluded from participation in, is denied the benefits of, or is subjected to discrimination under its services on the basis of race, color, or national origin in accordance with Title VI of the Civil Rights Act of 1964.

## **It is NVTC's Objective to:**

- Ensure that the level and quality of transportation service is provided without regard to race, color, or national origin;
- Identify and address, as appropriate, disproportionately high and adverse human health and environmental effects, including social and economic effects of programs and activities on minority populations and low-income populations;
- Promote the full and fair participation of all affected populations in transportation decision making;
- Prevent the denial, reduction, or delay in benefits related to programs and activities that benefit minority populations or low-income populations; and
- Ensure meaningful access to programs and activities by persons with limited English proficiency (LEP).

The Executive Director and all NVTC staff share the responsibility for carrying out NVTC's commitment to Title VI.

For more information on NVTC's Title VI obligations, please contact NVTC at 703-524-3322 or via email at [NVTC@novatransit.org](mailto:NVTC@novatransit.org).

## **NVTC's Title VI Complaint Procedures**

Any person who believes that he or she has been subjected to an unlawful discriminatory practice under Title VI may file a Title VI complaint with NVTC within 180 days from the date of the alleged discrimination. Complaints may either be filed with NVTC or with the U.S. Department of Transportation.

### **Filing a Complaint with NVTC**

- Title VI Complaint Form: [English](#) and [Spanish](#)
- Online: Complaints may be filed via e-mail at [nvtc@novatransit.org](mailto:nvtc@novatransit.org)
- By Mail: Complaints may be filed with NVTC in writing and may be addressed to:  
NVTC  
Executive Director  
2300 Wilson Blvd #230  
Arlington, Virginia 22201

NVTC will provide appropriate assistance to individuals who are limited in their ability to communicate in English.

## NVTC Title VI Policy Overview

Updated 2021

Once the complaint is received, the complainant will receive an acknowledgement letter informing her/him whether the complaint will be investigated. Within 30 days from receipt of the complaint, NVTC's Executive Director will provide a response containing findings and remedies or if such a response cannot be completed, a progress report to the complainant with an estimate of when the response will be completed. NVTC will endeavor to complete its investigation and issue its findings and remedies within 180 days of receipt of the complaint and additional information it may request.

### **Filing a Complaint Directly to the Federal Transit Administration**

A complainant may file a Title VI complaint with the Federal Transit Administration by contacting the FTA Department of Civil Rights at:

Federal Transit Administration  
Office of Civil Rights  
Attention: Complaint Team  
East Building, 5th Floor – TCR  
1200 New Jersey Avenue, SE  
Washington, DC 20590

Complete a [FTA complaint form](#) and attach:

- A summary of your allegation and any support documentation.
- Sufficient details for an investigator to understand why you believe a public transit provider has violated your rights, with specifics such as dates and times of incidents.
- Any related correspondence from the transit provider.

# **NVTC Financial Information**



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**APPROVED BUDGET**

**FISCAL YEAR  
2023**

**(July 1, 2022 – June 30, 2023)**

**January 6, 2022**

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**SCHEDULE OF REVENUE**  
**Approved Budget FY 2023**

	<b>FY 2021 Actual</b>	<b>Approved Budget FY 2022</b>	<b>Approved Budget FY 2023</b>	<b>Increase (Decrease)</b>
Local Share from State Aid (Note 1)	\$ 2,140,753	\$ 2,359,253	\$ 2,773,453	\$ 414,200
Local Direct Contributions (Note 1)				
Alexandria	39,567	41,964	44,387	2,423
Arlington	64,369	66,434	66,211	(223)
City of Fairfax	4,651	4,453	4,788	335
Fairfax County	163,471	160,006	160,532	526
Falls Church	2,099	2,064	2,067	3
Loudoun	10,090	9,325	6,262	(3,063)
Total Local Direct	<u>284,247</u>	<u>284,247</u>	<u>284,247</u>	<u>-</u>
Total Contributions	2,425,000	2,643,500	3,057,700	414,200
Interest and Other Revenue	865	10,000	3,000	(7,000)
Project Chargebacks (Note 2):				
Commuter Choice Program	742,639	960,000	754,300	(205,700)
VRE	80,000	80,000	80,000	-
Project Grant Billings (Note 3)	2,534	40,000	40,000	-
Appropriated Surplus (Note 4)	19,730	100,000	95,000	(5,000)
<b>Total Revenue</b>	<b><u>\$ 3,270,768</u></b>	<b><u>\$ 3,833,500</u></b>	<b><u>\$ 4,030,000</u></b>	<b><u>\$ 196,500</u></b>
<i>Commuter Choice Programs (Note 25)</i>	<i>742,639</i>	<i>960,000</i>	<i>754,300</i>	<i>(205,700)</i>
<i>Operating Program, Excluding C.C.</i>	<b><u>\$ 2,528,129</u></b>	<b><u>\$ 2,873,500</u></b>	<b><u>\$ 3,275,700</u></b>	<b><u>\$ 402,200</u></b>



**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**SCHEDULE OF EXPENDITURES**  
**Approved Budget FY 2023**

	<b>FY 2021 Actual</b>	<b>Approved Budget FY 2022</b>	<b>Approved Budget FY 2023</b>	<b>Increase (Decrease)</b>
<u>Personnel Costs</u>				
Salaries and Wages (Note 5)	\$ 1,891,420	\$ 2,052,700	\$ 2,206,500	\$ 153,800
Fellow Program (Note 5)	3,168	50,000	50,000	-
Total Personnel Costs	<u>1,894,588</u>	<u>2,102,700</u>	<u>2,256,500</u>	<u>153,800</u>
<u>Benefits</u>				
Employer's Contributions				
FICA and Medicare (Note 6)	133,668	144,000	155,300	11,300
Group Health Insurance (Note 7)	144,205	183,100	200,400	17,300
Retirement (Note 8)	194,141	170,000	170,000	-
Workers & Unemployment Comp.	4,005	5,500	5,100	(400)
Life Insurance	5,893	6,800	6,600	(200)
Long Term Disability Insurance	10,441	11,000	12,500	1,500
Total Benefit Costs	<u>492,353</u>	<u>520,400</u>	<u>549,900</u>	<u>29,500</u>
<u>Administrative Costs</u>				
Commissioners Per Diem (Note 9)	14,000	14,500	14,700	200
<b>Rents:</b>	<b>372,891</b>	<b>408,200</b>	<b>419,100</b>	<b>10,900</b>
Office Rent (Note 10)	372,046	379,600	394,900	15,300
Parking / Metrochek	845	28,600	24,200	(4,400)
<b>Insurance:</b>	<b>6,439</b>	<b>7,400</b>	<b>7,300</b>	<b>(100)</b>
Public Official Bonds	2,100	2,300	2,300	-
Liability and Property (Note 11)	4,339	5,100	5,000	(100)
<b>Travel, Training and Development</b>	<b>3,248</b>	<b>44,000</b>	<b>55,800</b>	<b>11,800</b>
Conferences / Prof. Devel (Note 12)	2,301	27,100	37,100	10,000
Non-Local Travel	-	2,500	2,500	-
Local Travel, Meetings (Note 13)	947	14,400	16,200	1,800
<b>Communication:</b>	<b>14,060</b>	<b>16,000</b>	<b>17,200</b>	<b>1,200</b>
Postage (Note 14)	632	1,400	1,400	-
Telephone and Data (Note 15)	13,428	14,600	15,800	1,200
<b>Publications &amp; Supplies</b>	<b>18,601</b>	<b>28,900</b>	<b>28,900</b>	<b>-</b>
Office Supplies (Note 16)	656	3,000	2,500	(500)
Duplication and Printing (Note 17)	5,075	10,900	8,900	(2,000)
Public Engagement (Note 18)	12,870	15,000	17,500	2,500
<b>Operations:</b>	<b>24,697</b>	<b>37,700</b>	<b>53,300</b>	<b>15,600</b>
Furn.and Equip. (Capital) (Note 19)	6,374	13,000	25,500	12,500
Repairs and Maintenance	747	1,000	1,000	-
Computer Operations (Note 20)	17,576	23,700	26,800	3,100
<b>Other General and Administrative</b>	<b>8,884</b>	<b>10,000</b>	<b>10,000</b>	<b>-</b>
Memberships	1,463	1,600	1,600	-
Fees and Miscellaneous	7,421	6,900	6,900	-
Advertising (Note 21)	-	1,500	1,500	-
Total Administrative Costs	<u>462,820</u>	<u>566,700</u>	<u>606,300</u>	<u>39,600</u>
<u>Contracting Services and Other</u>				
Auditing (Note 22)	23,925	25,100	27,600	2,500
Contract Services & Support (Note 23)				
Commuter Choice	290,332	463,600	234,700	(228,900)
Research Support (Note 24)	-	-	200,000	200,000
Other Technical	74,667	120,000	120,000	-
Legal (Note 25)	32,083	35,000	35,000	-
Total Contract Services	<u>421,007</u>	<u>643,700</u>	<u>617,300</u>	<u>(26,400)</u>
<b>Total Operating Program</b>	<b><u>\$ 3,270,768</u></b>	<b><u>\$ 3,833,500</u></b>	<b><u>\$ 4,030,000</u></b>	<b><u>\$ 196,500</u></b>
<i>Commuter Choice Programs</i>	<i>742,639</i>	<i>960,000</i>	<i>754,300</i>	<i>(205,700)</i>
<i>Operating Program, Excluding C.C.</i>	<b><u>\$ 2,528,129</u></b>	<b><u>\$ 2,873,500</u></b>	<b><u>\$ 3,275,700</u></b>	<b><u>\$ 402,200</u></b>

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**Notes to Fiscal Year 2023 Approved Budget**

**1. Revenue: Jurisdictional Contributions**

**Revenue from Local Direct Contributions**

Each NVTC jurisdiction is assigned a share of the local portion of NVTC's administrative budget based on its share of revenue received by NVTC on behalf of jurisdictions from all sources in the previous year. This procedure is required by state statute and results in changes in contributions from one year to another that vary for each jurisdiction depending on relative shares of revenue received. The allocation in this FY 2022 budget is based on the FY 2020 revenue and Subsidy Allocation Model (SAM) formula.

**Revenue from State Assistance**

NVTC receives state operating and capital assistance for its WMATA compact members' annual commitments to WMATA and those jurisdictions' local transit systems. NVTC allocates this revenue among the jurisdictions based on NVTC's SAM and holds the funds in trust for the jurisdictions' transit use. Before the funding is allocated, NVTC's SAM resolution states that amounts are to be applied to certain NVTC projects, and a portion of the general and administrative budget of NVTC. The amount used for NVTC's general and administrative expenses is determined each year by NVTC's approved budget.

**2. Revenue: Project Chargebacks**

This category includes reimbursable expenses related to the administration of the Commuter Choice programs, and charges for NVTC staff support for VRE and reimbursed from VRE's budget.

**3. Revenue: Project Grant Billings**

The FY 2023 budget assumes a grant from DRPT's Intern Program that provides funding at 80% of payroll and related costs of NVTC's Transit Fellows program.

**4. Revenue: Appropriated Surplus**

Included as a source of revenue in the FY 2023 budget is projected excess accumulated surplus that is available to offset the budget expenses, which is the result of prior year favorable budget variances. This available surplus is in excess of the Commission's anticipated minimum operating requirements.

**5. Personnel Costs**

**Salaries and Wages**

The FY 2023 budget adds one new position and includes a provision for Merit and COLA increases for existing staff.

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**Notes to Fiscal Year 2023 Approved Budget**

**Fellows Program**

The budget continues the NVTC Fellows Program, which began in FY 2015, by building NVTC's technical capacity and strengthening its ties with members of the research network. The budget assumes grant funds from DRPT's Intern Program will be available to provide 80% of payroll and related costs of this program.

The Fellows Program provides a cost efficient and flexible way to employ new graduates and mid-career professional to complete specific short-term projects over a one- to six-month period. While the primary purpose is to provide high-priority technical expertise for specific projects and products, it has also served as a valuable recruitment tool and created opportunities to connect with university programs within Virginia and nationally.

**6. FICA and Medicare**

NVTC's budgeted share of FICA and Medicare taxes is a function of budgeted payroll and the current tax rates.

**7. Group Health Insurance**

A provision for health insurance coverage is included for all NVTC staff positions, with the exception of the executive director position, regardless of whether or not the current employees in those positions participate in NVTC's health insurance plan. Unless all eligible employees participate in NVTC's health insurance program, actual expenditures will be less than budgeted. The budgeted amount is based on actual rates with a provision for increasing premiums.

**8. Retirement**

The budgeted amount of employer pension contributions for the NVTC Target Benefit Pension Plan is based on actuarial formulas using budgeted staff and salary levels for FY 2023. Because the formulas take into account factors in addition to payroll costs, such as years to retirement and investment return, changes in budgeted contributions do not necessarily change directly with budgeted payroll. The estimated liability is reduced by non-vested funds that were forfeited by former plan participants and are expected to be available during the fiscal year.

**9. Commissioners' Per Diem**

The FY 2023 budget is based upon the FY 2021 actual expenditures with a provision for increased Commission and committee meeting attendance. Commissioners, other than senators and delegates, are paid by NVTC at the statutory rate of \$50.



**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**Notes to Fiscal Year 2023 Approved Budget**

**10. Office Rent**

The administrative office lease was renewed during FY 2019 for a larger space effective March 15, 2019 to accommodate NVTC's increasing staff levels. Rent expense included in the FY 2023 budget is based upon the fixed costs of the lease, which increase at 2.5% per year, plus an estimate of pass-through expenses and real estate taxes. The lease contains a provision for the abatement of the first month's rent for the first seven years of the lease, and the additional abatement of approximately 29% of the leased space for the balance of the first lease year ending March 14, 2020. Off-site file storage is also included in this budget line.

**11. Insurance: Liability and Property**

The FY 2023 budget is based on the most recent premium year with a provision for increasing costs.

**12. Conference / Professional Development**

Included in this line for FY 2023 are the estimated registration fees for conferences, professional development, in-house training, and accreditation and related travel costs. The budget assumes NVTC staff will participate in training opportunities and speaking engagements at the Governor's Transportation Conference, the Virginia Transit Association Conference, the Transportation Research Board, and the Virginia chapter of the American Planning Associations, as well as represent the Commission at events hosted by a variety of organizations. These funds will also allow our professional staff to maintain the required trainings to keep their professional accreditations as well as funding for executive development and special opportunities. Wherever possible, NVTC will continue to minimize travel expenditures through locally sponsored events, online conferences, and events where the registration fee is discounted or waived.

**13. Local Travel, NVTC and Other Meetings**

This line includes the costs of NVTC Commission meetings, hosting regional meetings and events, and the costs of NVTC staff traveling to meetings elsewhere in the region.

**14. Postage**

This item is based on an average of prior years' actual costs.

**15. Telephone and Data**

This line includes the fixed contracted cost for phone and data service at NVTC's office, and mobile and data service for staff.

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**Notes to Fiscal Year 2023 Approved Budget**

**16. Office Supplies**

The FY 2023 budget for this item is based on the average of prior years' actual costs.

**17. Duplication and Printing**

During FY 2016, NVTC negotiated a five-year copier lease and service contract. The FY 2023 budget is based on these agreements and projected usage levels.

**18. Public Engagement**

The budget includes a provision for costs related to public engagement on WMATA matters as required by HB1539, costs related to public engagement as required by HB1285, the costs to produce NVTC's annual report, and other public outreach costs such as social media.

**19. Furniture and Equipment**

This budget category provides for the replacement and acquisition of office furniture and equipment, including computer hardware.

**20. Computer Operating Expense**

Computer operating expenses include outside network consulting and services, software licensing fees, software upgrades and supplies, web hosting fees, hosted email, video conferencing services, cyber security assessment, and a provision for disaster recovery efforts. The FY 2023 budget is based on an average of prior year actual costs, recognizing an increase in NVTC's software and service requirements, with a provision for security enhancements.

**21. Advertising (Personnel/Procurement)**

The FY 2023 budget includes a provision for personnel and procurement advertising.

**22. Auditing**

NVTC entered into a three-year contract for auditing services beginning with the audit of FY 2015, with two, two-year options. The FY 2023 budget is based on the costs included in this contract.

**NORTHERN VIRGINIA TRANSPORTATION COMMISSION**  
**Notes to Fiscal Year 2023 Approved Budget**

**23. Contract Services and Support**

**Commuter Choice Programs**

I-66 Commuter Choice Program

As part of a 40-year agreement with the Commonwealth of Virginia, NVTC has been assigned the authority to administer a program of projects to be funded using revenue generated by the tolling of I-66 Inside the Beltway. In FY 2017 NVTC launched the initial year of the I-66 Commuter Choice Program. The FY 2023 budget assumes less need for outside contract services and support for the administration and outreach efforts.

I-395 Commuter Choice Program

In 201, NVTC and the Potomac and Rappahannock Transportation Commission (PRTC) entered into a 66-year agreement with the Commonwealth of Virginia to fund a program of projects to be funded by revenues generated by the tolling of I-95/I-395. The FY 2023 budget assumes less need for outside contract services and support for the administration and outreach efforts.

**Other Technical**

The FY 2023 budget includes a provision for technical support efforts, specialized analysis, related publications, and contracted human resource support. NVTC's state liaison activities contract is also funded in this line item.

Whenever possible, NVTC intends to leverage other funding sources and utilize contracts of other agencies in an effort to reduce costs.

**24. Research Support**

This new budget line includes a provision for NVTC funded policy research and required local match for grant funded projects. Staff will seek approval from the Commission for these projects.

**25. Legal**

In FY 2021, NVTC entered into an agreement with VRE to receive counsel services on all legal matters.



## **NORTHERN VIRGINIA TRANSPORTATION COMMISSION MANAGEMENT'S DISCUSSION AND ANALYSIS**

This discussion and analysis of Northern Virginia Transportation Commission's (NVTC) financial performance provides an overview of NVTC's financial activities for the fiscal year that ended on June 30, 2021. Please read it in conjunction with the accompanying financial statements which follow this section.

### **FINANCIAL HIGHLIGHTS**

#### **Highlights for Government-wide Financial Statements**

The government-wide financial statements report information about the NVTC reporting entity as a whole using the economic resources measurement focus and accrual basis of accounting.

- NVTC's net position totaled \$214.2 million on a government-wide basis as of June 30, 2021. Of this total, \$172.9 million is for business-type activities and \$41.3 million for governmental activities.
- For the fiscal year, grants, contributions and other revenue net of transfers of NVTC's governmental activities amounted to \$214.3 million. Expenses totaled \$211.2 million.
- For the fiscal year, revenues and transfers of NVTC's business-type activities were \$37.3 million. Expenses amounted to \$43.8 million.

#### **Highlights for Fund Financial Statements**

The fund financial statements provide detailed information about NVTC's funds using the current financial resources measurement focus and modified accrual basis of accounting.

- NVTC's governmental funds reported an increase in fund balance of \$3.2 million for fiscal year 2021, compared to an increase of \$12.5 million for fiscal year 2020. The governmental funds balance as of June 30, 2021 totaled \$41.7 million compared with \$38.5 million at the end of the previous fiscal year.
- During the fiscal year, the proprietary fund net position decreased by \$6.5 million, from \$179.4 million to \$172.9 million.
- NVTC's fiduciary funds reported an increase of \$2.9 million in net position. The Jurisdiction Trust Fund increased \$2.2 million. The Pension Trust Fund increased \$0.7 million.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The financial statements presented include all of the activities which are part of the NVTC reporting entity using the integrated approach as prescribed by the Governmental Accounting Standards Board (GASB).

The government-wide financial statements present the financial picture of NVTC's governmental and business-type activities from the economic resources measurement focus using the accrual basis of accounting. Excluded from these statements are the activities of the jurisdiction trust funds, which are considered fiduciary funds and, therefore, not part of the primary government.

The fund financial statements include a set of statements for each of the three categories of funds – governmental, proprietary and fiduciary. The governmental funds are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The proprietary fund and the fiduciary fund are prepared using the economic resources measurement focus and the accrual basis of accounting, same as the government-wide financial statements. Reconciliation of the fund financial statements to the government-wide financial statements is provided to explain the differences created by the integrated approach.

### **Government-Wide Financial Statements**

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities, with the governmental activities and business-type activities shown separately. The Statement of Net Position presents the assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. The Statement of Activities shows in broad terms how the net position changed during the fiscal year.

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the NVTC reporting entity is improving or declining. Net position is one way to measure financial position, but the reader should also consider other indicators, such as for the business-type activities, the rate of growth of operating subsidies, passenger fare levels, ridership, general economic conditions and the age and condition of capital assets.

Revenue is classified as program or general revenues. Program revenues are further classified as charges for services, operating grants and contributions, and capital grants and contributions. Expenses are reported by functions and programs. Transfers between the governmental activities and business-type activities are reported under the general revenues section.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The funds of the NVTC reporting entity are divided into three categories: governmental funds, a proprietary fund and a fiduciary fund.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year.

NVTC maintains four governmental funds: The General Fund, the Special Revenue Fund – Jurisdiction Transit, the Special Revenue Fund – I-66 Toll Revenue, and the Special Revenue Fund – I-395/95 Toll Revenue. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for each of these funds. The General Fund includes the administrative, planning and project activities of NVTC. The Special Revenue Fund – Jurisdiction Transit, reports the intergovernmental revenue received by NVTC and allocated to the member jurisdictions by a formula maintained by NVTC. Once the allocation is determined, the funds are remitted to the fiduciary fund. The Special Revenue Fund – I-66 Toll Revenue, reports Toll Revenue received from the Commonwealth of Virginia according to an agreement entered into between NVTC and the Commonwealth. The Special Revenue Fund – I-395/95 Toll Revenue, reports an annual transit investment received by the Commonwealth of Virginia from the facility's concessionaire toll revenue receipts for NVTC and PRTC according to an agreement entered into between NVTC, PRTC and the Commonwealth. The two statements included for the governmental funds are the Balance Sheet, and the Statement of Revenues, Expenditures and Changes in Fund Balances.

**Proprietary Fund.** The proprietary fund is used to account for NVTC's share of the Virginia Railway Express (VRE) joint venture. The fund is used to account for the same functions reported as business-type activities in the government-wide financial statements. The three statements included for the proprietary fund are the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows.

**Fiduciary Funds.** The Fiduciary Funds are used to account for resources held by NVTC for the benefit and restricted use of the programs of other governments, and the participants of NVTC pension trust. Additions to the jurisdiction fiduciary fund consist of revenue remitted from the Special Revenue Fund, state operating and capital assistance for transit contracted directly with the NVTC WMATA Compact member jurisdictions, and investment income. Deductions from the jurisdiction fiduciary fund are disbursements directed by the individual member jurisdictions for restricted purposes. Additions to the pension fiduciary fund consists of participant and employer contributions and the increase in fair value of investments. Deductions from the pension trust fiduciary fund are distributions to plan participants. The accounting methods used for the fiduciary funds are much like that used for proprietary funds. The two statements included for the fiduciary funds are the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position.

### **Notes to the Basic Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### **Supplementary Information**

Additional information is presented as a supplement to the basic financial statements. Although not required to be presented and not part of the basic financial statements, the schedules are included to provide additional information of interest to certain financial statement users.



## **FINANCIAL ANALYSIS OF THE NVTC REPORTING ENTITY AS A WHOLE**

### **Statement of Net Position**

The following table presents a summary of the Statement of Net Position for the NVTC reporting entity as of June 30, 2021 and 2020:

#### **Summary Statements of Net Position June 30,**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Assets:</b>						
Current and other assets	\$ 47,785,206	\$ 42,209,718	\$ 60,776,560	\$ 66,320,481	\$ 108,561,766	\$ 108,530,119
Capital assets, net	71,954	87,333	163,002,885	167,509,925	163,074,837	167,597,258
Deferred outflows	-	-	362,566	393,423	362,566	393,423
Total assets	47,857,160	42,297,051	224,142,011	230,106,025	271,999,169	264,387,260
<b>Liabilities:</b>						
Current and other liabilities	6,201,640	3,790,869	6,278,161	6,115,258	12,479,799	9,906,127
Long-term liabilities	419,539	348,041	44,929,100	48,631,573	45,348,639	48,979,614
Total liabilities	6,621,179	4,138,910	51,207,261	54,746,831	57,828,438	58,885,741
<b>Net position:</b>						
Net investment in capital assets	71,954	87,333	115,424,594	116,435,860	115,496,548	116,523,193
Restricted	41,065,681	37,897,537	8,389,995	8,439,810	49,455,676	46,337,347
Unrestricted	98,346	173,271	49,120,161	54,601,328	49,218,507	54,774,559
Total net position	\$ 41,235,981	\$ 38,158,141	\$ 172,934,750	\$ 179,476,998	\$ 214,170,731	\$ 217,635,139

As noted earlier, net position may serve as a useful indicator of a government's financial position. As shown above, net position totaled \$214.2 million as of June 30, 2021, a decrease of \$3.5 million over the previous fiscal year. The largest portion of net position, \$115.5 million or 53.9 percent, represents the net investment in capital assets (e.g., land, building, improvements, rolling stock, equipment and software), accumulated depreciation and amortization, less the related indebtedness outstanding used to acquire those capital assets. These assets are used to provide service to riders; consequently, these assets are not available for future spending. The resources required to repay this debt must be provided annually from operations and federal, state and local support since it is unlikely that the capital assets themselves will be liquidated to pay liabilities.

A portion of the net position, \$49.5 million or 23.1 percent represents resources that are restricted, which includes \$41.1 million of toll revenue and the balance for the commuter rail service.

Current assets consist primarily of grant revenue and motor vehicle fuel sales tax due from the Commonwealth of Virginia and restricted cash for governmental activities, non-restricted cash, cash equivalents, inventory, trade accounts receivables, and investments for the business-type activities. As of June 30, 2021, approximately \$11.2 million was due from the Commonwealth of Virginia, of which \$3.6 million is for motor vehicle fuel sales tax, and \$7.6 million for grant and other state revenue. This is a \$0.8 million decrease from the previous fiscal year, of which grant revenue decreased \$1.8 million, toll revenues decreased \$0.8 million, and motor vehicle fuel sales tax receivables increased \$1.8 million. The decrease in the receivable for grant revenue is due a decrease in capital grant reimbursements due from the Commonwealth. The decrease in the receivable for toll revenue is due to the impact of COVID-19 on toll revenues in the fourth quarter,

and the increase in motor vehicle fuel sales tax receivable is due to rebounding revenues compared to the prior year.

As of June 30, 2021, \$6.5 million of the amount due from the Commonwealth was for the commuter rail service, \$3.6 million for jurisdiction transit funding, and \$1.1 million for general and administrative and projects. Cash and cash equivalents decreased approximately \$2.4 million and totaled \$44.1 million as of June 30, 2021, of which all but \$442,088 was for the business-type activities. Restricted cash, cash equivalents and investments totaled \$50.7 million as of June 30, 2021, with \$41.6 million for governmental activities, and \$9.1 million for business-type activities. This is a \$2.8 million increase from the prior year, of which just about all is due to toll revenue for governmental activities.

The net positions of the jurisdiction trust fund and the pension trust fund are not reported in the entity-wide Statement of Net Position, as they are considered fiduciary funds and held for others than the NVTC reporting entity. The jurisdiction trust fund resources are held in trust for the NVTC member jurisdictions restricted use, while the pension trust fund resources are held for the participants of the pension trust.

## Statement of Changes in Net Position

The following table shows the revenues and expenses and the change in net position of the NVTC reporting entity for the fiscal years ended June 30, 2021 and 2020.

### Summary Statements of Changes in Net Position Years Ended June 30,

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ -	\$ -	\$ 2,857,134	\$ 16,264,440	\$ 2,857,134	\$ 16,264,440
Operating grants and contributions	181,924,631	165,759,023	7,010,421	7,488,750	188,935,052	173,247,773
Capital grants and contributions	-	-	5,307,713	4,885,925	5,307,713	4,885,925
General revenues:						
Intergovernmental:						
Commuter rail	21,237,702	25,483,921	-	-	21,237,702	25,483,921
Motor vehicle fuel sales tax	17,674,274	27,444,860	-	-	17,674,274	27,444,860
Toll revenue	15,375,000	25,642,199	-	-	15,375,000	25,642,199
Interest	60,985	498,471	103,836	750,426	164,821	498,471
Other	77	-	-	-	77	-
Transfers	(21,980,341)	(26,396,564)	21,980,341	26,396,564	-	-
Total revenues	214,292,328	218,431,910	37,259,445	55,786,105	251,551,773	274,218,015
Expenses:						
General and administration	8,136,261	6,062,195	-	-	8,136,261	6,062,195
Jurisdiction transit	191,553,814	187,440,409	-	-	191,553,814	187,440,409
Toll funded project costs	11,524,413	12,598,831	-	-	11,524,413	12,598,831
Commuter rail	-	-	43,801,693	48,242,769	43,801,693	48,242,769
Total expenses	211,214,488	206,101,435	43,801,693	48,242,769	255,016,181	254,344,204
Change in net position	3,077,840	12,330,475	(6,542,248)	8,915,715	(3,464,408)	21,246,190
Beginning net position	38,158,141	25,827,666	179,476,998	170,561,283	217,635,139	196,388,949
Ending net position	\$ 41,235,981	\$ 38,158,141	\$ 172,934,750	\$ 179,476,998	\$ 214,170,731	\$ 217,635,139

For the fiscal year ended June 30, 2021, revenues totaled \$251.6 million, compared to \$274.2 million in the preceding year, a decrease of \$22.6 million or 8.3 percent. Expenses increased \$0.7 million, or 0.3 percent. A discussion of the key components of these revenue and expense changes is included in the funds analysis.



## **FINANCIAL ANALYSIS OF THE REPORTING ENTITY'S FUNDS**

### **Governmental Funds**

**General Fund.** The General Fund reports the project, planning and administrative activities of NVTC. The unreserved fund balance represents the net resources available for spending at the end of the fiscal year.

NVTC adopts an annual operating budget for the planning and administrative activities of the General Fund for the purpose of determining the annual contributions from the member jurisdictions required to fund these activities. In addition, the various projects included in the General Fund have individual budgets. While certain administrative expenditures such as payroll and payroll related expenses are part of the annual operating budget, they may be included in project costs if they were incurred directly for a project. Since non-administrative project expenditures are generally fully funded from sources other than those for the planning and administrative activities, the unreserved fund balance is mainly the result of the planning and administrative activities of the General Fund.

As of June 30, 2021, the General Fund had a total fund balance of \$590,431 of which \$90,032 was nonspendable and \$500,399 was unassigned. The fund balance decreased by \$815 or 0.1 percent from the preceding year.

During fiscal year 2021, NVTC's regional projects incurred a total of \$5.0 million in direct costs. Three of these projects were funded with federal and state sources totaling \$4.6 million. The balance of other funding sources includes direct local contributions from the NVTC member jurisdictions and regional agencies, local contributions from allocated state assistance, and contributions from NVTC primarily in the form of payroll and payroll related costs.

**Special Revenue Fund – Jurisdiction Transit.** Prior to fiscal year 2013, this special revenue fund reported intergovernmental revenue for the jurisdictions' transit programs, including local bus systems and the operating and capital subsidies of the Washington Metropolitan Area Transit Authority (WMATA). The intergovernmental revenue included state operating assistance, state capital assistance, and the motor vehicle fuel sales tax. In fiscal year 2013 and 2014, the state contracted directly with the NVTC member jurisdictions for the state operating and capital assistance. Accordingly, in fiscal year 2014 the special revenue fund recognized only the capital assistance contracted with NVTC prior to fiscal year 2013, as well as the motor vehicle fuel sales tax. Beginning in fiscal year 2015, the state contracted again with NVTC for the operating and capital assistance for WMATA. Accordingly, in fiscal year 2021 the special revenue fund recognized state operating and capital assistance for WMATA, capital assistance contracted with NVTC prior to fiscal year 2013, and the motor vehicle fuel sales tax.

As the revenue is recognized by the Special Revenue Fund, it is allocated using the Subsidy Allocation Model formula (SAM). This formula, which is defined and established by NVTC board resolution and the *Code of Virginia*, is maintained and updated annually by NVTC. After the revenue has been allocated by the SAM and each jurisdiction's share has been identified, the funds are remitted to the Jurisdiction Trust Fund for the restricted use by the member jurisdictions individually to support the programs of their respective locality.

The fiscal year 2021 intergovernmental revenues totaled \$191.6 million, an increase of approximately \$4.1 million or 2.2 percent from the previous fiscal year. The increase is composed of a \$13.9 million increase, or 8.7 percent in state assistance, and a \$9.8 million decrease, or 35.6 percent in motor vehicle fuel sales tax revenue due to the COVID-19 Novel Coronavirus (COVID) pandemic and increased withholding by the Commonwealth for the WMATA Capital Fund.

**Special Revenue Fund – I-66 Toll Revenue.** As part of a 40-year agreement with the Commonwealth of Virginia, NVTC has been assigned the authority to administer a program of projects to be funded using revenue generated by the tolling of I-66 inside the Beltway. The agreement calls for NVTC to receive the toll revenues collected by the Commonwealth, net of certain costs charged against those funds, on a quarterly basis for multi-modal projects which benefit the toll payers of the I-66 inside the beltway facility. In accordance with the agreement, NVTC has established a special revenue fund to account for the toll revenue and related projects separately from its other activities. The agreement also calls for the advance payment of up to \$10 million to fund an initial round of projects before tolling commenced in December 2017. The agreement was amended effective fiscal year 2021 for NVTC to instead receive a \$10 million escalating annual payment subject to available toll revenue.

Through fiscal year 2021, NVTC has rated, selected and approved projects totaling \$41.7 million. Toll revenue and interest earned in excess of project costs incurred is classified as a restricted fund balance. This balance is available exclusively for the reimbursement of approved project costs. During fiscal year 2021, the special revenue fund did not recognize any revenue since due to the COVID-19 Novel Coronavirus (COVID) pandemic, toll revenues were insufficient for any payments to be made to NVTC. The special revenue fund recognized \$7.4 million in project costs, including transfers to the General Fund for NVTC administration of the program. As of June 30, 2021, the restricted fund balance totaled \$19.6 million, a decrease of \$7.4 million over the prior year balance.

**Special Revenue Fund – I-395/95 Toll Revenue.** In December 2017, NVTC entered into a 68-year agreement with the Commonwealth of Virginia and PRTC whereby the commissions will receive an annual transit investment (ATI) from toll revenue from the operations of the I-395/95 HOT Lanes which commenced during fiscal year 2020. The ATI equals \$15 million in the commencement year, increasing at 2.5% annually, and is to be used to fund transit and multimodal investments which will benefit users in the I-395/95 corridor.

In January 2019, NVTC and PRTC entered into an agreement that among other things provides details of the commissions project selection process, specifies that NVTC will be the designated recipient of the ATI fund, and that NVTC will administer the program on behalf of the commissions. NVTC has established a special revenue fund to account for the ATI toll revenue and related projects for both Commissions, separately from the Commissions' other activities.

The agreement between the Commonwealth, NVTC and PRTC states that the ATI funds are to be split pro rata based on each commission's population as determined by the most recent population figures of the Weldon Cooper Center. In fiscal year 2021, NVTC received \$15,375,000 in ATI funds, as specified in the agreement. The allocation of the funds between NVTC and PRTC results in \$10.2 million and \$5.2 million in revenues for NVTC and PRTC respectively. The fund recognized \$4.8 million in project costs, including transfers to the General Fund for NVTC administration of the program. The allocation of the expenditures between NVTC and PRTC equals \$3.0 million and \$1.5 million respectively. The activity to date results in an ending fund balance of \$21.4 million, with \$14.2 million allocated to NVTC and \$7.2 allocated to PRTC.

### **Proprietary Fund**

The proprietary fund captures NVTC's portion of the financial activity of the joint venture Virginia Railway Express (VRE) commuter rail service. Assets owned by NVTC and the Potomac and Rappahannock Transportation Commission (PRTC) for the VRE operations have been funded by a variety of sources including federal assistance with PRTC as grantee, Commonwealth of Virginia assistance with NVTC as grantee, local contributions, and various loans and other financing arrangements for which one or both Commissions have served as issuer, borrower, or in other related capacities. For financial statement reporting purposes, assets, liabilities and

operations are assigned and allocated to NVTC and PRTC based on asset ownership, named entity on debt instruments, and sources of funding.

NVTC's share of operating revenue decreased about \$13.4 million or 82.4 percent, while operating expenses decreased approximately \$5.0 million or 13.7 percent. For VRE operations as a whole, operating revenue decreased 78.8 percent, while operating expenses increased 4.2 percent. Ridership saw a decrease of 89.6 percent, reflecting the effects of the ongoing COVID-19 Novel Coronavirus pandemic throughout fiscal year 2021. The difference between the NVTC share and the VRE operations as a whole is the result of how the operations are split between the commissions.

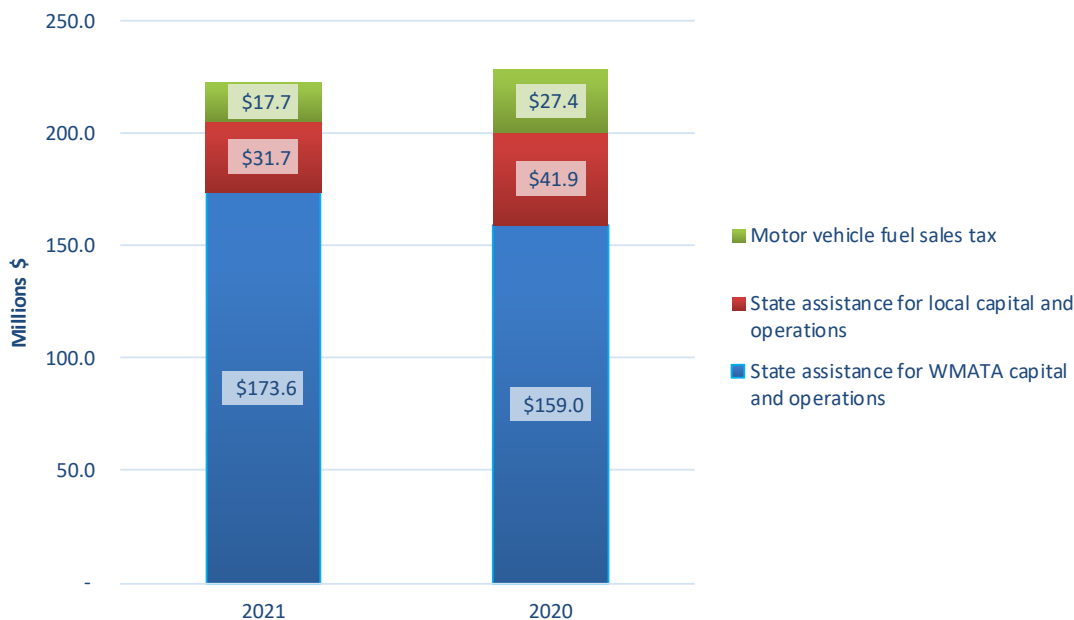
In order to present a full and accurate picture of VRE operations, all financial transaction related to the commuter rail program reported separately in the financial statements of NVTC and PRTC are combined in a separate set of financial statements. These audited financial statements can be obtained from the Director of Finance and Administration of NVTC at 2300 Wilson Blvd., Suite 230, Arlington, VA 22201.

### **Fiduciary Funds**

**Jurisdiction Trust Fund.** The Jurisdiction Trust Fund holds the assets that were remitted from the special revenue fund (contributions from government), as well as operating and capital assistance contracted with the NVTC member jurisdictions and received directly by the Jurisdiction Trust Fund from the Commonwealth (intergovernmental revenues). These funds are accounted for on an individual jurisdiction basis. As with the revenue from the Special Revenue Fund, the jurisdiction contracted revenue is allocated using the SAM. The funds are invested in the Virginia Local Government Investment Pool, and are available for disbursement for restricted purposes by instructions of the member jurisdictions.

The change in the fund balance from year to year is dependent upon the remittances from the special revenue fund, the state operating and capital assistance contracted directly with the jurisdictions and received by the fund, investment income, and the amount each member jurisdiction instructs NVTC to disburse from the Fund. The total additions to the Trust Fund, excluding investment income, decreased by \$5.3 million, or 2.3 percent from the previous year. An analysis of this change is shown below.

**Jurisdiction Trust Fund Revenue Sources**





State assistance for local system operations is revenue from the state operating formula assistance program, which is a performance-based formula program. State assistance for local system capital expenditures is a competitive reimbursement program. Effective fiscal year 2019, the amount of funding NVTC receives for WMATA capital and operating needs is determined by a set percentage of the funding available in the Commonwealth's Mass Transit Trust Fund.

Effective fiscal year 2019, a minimum price floor was established for the motor vehicle fuel sales tax. The Virginia Code section that established the floor states that any gain attributable to the floor will revert to the Commonwealth as a funding source for the new WMATA Capital Fund for dedicated funding to WMATA, and the Commuter Rail Operating and Capital Fund (C-ROC) which benefits VRE. For fiscal year 2019, the gain was calculated as the difference between the monthly revenue to NVTC in fiscal year 2018 as compared to the actual collections for the same month in fiscal year 2019. Effective fiscal year 2020 the gain became fixed at the fiscal year 2019 level. Furthermore, the legislation changed the tax from a sales tax to an excise tax with a market price adjustment equal to the statewide distributor price for a gallon of regular gasoline. Effective fiscal year 2021 the amount withheld for the WMATA Capital Fund was fixed at \$22.183 million per year, an increase of approximately \$7.2 over the prior amount from the "gain". Motor Vehicle Fuel Sales tax revenue decrease by \$9.8 million, or 35.6 percent from the previous year due primarily to increase in withholding for the WMATA Capital Fund and the ongoing COVID-19 Novel Coronavirus pandemic throughout fiscal year 2021.

**Pension Trust Fund.** The Pension Trust Fund holds the assets contributed by NVTC on behalf of the pension plan participants, and the required plan participant contributions. Investments are participant directed in one or more separate investments available through the plan sponsor. Net assets available for benefits at the end of fiscal year 2021 equaled \$2.2 million, an increase of \$716,177 (46.8%) over the prior year. This increase is the result of \$488,823 an increase in fair value of investments and \$227,354 in plan contributions.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

The details of capital assets as of June 30, 2021 and 2020 are as follows:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Rolling stock	\$ -	\$ -	\$ 142,639,959	\$ 142,639,959	\$ 142,639,959	\$ 142,639,959
Vehicles	-	-	72,780	72,780	72,780	72,780
Facilities	-	-	56,404,725	56,404,725	56,404,725	56,404,725
Track and signal improvements	-	-	50,054,134	49,764,479	50,054,134	49,764,479
Equipment and software	-	-	6,515,559	6,063,333	6,515,559	6,063,333
Construction in progress	-	-	16,592,210	12,001,865	16,592,210	12,001,865
Equity in properties of others	-	-	2,893,644	2,893,644	2,893,644	2,893,644
Office equipment, furniture and software	198,931	193,619	3,129,324	3,194,727	3,328,255	3,388,346
	198,931	193,619	278,302,335	273,035,512	278,501,266	273,229,131
Less accumulated depreciation and amortization	126,977	106,286	115,299,450	105,525,587	115,426,427	105,631,873
<b>Total capital assets, net</b>	<b>\$ 71,954</b>	<b>\$ 87,333</b>	<b>\$ 163,002,885</b>	<b>\$ 167,509,925</b>	<b>\$ 163,074,839</b>	<b>\$ 167,597,258</b>

NVTC's investment in capital assets as of June 30, 2021 amounted to \$163.1 million (net of accumulated depreciation and amortization) which represents a decrease of \$3.5 million or 2.7 percent over last year due to new project construction and the recognition of annual depreciation and amortization.

The major completed projects during the fiscal year were the Fare Collection EMV Compliance Upgrade (\$1.05 million), completion of Crossroads to Hamilton Third Track Slope Stabilization (\$0.3 million) and implementation of the new Mobile Ticketing System (\$0.1 million).

The major additions to construction in progress during the fiscal year were costs related to the Crossroads Lifecycle and Overhaul and Upgrade Facility (\$4.4 million), development of the Crystal City station project (\$0.4 million), development of the Munis Enterprise Resource Planning (ERP) System (\$0.3 million), the Quantico station improvement project (\$0.3 million), the Broad Run station improvement project (\$0.25 million) the Alexandria station improvements project (\$0.3 million), development of the Franconia/Springfield platform project (\$0.25 million), development of the Manassas Park parking expansion project (\$0.25 million) and the VRE Headquarters Office Renovation project (\$0.15 million).

### Debt Administration

At June 30, 2021, the Commissions had total debt outstanding of \$46.8 million for the VRE commuter rail service, of which \$43.3 million is reported by NVTC.

The NVTC and PRTC are co-lessees of the capital lease for rolling stock, which is secured by the related equipment. The promissory note with the Federal Railroad Administration for the purchase of 60 Gallery railcars was issued by NVTC, but both NVTC and PRTC were signatories. The note was secured by the revenues of VRE and the rolling stock.

In fiscal year 2018, a financing agreement was entered into with the Virginia Resources Authority (VRA) for the purposes of refunding the FRA promissory note and reducing VRE's debt service costs. As required by the authorizing resolutions of the Commissions and jurisdictions, the VRA refunding loan did not extend the term of the original borrowing and achieved net present value debt service savings of not less than three percent. The FRA note was refunded in full with the proceeds from the VRA financing, and VRE has pledged its revenues to the repayment of the principal, premium, and interest on the local bond purchased by VRA.

	2021	2020
Bond payable	\$ 39,770,000	\$ 42,120,000
Capital leases	3,492,484	4,270,958
<b>Total</b>	<b>\$ 43,262,484</b>	<b>\$ 46,390,958</b>

### Economic Factors and Next Year's Budget

Population growth in Northern Virginia, especially in the outer suburbs, continues to remain robust. In combination with the congestion on major highways and on-going highway construction projects, this growth will continue to support long-term demand for VRE's service. The constraining factors to VRE growth in the near-term are the current COVID-19 pandemic and its effects, as well as station parking, availability of seats, storage capacity, and the availability of subsidy funds.

The local subsidy for fiscal year 2022 decreased by \$13,544,122 or 74.0 percent to \$4,756,658. Fares were held constant; the previous general fare increase was 3.0 percent in fiscal year 2020. In fiscal year 2019 VRE began to receive funding from the Commonwealth of Virginia Commuter Rail Operating and Capital (C-ROC) Fund, which will continue in fiscal year 2022. Additional sources of funding will be available in fiscal year 2022 from federal, state and regional sources, although the amounts received will continue to vary from year to year.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of NVTC's finances for all those interested. If you have any questions about this report or need additional financial information, contact the Director of Finance and Administration, Northern Virginia Transportation Commission, 2300 Wilson Boulevard, Suite 230, Arlington, Virginia 22201, or by email to [scottkalkwarf@novatransit.org](mailto:scottkalkwarf@novatransit.org).





## **NVTC SUBSIDY ALLOCATION MODEL (SAM)**

The data inputs of the SAM formula include:

- The budgeted operating subsidies for WMATA by jurisdiction
- The budgeted capital subsidies for WMATA by jurisdiction
- The budgeted local operating deficit for each system
- The budgeted local capital system needs

Those inputs are totaled for each jurisdiction, with the local capital system needs amortized over a 5 year period. The total for each jurisdiction is compared to the total for NVTC to arrive at a percentage, which is applied to the total state operating and capital assistance reimbursements actually received during the fiscal year.

Gas tax revenue is allocated among the jurisdictions using the previous year's collections on a point of sale basis compared to the NVTC total. That percentage is used to allocate the gas tax received during the fiscal year among the jurisdictions.

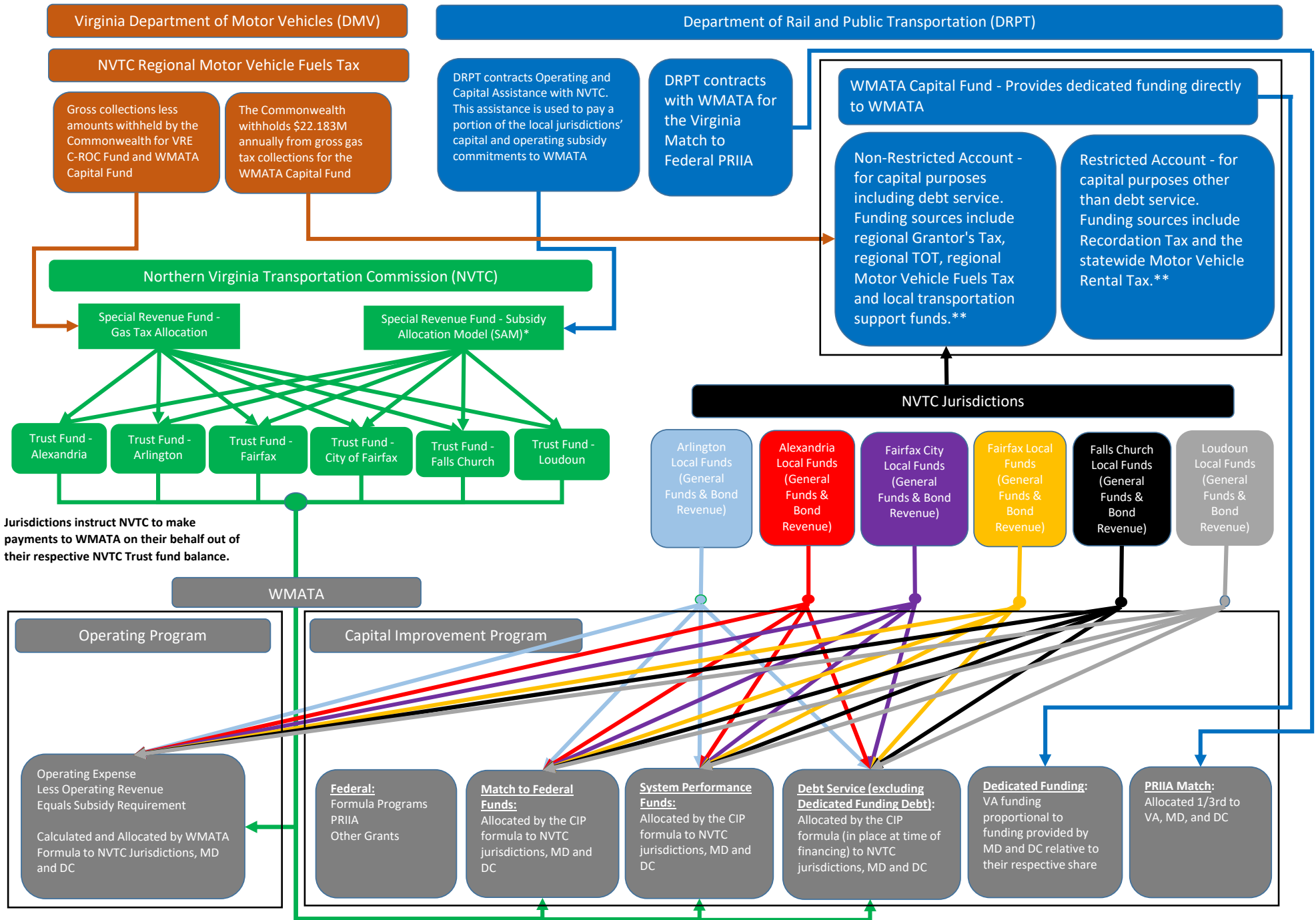
95% of WMATA debt service is taken off the top of capital assistance reimbursements as it is received. 5% of the WMATA debt service is taken off the top of the motor fuels tax. These funds are required to be withheld and remitted directly to WMATA by NVTC.

Revenue is taken off the top of the state assistance and gas tax revenue before allocating among the jurisdictions for certain expenses. These include a portion of NVTC's G&A budget, as reflected in the annual approved budget, and the NTD bus data collection project.

The SAM formula includes several hold harmless mechanisms as explained in the "summary of the resolution #756..." document.

Allocated revenue is held in trust for each jurisdiction for their restricted use for transit purposes. Disbursements from the trust are made by written request by the jurisdiction. These disbursements include payments to WMATA and the local systems for operating and capital needs.

# HOW WMATA IS FUNDED IN VIRGINIA - FISCAL YEAR 2022



\* Loudoun County participation in the SAM formula is effective with the start of revenue operations on the Silver Line Phase 2

\*\*The Virginia General Assembly has directed additional funding in FY2022 to shore up the WMATA Capital Fund

# Purpose and Plans



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## NVTC Strategic Framework

### Vision

Northern Virginia businesses and residents are served by a high capacity, high quality network of transit systems that allows our diverse region to thrive economically.

### Mission

As the premier transit organization in Northern Virginia, NVTC brings the region together to plan, coordinate, and secure funding for transit systems that are financially sustainable and high performing.

### Goals & Objectives

**1. Increase the capacity of the regional transit network by expanding and improving the quality, coverage, and frequency of new and existing systems, including Metro, VRE and new transit services. NVTC will achieve this through:**

- 1.1 Access to sustainable, reliable, dedicated funding sources for WMATA, including Metro 2025;
- 1.2 A regional strategy to fund the VRE System Plan;
- 1.3 Continued and increased funding for regional transit infrastructure;
- 1.4 Efficient use of existing rail and roadway infrastructure.

**2. Improve the access and mobility throughout Northern Virginia by connecting the regional and local transit systems. NVTC will achieve this through:**

- 2.1 Regional technology improvements that provide customers with better access to information and convenient travel within and among transit systems;
- 2.2 Regional and state plans that align local and regional transit services and advance dedicated transit corridors.

**3. Promote safe, reliable, and financially sound performance and management of regional transit systems. NVTC will achieve this through:**

- 3.1 Governance and oversight of VRE commuter rail performance and management as co-owners with the Potomac Rappahannock Transportation Commission;
- 3.2 Governance of and active engagement with WMATA through the appointment and support of WMATA Board members that hold the agency accountable for peak performance and sound management;
- 3.3 Financial management expertise and support for NVTC member jurisdictions.

## Strategies

### **1. Financial Management**

NVTC provides financial management expertise and support for member jurisdictions through distribution of gas tax revenue, allocation of state transit assistance through the Subsidy Allocation Model, management and oversight of state and federal grants, and management of the NVTC trust funds.

### **2. Research & Technical Expertise**

NVTC conducts research (or contracts with other entities to conduct research) to better understand issues that impact the success of transit in Northern Virginia. NVTC identifies potential solutions or strategies to address the issue and analyzes the advantages and disadvantages of each approach. NVTC serves as subject matter experts for member jurisdictions and state and regional agencies on issues affecting public transportation in Northern Virginia.

### **3. Regional Coordination & Partnerships**

At the executive, elected, and staff level, NVTC coordinates and collaborates with member jurisdictions to share information, problem solve, and work towards a unified position, when appropriate. NVTC provides information for and collaborates with external stakeholders, including regional and state agencies and the business community, on issues that impact the success of transit in Northern Virginia.

### **4. Governance/Stewardship**

NVTC appoints Commissioners to serve on the VRE Operations Board and WMATA Board. These Board members monitor transit performance, agency finances, and compliance with local, state, and federal requirements on behalf of NVTC and its member jurisdictions. Board members serve as liaisons between the transit agency and the Commission and represent the needs and concerns of Northern Virginia in their roles on the VRE and WMATA Boards.



# NVTC Work Plan

## January 2022 to June 2023

The NVTC Work Plan serves as a guiding document for NVTC staff to support the mission of the Commission. This Work Plan identifies specific programs, projects and tasks that NVTC staff intend to perform during the period from January 2022 through June 2023 (FY 2023). It is intended to be a living document that can be updated as priorities and projects change.

This document supports NVTC’s Strategic Framework, Implementation Plan and was developed in consultation with the Management Advisory Committee (MAC), the body of professional staff representing NVTC’s jurisdictions and partners. The MAC is a forum to facilitate cooperative regional solutions, to keep local governments informed and to solicit feedback on ongoing programs, projects and initiatives.

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## NVTC's Mission, Vision and Strategic Goals

**Mission:** As the premier transit organization in Northern Virginia, NVTC brings the region together to plan, coordinate and secure funding for transit systems that are financially sustainable and high performing.

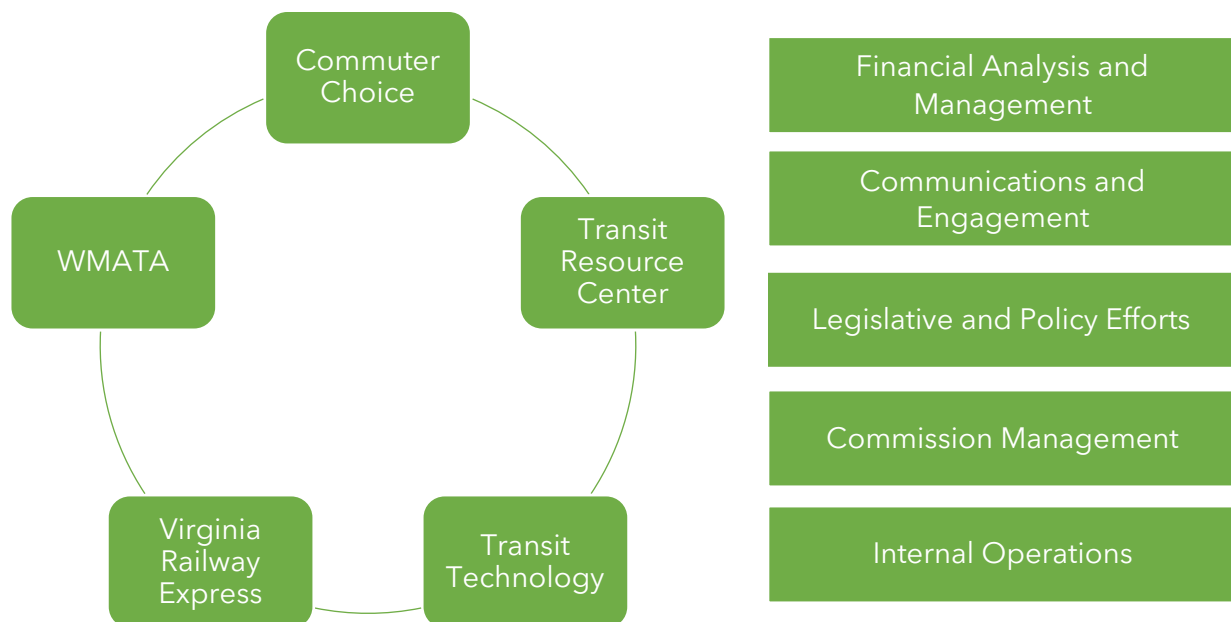
**Vision:** Northern Virginia businesses and residents are served by a high capacity, high quality network of transit systems that allows our diverse region to thrive economically.

### Strategic Goals:

- Increase the capacity of the regional transit network by expanding and improving the quality, coverage and frequency of new and existing systems, including Metro, VRE and new transit services.
- Improve the access and mobility throughout Northern Virginia by connecting the regional and local transit systems.
- Promote safe, reliable, and financially sound performance and management of regional transit systems.

## Programs and Crosscutting Functions

NVTC has five programs that support the implementation of the Commission's mission and vision. These programs provide technical assistance, enable data collection and analysis, facilitate regional engagement and jurisdictional coordination as well as manage a groundbreaking funding program. It is important to note that these programs interact with and support each other on a regular basis, enabling NVTC to provide comprehensive support to member jurisdictions, partner agencies and to the Commission. In addition, these programs provide the best representation for our jurisdictions and ensure NVTC's work adds value for Northern Virginia, the greater DC region and the Commonwealth.



## **A. NVTC Committee Structure**

NVTC has three standing committees. In addition to the Executive Committee, NVTC has the Program Advisory Committee (PAC), the WMATA Committee and the Legislative and Policy Committee. The scope of each of these committees is articulated in NVTC's By-Laws.

For all committees, NVTC staff is responsible for the development and distribution of committee materials, meeting logistics (in coordination with the Commission Secretary) and all other responsibilities to support the needs of the committee.

## **B. NVTC Programs**

### **Commuter Choice**

The Commuter Choice program is a groundbreaking program that invests toll revenue into transit service, transportation demand management and other multimodal improvements along the I-66 Inside the Beltway and I-395/95 toll corridors. NVTC, in partnership with the Potomac and Rappahannock Transportation Commission (PRTC), Virginia Department of Transportation (VDOT), Virginia Department of Rail and Public Transportation (DRPT) and the Commonwealth Transportation Board (CTB), manages this competitive funding program through the tasks outlined in the section below.

#### 1) Program Management and Administration

- a) Provide ongoing administration of the Commuter Choice program (I-66 Inside the Beltway and I-395/95 Corridors) to ensure compliance with relevant Memorandums of Agreement (MOAs).
  - i. Work with staff and legal counsel on policy changes and decisions governing future calls for projects and program administration.
  - ii. Coordinate with regional and state agencies that administer other competitive funding programs to align program milestones.
  - iii. Coordinate with PRTC (as needed) on the ongoing management and administration of the Commuter Choice in the I-395/95 Corridor Program.
  - iv. Work with financial counsel and financial advisors on financing issues as needed.
  - v. Maintain and update the Commuter Choice program website to provide relevant, timely information for applicants, grantees and stakeholders.
  - vi. Monitor program operations and communications with grantees to identify any needed policy changes or updates.
  - vii. Execution of Standard Project Agreements (SPA) and ongoing monitoring and reporting to ensure compliance with all SPA requirements.
  - viii. Coordinate with NVTC's WMATA program to further policy guidance to enable WMATA-operated / Commuter Choice-funded projects to be considered in WMATA's annual budget process, including potential adoption of policy guidance by the WMATA Board and/or Commission(s).

- ix. Support and participate in grantee-led events to highlight major project milestones, such as groundbreakings and openings.
- b) Prepare Commuter Choice annual report and program updates
  - i) Prepare and submit the fiscal year report to the CTB as required by the MOA.
  - ii) In coordination with NVTC's Transit Resource Center, prepare Corridor Transit Reports (subject to data availability) describing travel trends in the two program corridors for presentation to the PAC and Commission(s).
  - iii) Update (as needed) grantee handbook that provides a comprehensive guide to Commuter Choice program eligibility, policies, and procedures.
- 2) **Deliverables:** Commuter Choice Annual Report to the CTB; Corridor Transit Report update reflecting fall 2021 traffic volume and transit ridership data; updated program guidance materials as applicable; SPAs distributed to recipients for funded projects
- 3) Call for Projects and Project Selection Process
  - a) Prepare Commuter Choice application materials and secure Commission(s) approval to open calls for projects.
  - b) Hold workshops with eligible applicants while calls for projects are open. Provide technical assistance and guidance during application process.
  - c) Conduct (in coordination with DRPT) the initial eligibility screening, evaluation and scoring of project applications.
  - d) Provide program updates at Commission(s) meetings and present final program of projects for Commission(s) approval.
  - e) Coordinate with DRPT to receive Commonwealth Attorney General project eligibility concurrence and to prepare project list and supporting materials for CTB consideration.
  - f) Develop staff-recommended program of projects for consideration by the Program Advisory Committee (PAC)/Joint Commission Working Group (JCWG) and consideration by the Commission(s).
  - g) Hold public hearings or virtual town hall meetings and facilitate other online public outreach efforts to explain proposed projects to the public, answer questions about the program and maximize public input.

**Deliverables:** I-395/95 Round Three Call for Projects, Project Evaluation and Scoring, and Program Development and Selection, including workshops with eligible applicants, eligibility screening workshop with DRPT and PAC and JCWG briefings; begin preparations for I-66 Round Six Call for Projects
- 4) Reimbursement and Financial Reporting
  - a) Host quarterly meetings with grantees to receive required project level reports and ensure projects are meeting implementation, reporting and financial milestones.
  - b) Review and approve project reimbursement requests.
  - c) Track expenses and reimbursements by corridor, fiscal year program, project, grantee, etc.

- d) Coordinate with NVTC financial team to develop policy/programmatic solutions for financial-related questions/issues.

**Internal Coordination:** Transit Resource Center, NVTC's WMATA program, Financial Analysis and Management, Communications and Engagement, Legislative and Policy, Commission Management and Internal Operations

## **NVTC Oversight of Washington Metropolitan Area Transit Authority**

NVTC exercises leadership through the appointment and support of Virginia's members of the Washington Metropolitan Area Transit Authority (WMATA) Board of Directors to promote safe, reliable and financially sound performance, management and oversight of WMATA. Staff supports the NVTC WMATA Committee to facilitate and represent jurisdictional interests and to ensure access to NVTC's WMATA principal director.

### 1) WMATA Committee Support

- a) Develop and implement the committee's annual work plan.
- b) Manage and staff the NVTC WMATA Committee to facilitate committee guidance and feedback, leading to committee endorsement and recommendation for the full Commission to approve of the *Annual Report on the Performance and Condition of WMATA*.
- c) Manage and staff the NVTC WMATA Committee to provide a venue for discussion of WMATA issues directly affecting the NVTC region and NVTC jurisdictions.
- d) Manage and lead a jurisdictional staff working group to provide staff support for NVTC's WMATA Board principal member and members of NVTC's WMATA Committee.
- e) Inform NVTC Commissioners of pending WMATA Board decisions of regional significance.

### 2) Annual Report on the Performance and Condition of WMATA

- a) Develop and submit to the General Assembly and the Governor by December 15 an annual report on the performance and condition of WMATA that includes the following:
  - a. The safety and reliability of the rapid heavy rail mass transportation system and bus network.
  - b. The financial performance of WMATA related to the operations of the rapid heavy rail mass transportation system, including farebox recovery, service per rider and cost per service hour.
  - c. The financial performance of WMATA related to the operations of the bus mass transportation system, including farebox recovery, service per rider and cost per service hour.
  - d. Potential strategies to reduce the growth in such costs and to improve the efficiency of WMATA operations.
  - e. Use of the funds provided from the Mass Transit Fund to improve the safety and condition of the rapid heavy rail mass transportation system.
  - f. Ridership of the rapid heavy rail mass transportation system and the bus mass transportation system.



- b) Manage technical staff to ensure that the report will meet expectations of the Commission, the General Assembly and the Administration.
  - c) As needed, communicate and present this report to the Commonwealth Transportation Board, Governor's Office, General Assembly and other interested stakeholders.
  - d) Publish the report and associated information on NVTC's website.
- 3) Annual Certification of WMATA Documents
- a) Request the following documents from WMATA annually:
    - a. Annual capital budget; annual independent financial audit;
    - b. National Transit Data annual profile; and
    - c. Single audit report issued in accordance with the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 C.F.R. Part 200).
  - b) Certify the receipt of these documents to Commonwealth Comptroller no later than June 30 of each year.
- 4) Virginia WMATA Board Member Support
- a) Facilitate and support NVTC officers' and the Commission's annual appointment of Virginia's two principal and two alternate members of the WMATA Board of Directors (January).
  - b) Provide primary staff support on WMATA related meetings and issues to NVTC's WMATA Board principal member or their designated alternate.
  - c) Facilitate and lead NVTC WMATA Board member preparation calls in advance of WMATA Board and committee meetings. Participate in WMATA-run Board meeting preparation calls and provide input as necessary.
  - d) Ensure communication and facilitation between the Commonwealth and NVTC's principal WMATA Board members.
  - e) Provide staff support to WMATA Board members prior to NVTC Commission meetings.
  - f) Participate on WMATA's Jurisdictional Coordinating Committee (JCC).
    - a. Monitor and report on the development of WMATA's annual operating and capital budgets and multi-year CIP.
    - b. Coordinate with jurisdictional staff and DRPT on WMATA's compliance with CTB policy guidelines for the implementation of governance and funding reforms for WMATA.
    - c. Actively participate in the development of the Capital Funding Agreement.
- 5) Support for Northern Virginia Jurisdictions
- a) Participate and provide summaries on JCC deliberations and WMATA Board actions to Northern Virginia jurisdictions, as requested.
  - b) Facilitate jurisdictional issues with WMATA that rise to the attention of the NVTC WMATA Board principal member.

- c) Participate in WMATA-led planning studies, including but not limited to the Bus Transformation Project, Blue-Orange-Silver Capacity and Reliability Study, etc.
- 6) Fall 2022 Yellow Line Bridge Closure Coordination
  - a) Facilitate regional calls with WMATA and affected stakeholders to coordinate mitigation efforts and communications strategies.
  - b) Track and resolve issues identified during planning meetings and coordination calls.
  - c) Brief the Commission prior to and throughout the shutdown (as requested or needed) and document lesson learned.

**Deliverables:** Annual Report on the Performance and Condition of WMATA; Annual certification letter to Commonwealth

**Internal Coordination:** Transit Resource Center, Transit Technology, Commuter Choice, VRE, Legislative and Policy Efforts, Financial Analysis and Management and Internal Operations

## **Transit Resource Center**

The Transit Resource Center provides technical assistance to member jurisdictions; collects, analyzes and reports data from all NVTC's programs; manages the Envision Route 7 Bus Rapid Transit (BRT) project; and supports coordination with other regional transportation organizations. An overview of the tasks within the Transit Resource Center are outlined below.

- 1) Regional Transit Data Collection, Analysis, and Visualization
  - a) Support data collection and visualization efforts.
    - a. Report the Washington Metropolitan Area Transit Authority's (WMATA) monthly ridership and parking utilization to comply with the Department of Rail and Public Transportation's (DRPT) OLGA reporting requirements.
    - b. Develop a short and long-term plan to 1) catalog, systematize and collect data that can be shared with stakeholders/archived for future use and 2) identify opportunities to use data sources to communicate NVTC's transit policies, positions and storytelling.
    - c. Coordinate with NVTC's communications team and external communications partners to share data analysis and visualization through reports, presentations, etc.
  - b) Conduct and Support Regional Transit Analysis
    - a. Perform in-depth regional and multijurisdictional analyses in support of Northern Virginia transit systems.
    - b. Develop scope of work, budget and funding plan to support NVTC-led transit policy analysis efforts, contingent on funding. FY 2023 efforts may include a Northern Virginia Regional Transit Strategic Plan and/or an update to NVTC's 'Value of Metrorail and VRE' study.
    - c. Conduct additional post-COVID and recovery-related analysis for presentation to the MAC, PAC and Commission.

- d. Provide jurisdictional and regional transit performance data through materials and presentations, and post standardized, downloadable data on NVTC's website.
- e. Provide data analysis for NVTC jurisdictions and the Commission on regional and national issues that impact transit planning, operations, organizations and ridership.
- f. Disseminate findings through authoring reports and presentations.

**Deliverables:** Annual Transit Performance Report; Post-COVID Transportation Analysis Reports; Data and Policy Analysis Reports

2) Commuter Choice Corridor Analyses

- a) Coordinate with Commuter Choice Program Manager to conduct annual analysis on the transit ridership and other metrics to understand the performance of transit along the I-66 Inside the Beltway and I-395/95 Corridors, including the impacts of COVID-19 and recovery efforts (pending data availability).
- b) Coordinate with VDOT, Transurban and Transportation Planning Board to collect corridor-based data necessary for analyses.

3) Envision Route 7 Bus Rapid Transit (BRT) Study

- a) Manage Phase IV-1 Study.
  - a. Continue to coordinate with relevant jurisdictional and stakeholder staff to further the study of high-quality transit on Route 7.
  - b. Manage consultant contract and coordinate with NVTC staff regarding study-related public outreach efforts.
  - c. Assist in identifying financial resources for continued study and programming for BRT along the Route 7 Corridor.
- b) Manage the Envision Route 7 BRT Project Roadmap effort
  - a. Identify funding to support the development of a strategic framework that identifies key policy, governance and funding steps necessary to successfully design, construct and operate the system.
- c) Brief the MAC, PAC and Commission at key milestones and decision points; prepare written updates as needed.

**Deliverables:** Phase IV-1 Deliverables (per scope), Envision Route 7 BRT Project Roadmap deliverables (per scope)

4) Regional Coordination and Collaboration

- a) Monitor NVTA (Northern Virginia Transportation Authority) regional planning efforts to ensure regional transit needs are included in their regional transportation plan (TRANSACTION).
- b) Participate regionally focused technical, program or study committees assisting in planning, funding, preliminary engineering and environmental analysis for transit in the region, including but not limited to:
  - a. Transportation Planning Board
  - b. Potomac and Rappahannock Transportation Commission
  - c. Northern Virginia Transportation Authority

- d. Northern Virginia Regional Commission
- e. Virginia Department of Rail and Public Transportation
- f. Virginia Department of Transportation
- g. Virginia Railway Express
- h. Metropolitan Washington Council of Governments
- i. Washington Metropolitan Area Transit Authority

**Internal Coordination:** NVTC's WMATA program, Grants Management, Commuter Choice, Communications and Engagement, Legislative and Policy Efforts and Internal Operations

## **Transit Technology**

The Transit Technology program oversees the implementation of NVTC's Regional Fare Collection Strategic Plan and engages with regional, state and national transit technology stakeholders to build Commission knowledge about innovative transit mobility services and emerging technologies. An overview of the tasks within the Transit Technology Program are outlined below.

### 1) Implementation of the NVTC's 2021 Regional Fare Collection Strategic Plan

- a) Provide updates to the MAC, PAC and Commission on the status of milestones in the 2021 Strategic Plan.
- b) Support Northern Virginia transit operators by facilitating regional coordination through the Regional Fare Collection and Off-Board/All-Door Fare Collection Working Groups, including coordination, planning, exchange of information as well as facilitating future plans.
- c) Manage NVTC Technical Assistance: Transition and support the close-out of Technical Support Services for the Regional Fare Collection Program contract, transition strategic plan support and tasks in-house.

### 2) Regional Low/Zero-Emission Bus Coordination

- a) Identify funding to support the development of a Northern Virginia Low/Zero-Emission Bus Strategic Plan; if funded, develop a scope of work, procure contractor support and manage the project.
- b) Facilitate regional discussions and information sharing related to the planning, funding, and implementation of low/zero-emission bus efforts.
- c) Attend regional meetings on low/zero-emission bus efforts, including but not limited to TPB, WMATA, PRTC, APTA and NVTA.
- d) Identify role for NVTC to assist regional partners in regional implementation of low/zero-emission bus implementation, including coordination, technical assistance, and/or procurement coordination.

### 3) Zero/Reduced Fare Implementation Guide

- a) Identify funding to support the development of a Northern Virginia-focused guide.
- b) Develop scope of work, budget and funding plan to procure technical support for the implementation guide (based on funding availability). If funded, develop a scope of work, procure contractor support and manage the project. If not funded, develop the guide in-house.



4) Technology-related Symposia

- a) Plan, implement and deliver at least two symposia per year on technology topics that are timely and relevant to the mission of the Commission.
- b) Provide regular updates to the MAC, PAC and Commission on technology-related topics.
- c) Attend regional meetings on transit technology, including but not limited to TPB, WMATA and NVTA.

5) Manage NVTC NTD Technical Assistance

- a) Work with local governments to coordinate collection of performance data for the Federal Transit Administration's (FTA) National Transit Database (NTD).
- b) Manage the contract for NTD data collection on behalf of Northern Virginia's transit systems. Oversee data collection efforts to facilitate the receipt of federal funds to the region.

**Deliverables:** Scopes of work, budgets, and grant application materials (for DRPT-funded efforts); Annual Work Plan for Transit Technology Program

**Internal Coordination:** NVTC's WMATA program, NVTC's VRE Support, Financial Analysis and Management, Transit Resource Center, Communications and Outreach and Internal Operations

## **NVTC Support of Virginia Railway Express**

NVTC, as co-owner (with the Potomac and Rappahannock Transportation Commission) of the Virginia Railway Express (VRE), provides oversight of the railway to promote safe, reliable and financially sound performance and management.

1) VRE Operations Board Support

- a) Facilitate the annual appointment of NVTC's principal and alternate members of the VRE Operations Board.
- b) Provide staff support, in coordination with jurisdictional staff when necessary, to NVTC-appointed VRE Board members.
- c) Participate on VRE's Coordination Committee (VCC) and Chief Administrative Officer's Task Force and attend VRE Operations Board meetings.

2) Budget and Financial Management

- a) Facilitate NVTC's approval of VRE's annual operating and capital budgets, including the prioritization of the Commuter Rail Operation and Capital (C-ROC) Fund. Participate and provide technical support at budget review sessions.
- b) Apply and receive state and regional assistance on behalf of VRE, including DPRT transit capital and operating funding, Rail Enhancement Funds, SmartScale and NVTA funds.
- c) Assist VRE planning staff on ridership, travel forecasting, federal funding programs and other technical items.

3) VRE Customer Service and Annual Ridership Surveys

- a) Provide staff and technical support to VRE for the customer service surveys each spring by assisting with on-board survey distribution.
- b) Provide staff and technical support to VRE for the Master Agreement Annual Ridership Survey each fall by assisting with on-board survey distribution and conducting the survey address verification process using GIS technology.

4) Technical and Communications Support

- a) Amplify and actively share VRE public communications through NVTC social media.
- b) Serve on technical and legislative advisory committees, as requested.
- c) Review Operations Board materials for consistency with the Master Agreement and approved budgets. Maintain close communications with PRTC and VRE staff to coordinate the writing and presentation of VRE action items to the two Commissions.

**Deliverables:** Audited annual survey report and maps

**Internal Coordination:** NVTC's WMATA program, Legislative and Policy, Financial Analysis and Management, Transit Resource Center, Transit Technology and Internal Operations

## **C. Financial Analysis and Administration**

Identify and implement cooperative strategies with member governments to maximize transit revenues aimed at achieving adequate, dedicated, stable and reliable financial support from the federal government, Commonwealth, region and private sector. Facilitate the fair and equitable allocation of transit assistance among governments. Manage grants, contracts and trust funds fairly and effectively, according to state and federal laws and NVTC's policies.

### **Support for Member Jurisdictions**

- 1) Ensure the stability of the current sources of transit funding available to NVTC's local governments.
- 2) Serve as the central point of contact for Northern Virginia transit system financial information.
- 3) Analyze funding proposals produced by regional and statewide studies and identify policy issues for consideration by the Commission.
- 4) Identify and help obtain funding for new transit projects that are recommended by NVTC's jurisdictions.

**Deliverables:** Provide NVTC funding, local system and WMATA subsidy data to interested parties.

## Financial Analysis

### 1) Regional Gas Tax Revenues

- a) Monitor NVTC's regional gas tax receipts from the Division of Motor Vehicles (DMV) for reasonableness of collections in total and by jurisdiction.
- b) Employ database and spreadsheet models to identify unanticipated discrepancies at the taxpayer level by jurisdiction and in total.
- c) Maintain communications with DMV regarding both unusual activities identified by NVTC and DMV audit activity. Make suggestions for improving the program.
- d) Brief the MAC as needed on processes, issues and solutions.

### 2) State Transit Revenues

- a) Participate in the Transit Service Delivery Advisory Committee (TSDAC) to assist DRPT in reviewing the distribution process for transit capital and operating funds.

### 3) Transit Funding Opportunities

- a) Produce financial projections and an analysis of the growing gap between transit operating and capital needs versus available financial resources.
- b) Participate in regional and statewide efforts to define public transit needs and identify funding sources.
- c) Identify and seek to implement stable, reliable, permanent and dedicated funding sources for operating and capital expenses for WMATA, VRE and local transit systems.
- d) Coordinate regional efforts and prepare analytic tools, communication materials and editorials to promote such funding.

**Deliverables:** Annual formula for allocation of gas tax revenue; Input to the DRPT funding process; Financial analysis and projections, as needed

## Grants Management, Trust Funds, Contracts and Compliance

### 1) State Assistance

- a) Review and monitor DRPT assistance calculations of WMATA assistance to NVTC as grantee for NVTC jurisdictions' share of WMATA operating subsidies and capital requirements.
- b) Report WMATA annual ridership, and other information requested by DRPT as a requirement for receiving state assistance.
- c) Review and submit state operating and capital assistance applications for local systems through DRPT's Online Grant Administration (OLGA) system as agent for the NVTC jurisdictions.
- d) Manage NVTC and NVTC jurisdiction state grants, including the preparation and review of timely grant invoicing.
- e) Participate with VRE and NVTC jurisdictions in quarterly project status review meetings with DRPT.
- f) Work with DRPT and grantees to achieve the maximum funding available.

- 2) Commuter Choice in the I-66 and I-395/95 Corridors
  - a) Monitor and reconcile net toll revenue receipts from VDOT with actual collections and Commonwealth Transportation Board (CTB) approved project funding levels.
  - b) Review reimbursement requests for adequate support of eligible expenses; approve and disburse funds.
  - c) Ensure recipient compliance with project agreement provisions.
  - d) Account for direct costs of administering the program.
  - e) Account for and report toll revenue activity as a separate Special Revenue fund.
- 3) NVTC Subsidy Allocation Model
  - a) Maintain NVTC's subsidy allocation model (SAM) utilizing the most recent WMATA and local budget information on transit costs, revenues and subsidies.
  - b) Determine each local government's share of NVTC assistance using the annual SAM percentages.
  - c) Apportion shares of the direct local contributions to NVTC's administrative budget using the annual SAM percentages.
  - d) Provide projections and other analysis of annual transit assistance to the NVTC jurisdictions for planning purposes.
- 4) NVTC Jurisdiction Trust Funds
  - a) Allocate revenue to NVTC jurisdictions through the NVTC trust fund upon receipt using the annual SAM percentages.
  - b) Prepare timely and accurate quarterly cash flow forecasts of available transit assistance sources and uses for the NVTC jurisdictions.
  - c) Prepare quarterly reports of actual NVTC trust funds activity for use by NVTC jurisdictions.
  - d) Manage and invest trust funds according to NVTC policy by safeguarding assets while maximizing liquidity and investment return.
- 5) Commuter Rail Operations and Capital Fund (C-ROC)
  - a) Monitor collections of all C-ROC Funds from the Department of Motor Vehicles (DMV).
  - b) Provide periodic reports to the Commissions about the funds in the C-ROC Fund, including monthly receipts, amounts expended, the amount of funds held and investment earnings.
- 6) Financial Reporting, Accounting, Audit, Compliance and Contracting
  - a) Prepare the annual financial statements, disclosures and supplementary information for NVTC's annual audit.
  - b) Manage a multi-year audit services contract.
  - c) Accomplish unqualified auditors' opinions and provide financial and compliance reports to the appropriate regulatory agencies.



- d) Maintain up-to-date compilations of state and federal grant regulations and ensure staff is adequately trained in grant, contract and project management.
- e) Maintain current documents and policies to facilitate prompt procurement in compliance with state and federal laws.
- f) Perform internal accounting functions, including invoicing, accounts receivable, cash receipts, accounts payable, disbursements and transfers, payroll, general ledger and reconciliations.

7) Federal Grants

- a) Apply for federal grants on behalf of member jurisdictions and manage grants as the designated recipient for FTA funds. Currently, NVTC is the designated recipient of federal grants for the cities of Alexandria and Falls Church. For these grants, NVTC will:
  - i. Maintain subrecipient agreements which outline terms, conditions and expectations.
  - ii. Ensure subrecipient agreements include all the information required by FTA and 2 CFR 200.
  - iii. Review reimbursement requests to ensure costs are reasonable, allocable and allowable in accordance with 2 CFR 200 and terms of the award.
  - iv. Host quarterly project management meetings with the subrecipient and FTA.
  - v. File quarterly financial and milestone reports (1/30, 4/30, 7/30, 10/30), semi-annual Disadvantaged Business Enterprise (DBE) reports (6/1, 12/1) and other required documentation in FTA's grants management system (TrAMS).
  - vi. Monitor subrecipients to ensure proper stewardship of federal funds and performance goal attainment.
  - vii. Provide technical assistance as needed.
  - viii. Close out completed grants.
- b) Report on NVTC's FFY 2021-2023 Overall DBE Goal attainment in accordance with 2 CFR 26.45.
- c) Prepare and submit NVTC's FFY 2023-2026 Title VI Program to FTA, which is required once every three years.
- d) Administer and ensure NVTC's compliance with Title VI and DBE Programs and provide technical assistance to subrecipients as needed.
- e) Ensure NVTC and subrecipients comply with all relevant FTA regulations and guidelines in numerous areas such as legal, financial management, technical capacity, continuing control, maintenance, procurement, civil rights and National Transit Database.
- f) Attend workshops and webinars presented by FTA to maintain awareness of changes in federal requirements and processes.
- g) Submit annual certifications and assurances to the FTA and maintain subrecipient's signed annual certifications and assurances on file.

**Deliverables:** DRPT grant applications and grant agreements for local and WMATA assistance; Commuter Choice program reimbursements; annual updates to SAM formula; Trust Fund revenue projections and reporting; annual audited financial statements including reporting by funds; submit NVTC's FFY 2023-2026 Title VI program to FTA

**Internal Coordination:** Commuter Choice, Transit Resource Center, Transit Technology, NVTC's VRE support, NVTC's WMATA program, Legislative and Policy Efforts, Commission Management and Internal Operations

## D. Communications and Engagement

Improve the public's understanding and appreciation of transit's role in Northern Virginia and the Commonwealth and increase participation in transit-related decision-making.

### 1) Partnerships

- a) Identify opportunities to host or participate in transit-related events with Northern Virginia's chambers of commerce and other business representatives.
- b) Identify and apply for grants, in partnership with local jurisdictions and transit agencies, to support a multi-faceted marketing campaign designed to increase bus and rail ridership in Northern Virginia.
- c) Identify opportunities to host one or more transit tours of Northern Virginia for state legislators.
- d) Partner with government agencies, business groups and national, state and local associations to promote transit through educational programs, complementary messaging and attendance at conferences, seminars and workshops.
- e) Partner with WMATA, VRE and local transit agencies to promote advances in fare collection and innovative transit technology initiatives.
- f) Leverage network of jurisdictional and agency public information officers to facilitate the sharing of information, work on projects of mutual benefit and leverage resources.
- g) Serve on the Virginia Transit Association's (VTA) annual awards and conference planning committees.

### 2) Internal and External Relations

- a) Serve as the point of contact for the news media, interest groups, U.S. Congress and Virginia General Assembly and public for transit issues in Northern Virginia.
  - i. Keep the news media, interest groups and local jurisdictions apprised of Commission meetings and hearings, actions, analyses, research, reports and events.
  - ii. Share transit-related information from external sources - print/broadcast media, online publications and bloggers, transit agencies and state/local governments - with Commissioners, MAC, agency public information officers, transit advocacy groups, staff and through social media channels.

- iii. Participate and speak at chamber of commerce events, homeowner association meetings and jurisdictional governing-body and committee meetings as requested.
  - b) Develop and distribute information and resources necessary for Commissioners to fulfill their responsibilities, including the annual member manual, NVTC website, e-newsletters and monthly Executive Director reports.
  - c) Develop and distribute written and visual communications, such as project fact sheets, issue briefs, web content, frequently asked questions, news releases and targeted e-mail communications on transit-related topics, as well as testimony for Commissioners and NVTC senior leadership.
  - d) Provide experts for news media interviews on regional transportation and transit topics and conduct media training to support leadership and staff.
- 3) Commuter Choice Outreach and Marketing
- a) Plan and implement public meetings and public input process.
  - b) Plan and implement groundbreaking events in collaboration with local jurisdictions and transit providers.
  - c) Promote the Commuter Choice program and events through NVTC's social media and other venues.
  - d) Support ongoing updates and maintenance of the Commuter Choice sections of NVTC's website to provide both programmatic information as well as marketing resources for grantees, stakeholders, etc.

**Deliverables:** Public outreach report for I-66 Round Five and I-395/95 Round Three Programs of Projects; Content development for Commuter Choice Marketing website

4) Online Communication

- a) Maximize NVTC's online presence to further its mission.
  - a. Build NVTC's website as a research and information resource.
  - b. Expand NVTC's social media presence to drive traffic to novatransit.org and program pages; raise NVTC's profile and promote discussion of regional transit issues.
  - c. Maintain up-to-date project information on the website to inform the public and Commissioners on the latest project news.
  - d. Use online analytics and surveys to monitor the effectiveness of online communication and outreach efforts.
  - e. Develop new content, such as podcasts and videos, to enhance NVTC's reputation as the primary source of transit-related information in Northern Virginia and improve the public's understanding of both transit and NVTC's role in the region.

5) Public Outreach

- a) Develop and implement communications plans and budgets for transit studies and multimodal grant programs.

- a. Publicize and solicit public comment through multiple channels, such as meetings and hearings, advertising, pop-up events, online crowdsourcing, email, mail and telephone.
- b. Plan and promote public meetings and hearings in consultation with local jurisdictions, transportation agencies and transit providers.
- c. Design and create materials, such as flyers, handouts, infographics, email blasts, display boards, PowerPoint presentations and videos.
- b) Plan and implement activities that engage the public and promote NVTC programs and initiatives.
- c) Participate in and support the annual public meeting for Northern Virginia transportation organizations, as required by HB1285 (2018).
- d) Support and coordinate with Commuter Choice program outreach and marketing efforts.
- e) If awarded, implement FY 2022 DRPT grant for COVID-rebound marketing effort to return riders to transit (pending grant approval); analyze results to gain insights for potential future campaigns.
- f) Identify and apply for FY 2023 DRPT grant to support post-Yellow Line bridge marketing campaign (pending Commission approval).
- g) Update and streamline NVTC website to ensure user friendliness and adherence to usability standards.
- h) Unify NVTC outreach materials to ensure consistent branding and messaging across all platforms.
- i) Expand in-person outreach efforts through networking and attendance at public events.

**Deliverables:** Daily headlines email; Weekly updates for Commissioners and jurisdictional staff; Monthly newsletter; Annual organizational report; News releases and media relations; Website and social media posts; marketing campaign(s) scope and budget; Presentations and handouts

**Internal Coordination:** NVTC Programs, Legislative and Policy Efforts, Financial Analysis and Management and Internal Operations

## **E. Legislative and Policy Efforts**

### **Legislative and Policy Committee Support**

Per the Commission's By-Laws, the Legislative and Policy Committee is responsible for the development of the annual legislative and policy agenda and serves as a venue for discussion of legislative and policy matters that directly affect NVTC programs, the NVTC region and transit in Northern Virginia. The committee is typically convened regularly between October and March.



NVTC staff is responsible for the development and distribution of committee materials, meeting logistics (in coordination with the Commission Secretary), and all other responsibilities to support the needs of the committee.

## **Development of Legislative and Policy Agenda**

Devise, coordinate and implement legislative and policy strategies based on sound policy analysis in coordination with legislative staff from relevant jurisdictions, agencies and partner organizations.

### 1) State and Federal Legislative Policy Agenda

- a) Assist NVTC's Legislative and Policy Committee with adopting a state and federal legislative and policy agenda to guide NVTC's legislative support in the coming year.
- b) Develop strategies to effectively implement NVTC's annual legislative and policy agenda in collaboration with NVTC jurisdictions' legislative liaisons and the Virginia Transit Association (VTA).
- c) Work with delegations in Richmond and Washington D.C. as needed to promote NVTC's approved agenda. Focus should include, but not be limited to long term, sustainable transit capital funding and maintenance of existing NVTC programs and authorities.
- d) Identify transit issues that require policy decisions. Assemble data and perform policy analyses to facilitate those decisions (e.g. fare integration, development of new technology, service expansion, customer safety, system security and the business case for and value of public transit).
- e) Conduct an annual joint NVTC and PRTC legislative briefing.
- f) Develop messaging and a plan to educate the public about the need for transit funding in Virginia as well as the benefits of public transit throughout the Commonwealth.

### 2) Virginia General Assembly Session

- a) Prepare and support NVTC legislative and policy efforts before and during the General Assembly.
- b) Reach out to legislators to garner support for NVTC's legislative agenda and educate them about the benefits of public transportation, including identifying opportunities for tours of Northern Virginia transit investments (as noted in D.1.c above).
- c) Conduct NVTC's February meeting at the General Assembly in Richmond, pending an in-person General Assembly has resumed.
- d) Use an online legislative monitoring service and share access with member jurisdictions.
- e) Provide legislative alerts to Commissioners and local staff during the General Assembly Session.

3) Commonwealth Transportation Board

- a) If requested by the Commission, prepare written statements and deliver testimony at the CTB's semi-annual hearings on transit funding priorities and other hearings as appropriate.
- b) Advocate for NVTC's policies, including balanced transportation and stable and reliable funding.
- c) Support DRPT's Transit Service Delivery Advisory Committee (TSDAC) by following the Commonwealth transit funding reform process, facilitating discussions by jurisdictional staff and relaying feedbacks of transit agencies to TSDAC discussions.

4) Transit Industry Groups and Trade Associations

- a) Participate in analysis and dialogs on local, state and national transit issues with state and national transit industry associations and other bodies.
- b) Virginia Transit Association (VTA)
  - i. Contribute to VTA's state legislative strategy for the transit industry and strengthen VTA's response to Northern Virginia's concerns.
  - ii. Provide technical and communications support regarding the economic benefits of transit.
  - iii. Co-chair VTA events and encourage NVTC Commissioners to serve as VTA officers.
  - iv. Serve as VTA's member of the Transit Service Delivery Advisory Committee (TSDAC), providing technical guidance on performance-based funding for transit capital and operations.
  - v. Serve on VTA's awards and conference planning committees.
- c) American Public Transportation Association (APTA)
  - i. Provide technical assistance and feedback to APTA on federal transit program implementation issues.
  - ii. Participate in defining and implementing a federal legislative strategy as part of a broad, nationwide pro-transit coalition.
- d) Provide technical assistance and policy analysis support to state and national boards and committees, including, but not limited to:
  - i. DRPT's Transit Service Delivery Advisory Committee (TSDAC)
  - ii. VTA Executive Committee
  - iii. The General Assembly's Joint Committee on Transportation Accountability
  - iv. APTA Legislative Committee
  - v. APTA Policy and Planning Committee
  - vi. APTA Public Private Partnership Committee
  - vii. APTA Commuter Rail Committee
  - viii. Transit Cooperative Research Program (TCRP) Dissemination and Implementation of Research Findings Project Panel

**Deliverables:** Joint NVTC/PRTC Legislative Briefing; policy briefs and supporting information to support legislative priorities; legislative tracking reports

**Internal Coordination:** NVTC Programs, Communications and Engagement, Financial Analysis and Management, Commission Management and Internal Operations

## F. Commission Management

Provide staff support and execute duties to ensure the smooth running of day-to-day operations of the Commission.

- 1) Develop and distribute information and resources necessary for Commissioners to fulfill their responsibilities, including the annual member manual, NVTC website, e-newsletters and monthly Executive Director reports.
- 2) Prepare materials for monthly Commission meetings. Coordinate with external speakers to present to the Commission when appropriate.
- 3) Schedule, oversee and record minutes of Commission meetings, as well as other NVTC events.
- 4) Provide accurate and timely responses to Commissioners, jurisdictional staff and the public.
- 5) Support NVTC's committees, through the development of agendas, meeting summaries and handouts.
- 6) Ensure the issuance of per diem payments for Commissioners.
- 7) Verify Commissioner compliance with state regulations regarding economic and financial disclosure statements.
- 8) Conduct new Commissioner orientations.
- 9) Maintain archival Commission materials and provide access to archival documentation when requested.
- 10) Respond to Freedom of Information Act (FOIA) requests.

**Deliverables:** Annual Commission Meeting Schedule; Monthly Commission kit

**Internal Coordination:** NVTC Programs, Financial Analysis and Management, Communications and Engagement, Legislative and Policy Efforts and Internal Operations

## G. Internal Operations

Strengthen NVTC as an organization through improvements of internal policies to ensure a rewarding and equitable work environment.

### 1) Human Resources and Administration

- a) Develop the annual NVTC general and administrative (G&A) budget, in coordination with jurisdictional staff, for consideration by the Commission in the fall.
- b) Continue to leverage human resources support assistance to enhance and support human resource functions.
- c) Continue NVTC Transit Fellows Program to attract talent to supplement NVTC staff on specific projects.
- d) Develop and implement a professional development plan for staff, including appropriate training.
- e) Develop and implement a staff earning structure and align job descriptions and benefits, such as health and retirement, with NVTC's jurisdictions.
- f) Administer employee benefit programs, including retirement plan, 457 plan, group health insurance, group life insurance, disability insurance, flex benefit plan, bike share and Zip Car.

### 2) Telework and Office Space

- a) Provide technical support to staff to enable telework and other remote work activities.
- b) Resolve issues related to the office space (lease, maintenance, facilities, etc.).

### 3) Information Technology

- 1) Provide ongoing staff support, troubleshooting for all office software and hardware.
- 2) Provide ongoing information technology improvements to ensure a productive and secure working environment for staff, virtually and in the office.
- 3) Research, order or work with contractors to obtain staff equipment as requested.
- 4) Set up all new IT equipment for current or additional staff.

**Deliverables:** NVTC General and Administrative Budget; NVTC Work Plan

**Internal Coordination:** NVTC Programs, Communications and Engagement, Financial Analysis and Management; Commission Management



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# 2022 LEGISLATIVE & POLICY AGENDA

## 2022 STATE PRIORITIES



### **Protect Existing Transit Programs and Funding**

NVTC supports continuing the existing state transit programs and revenue sources that benefit our local transit providers and protecting the state dedicated funding for WMATA and VRE. In 2018, the General Assembly established dedicated funding for both WMATA and VRE, setting forth a continued investment in these two transit systems. Then in 2020, the General Assembly adopted an historic transportation omnibus bill that streamlined Virginia's transportation funding allocation model, secured sustainable revenues for local transit operators, created the Transit Ridership Incentive Program and the Virginia Passenger Rail Authority and restored \$30 million per year to the Northern Virginia Transportation Authority. NVTC strongly supports the continued implementation of these historic legislative packages and will continue to seek full realization of the anticipated revenue levels.



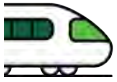
### **Remove State Barriers to Maximize Access to Federal Funding for Public Transit Purposes**

NVTC supports the allocation of any surplus COVID relief funds to public transit operators to assist in the continued recovery of their systems following the pandemic. In Northern Virginia, most bus operators were not direct recipients of federal relief funding, but they are still experiencing increased operating costs and loss of fare revenues. NVTC also supports the removal of procurement or other barriers in Virginia code that would prohibit the use of federal funding for public transit purposes.



### **Support Funding to Implement Zero and Low Emission Public Transit**

NVTC supports legislation that will provide funding and remove barriers for public transit operators to implement innovation in transit technology, such as zero and low-emission vehicles, zero and low-emission required infrastructure and training for the necessary workforce to implement zero and low-emission transit vehicles. NVTC supports ongoing and comprehensive coordination between the State and Federal government on this issue.



## Continue Support for the Transforming Rail in Virginia Program

NVTC encourages continued support for state funding initiatives for the Long Bridge expansion and Transforming Rail in Virginia projects and protection of funds currently allocated for those projects. Furthermore, NVTC supports advancing legislation requiring that future gubernatorial appointees to the Virginia Passenger Rail Authority Board of Directors for the NVTC/PRTC districts are selected from lists provided by the NVTC and PRTC boards of commissioners.



## Restore Funding to the Northern Virginia Transportation Authority (NVTA)

NVTC continues to support restoring full funding to NVTA. Two of NVTA's three revenue streams were redirected due to the implementation of the WMATA Capital Fund in 2018. In 2019 and 2020, the General Assembly passed legislation to secure additional revenue for NVTA, but prior funding levels have not been restored. To return to the pre-2018 revenue levels, the Authority requires dedicated funding of \$38.5 million per year. The loss of these revenues directly affects funding available for transit capital, as well as the local revenues to support transit operations.



## Support the Implementation of the Transit Equity and Modernization Study

NVTC continues to support programs and initiatives that reduce barriers to transit. Accessible, affordable transportation is critical to helping people reach jobs, education and health care. As such, NVTC supports the continued focus on equity and modernization in transit service across the Commonwealth. NVTC will continue to engage with the Department of Rail and Public Transportation as they complete and form recommendations stemming from HJ542 (McQuinn), DRPT's two-year study of transit equity and modernization in the Commonwealth that focuses on transit services and engagement opportunities for underserved and underrepresented communities.



## Preserve NVTC Stewardship of NVTC Programs

NVTC supports preserving its programs and interests in Northern Virginia. NVTC provides a venue for and is a model of policy coordination and program implementation in Northern Virginia and has the participation of its component jurisdictions and their elected leaders. As an experienced steward of transit funding and regional partner to the Commonwealth, the General Assembly should continue to support NVTC's role in administering programs that promote transit and multimodal options that serve Northern Virginia.



## Continue to Support Flexibility for Remote Public Meetings

NVTC supports efforts to provide flexibility for public bodies to conduct virtual and hybrid public meetings, allowing greater access to the public and opportunities for members to participate remotely outside of a declared state of emergency.

## 2022 FEDERAL PRIORITIES



### Effective and Timely Implementation of New Infrastructure Package

NVTC applauds the enactment of the Infrastructure Investment and Jobs Act (IIJA) which authorizes up to \$108 billion, including \$91 billion in guaranteed funding for public transportation. In Northern Virginia, WMATA, VRE and PRTC/OmniRide will immediately benefit from formula funding changes. Other local transit systems may wish to participate in competitive grant funding opportunities.

As the Federal Transit Administration implements the IIJA, NVTC supports the following:

- Timely and transparent implementation of any new programs and changes to existing programs.
- Opportunities for local transit systems to participate in discretionary federal funding programs without unnecessary administrative burdens.
- Access to competitive and formula funding opportunities for zero and low-emission public transit vehicles and supporting infrastructure, as well as workforce training.
- Funding opportunities to support major capital investments, such as the Long Bridge, a second Metrorail station/additional tunnel at Rosslyn and both the Envision Route 7 and Richmond Corridor bus rapid transit systems.



### Continue support for COVID-19 Relief for Transit Agencies

Congress provides emergency supplemental appropriations to public transit agencies — \$25 billion from the Coronavirus Aid, Relief, and Economic Security (CARES) Act, \$14 billion from the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, and \$30.5 billion from the American Rescue Plan Act (ARPA), totaling \$69.5 billion in vital funding to keep transit agencies and their communities moving. As the pandemic continues, and with the protracted recovery for mass transit, NVTC urges Congress and the Administration to continue to provide the greatest flexibility in the use and duration of eligibility for COVID-19 relief funding for transit agencies to address growing operating costs and ongoing revenue losses.



### Explore Federal Funding Support for Transit Operations

NVTC supports exploring the expansion of federal transit funding to include the cost of transit operations. Currently, federal funding for operations is only available to rural and small transit operators in regions that are less than 200,000 in population. As the transit industry continues to



recuperate following the pandemic, federal support for transit operations in those systems with strong fare-based revenue structures may be critical to the continued health of these public transit systems.



### **Continue Support for Commuter Tax Benefits**

Commuter tax benefits make transit service more attractive to commuters in single occupancy vehicles. NVTC supports the continuation of federal transit commuter benefits that are on par with the tax incentive provided for parking. Furthermore, NVTC encourages federal programs that support the use of carpools, vanpools, rideshare, bike share and transportation demand management (TDM) as effective tools to eliminate traffic congestion.



### **Identify Long Term Structural Fix to the Highway Trust Fund and Mass Transit Account**

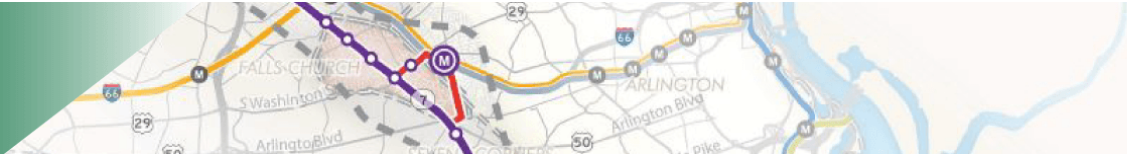
While the IIJA authorized major investment in surface transportation, it did not provide a solution to ensure the long-term solvency and sustainability of the Mass Transit Account of the Highway Trust Fund (HTF). The HTF shortfall must be addressed to meet the needs of transit today and ensure needs can be sufficiently addressed in the future.

## Transit Systems that Serve NVTC's Communities



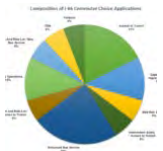
# **Programs and Projects**

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## Commuter Choice

To move more people more efficiently and reliably through both the I-66 (inside the Beltway) and I-395/95 corridors, NVTC funds various transit and roadway enhancement projects. The Commuter Choice program supports projects that move more people, increase opportunities to connect from one mode of travel to another, improve transit service, reduce roadway congestion, and increase travel options. Tolls provide the revenue necessary to fund new projects well into the future. These projects are specifically designed to benefit toll payers.



## Transit Resource Center

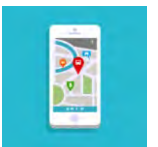
The Transit Resource Center provides technical assistance to member jurisdictions; collects, analyzes, and reports data from all NVTC's programs; manages the Envision Route 7 Bus Rapid Transit (BRT) project; and supports coordination with other regional transportation organizations.



## WMATA

Founded to establish the Washington Metropolitan Area Transit Authority (WMATA) Metrorail system, NVTC promotes safe, reliable and cost-effective service. NVTC manages assistance from the Commonwealth and appoints the Virginia Members of the WMATA Board of Directors. NVTC provides technical assistance to member jurisdictions on major capital purchases, capital and operating budgets and the Capital Funding Agreement. NVTC makes recommendations on WMATA's reliability, safety and financial management and sustainability.

## Transit Technology



The Transit Technology program provides technical assistance related to fare collection, oversees the implementation of NVTC's Regional Fare Collection Strategic Plan, and engages with regional, state, and national transit technology stakeholders to build Commission knowledge about innovative transit mobility services and emerging technologies.





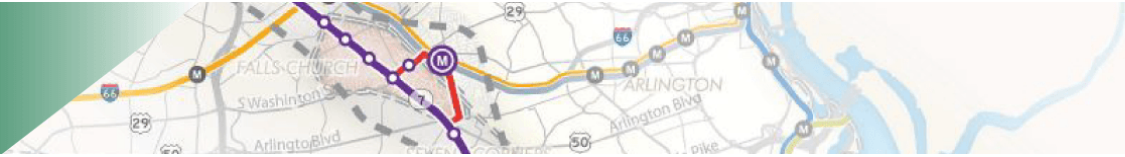
## VRE

NVTC co-owns the Virginia Railway Express (VRE), a commuter rail service that provides 20,000+ daily trips on its Fredericksburg and Manassas lines, saving the equivalent of a rush-hour lane mile on I-66 and I-95. NVTC and PRTC provide governance and oversight of VRE directly and through their appointments to and support of the VRE Operations Board. The Commissions manage local, state and federal funding and regional planning activities.



## Financial Management

NVTC receives and manages over \$255 million in state transit assistance for WMATA and five local bus systems. This assistance is allocated by the Subsidy Allocation Model, a regional formula maintained by NVTC, and held in trust for the NVTC members' restricted use. In addition, NVTC receives and manages a regional gas tax (\$17.7 million in fiscal year 2021), which is dedicated for WMATA operating and capital requirements. NVTC is also the grantee and recipient of Virginia's financial assistance to the Virginia Railway Express (VRE), Virginia's only commuter rail system. As a designated recipient of funding from the Federal Transit Administration (FTA), NVTC receives these federal funds on behalf of several of its member jurisdictions and ensures compliance with FTA requirements.



## Commuter Choice



Commuter Choice invests toll revenues in public transit and other multimodal projects along two expressway corridors, I-66 and I-395/95, in Northern Virginia. A partnership between the Northern Virginia Transportation Commission (NVTC) and the Commonwealth of Virginia, Commuter Choice, improves the reliability and efficiency of commuting along some of the most congested interstate corridors in the nation. By offering more options, toll road users and transit riders can choose the mode that gets them to the places that they want to go. Projects are selected through a competitive process that considers a project's ability to: move more people, support diverse travel choices and enhance transportation safety and travel reliability.

NVTC manages the Commuter Choice program in partnership with the Commonwealth of Virginia on both corridors and collaborates with the Potomac and Rappahannock Transportation Commission (PRTC) on the I-395/95 corridor. Since the program was established in 2017 by the Commonwealth of Virginia and NVTC, it has provided grant funding to the eligible applicants in Northern Virginia that totaled over \$92 million.



Image credit: Transurban



# Commuter Choice

NVTC's Commuter Choice, a trailblazing, innovative and competitive grant program, invests toll revenues in public transit and other multimodal projects along the I-66 inside the Beltway and I-395/95 corridors in Northern Virginia. Our investments are expanding commuters' travel options and making transit more appealing. The **22 multimodal improvements** we've funded since December 2020 will move **4,500 more people** each weekday upon their implementation.

\$51.0M / 36 projects

\$41.7M / 17 projects

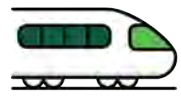
**\$92.7M awarded to 53 projects since 2017**



**3** bikeshare network expansions



**5** commuter incentive programs



**9** transit capital improvements



**14** new express bus routes



**28** bus service improvements



**40** buses to operate expanded services

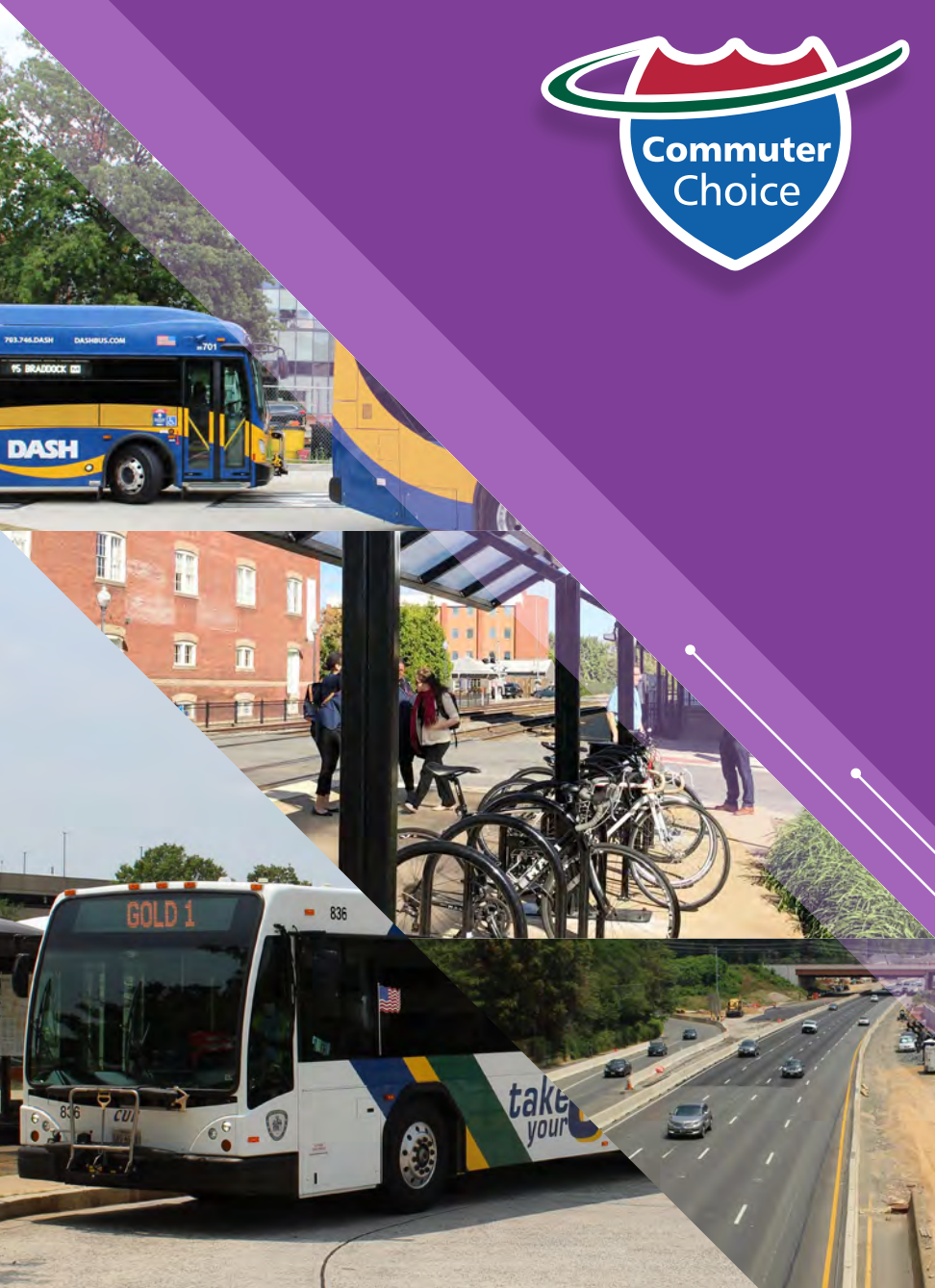






# Commuter Choice

2021 ANNUAL REPORT





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## OVERVIEW

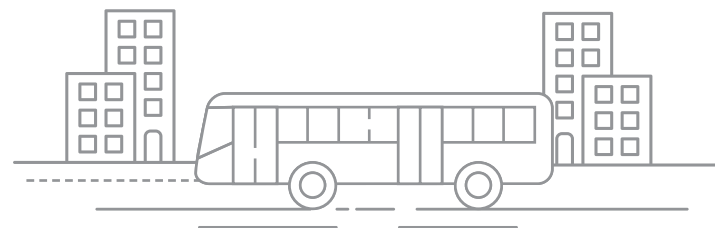
# Annual Report Fiscal Year 2021



*Commuter Choice, a trailblazing, innovative and competitive grant program, invests toll revenues in public transit and other multimodal projects along two expressway corridors in Northern Virginia.*

A partnership between the Northern Virginia Transportation Commission (NVTC) and the Commonwealth of Virginia, Commuter Choice improves the reliability and efficiency of commuting along some of the most congested interstate corridors in the nation. By offering more options, toll road users and transit riders can choose the mode that gets them to the places that they want to go. Projects are selected through a competitive process that considers each project's ability to: move more people, support diverse travel choices and enhance mobility, transportation safety and travel reliability.

By moving people more efficiently, congestion is lessened, and toll road users experience more consistent travel speeds. Access to transit, roadway operations, transportation demand management (TDM) and other multimodal projects encourage different travel modes and add resources for commuters who seek alternatives to driving alone.





## Letter from the Executive Director

Fiscal Year 2021 required a new level of flexibility and adaptation for NVTC's Commuter Choice team — much as it did for all our grant recipients and regional transportation peers. Despite challenges around program revenue and decreased demand for commuter-focused transportation, we awarded \$27 million for 19 multimodal transportation improvements across our two Commuter Choice corridors, I-66 Inside the Beltway and I-395/95, that collectively will move 4,000 more people each weekday upon full implementation of the projects and as overall commute travel volumes increase. The exciting slates of new projects include capital improvements that will benefit the corridors' commuters for years to come as well as a range of transit service improvements that will provide continuity for commuters and, particularly in the I-395/95 corridor, benefit both peak and off-peak commuters.

The continuing repercussions of the COVID-19 public health emergency affected our two program corridors differently. In the I-66 Inside the Beltway corridor, we saw a steep and sustained decrease in peak-period, peak-direction travel that also curtailed the revenue available for new projects. We therefore focused our limited revenue during FY 2021 on a \$4 million program of low-cost, high-return projects and are preparing to advance a more substantial supplemental program in this corridor given upturns in travel and revenue. In the I-395/95 corridor, we were fortunate for relatively resilient revenue availability as well as transit ridership — partly a function of the high travel volumes to and from the Pentagon and other military facilities, where personnel returned to in-person work relatively early, but also the travel-time advantages of the 95 and 395 Express Lanes as traffic volumes rebounded.

While project performance has ebbed in the last year, we also provided more flexibility to our grant recipients to adjust both transit service levels and project implementation approaches in response to changes in demand. All of our grant recipients that operate transit service temporarily reduced or suspended service on some of their Commuter Choice-funded bus services in the last year. Overall, these flexibilities supported efficient use and good stewardship of limited funds, while also ensuring that grant recipients could continue to serve critical needs for essential trips around the region. And many of the transit services we're supporting are rebounding and, in some cases, nearing or exceeding their original ridership targets.

As FY 2022 begins, we're excited to support our grant recipients as they prepare for commuters to return in greater volumes — and to highlight the great work they're doing to expand transportation options and move more people along the I-66 Inside the Beltway and I-395/95 corridors. And we'll be encouraging our eligible applicants to consider diverse strategies that meet the goals of the program, including a greater focus on capital improvements whose overall benefits will stretch over decades.



**Kate Mattice**  
*Executive Director*



**\$27**  
**MILLION AWARDED  
IN FISCAL YEAR 2021**

**19 Multimodal  
Transportation  
Improvements**

**4,000**  
**more people will be  
moved each weekday  
upon implementation  
of these projects**



*NVTC pivoted its Round Four (FY 2021-FY 2022) programming approach due to reduced revenues*

## **Commuter Choice on the I-66 corridor in FY 2021**

When the Round Four (FY 2021-FY 2022) call for projects closed in January 2020, NVTC anticipated enough new revenue to support a \$25 million program of projects that would receive final approvals in June 2020. The sharp and sustained drop in toll-paying peak-period, peak-direction traffic along I-66 Inside the Beltway brought about by the COVID-19 public health emergency required NVTC to pause the process and rethink the programming approach. NVTC fortunately had enough carryover funding from prior years to advance a \$3.8 million Initial Round Four (FY 2021) program that is sustaining the operation of three express bus services in the corridor and supporting three low-cost capital projects that will benefit commuters for many years to come. This Initial Round Four program received Commonwealth Transportation Board approval in December 2020 and implementation of the selected projects is beginning.

Given that I-66 corridor revenue is beginning to rebound, NVTC is advancing a Supplemental Round Four (FY 2022) program that will draw from the transit service expansions, new commuter incentives and larger capital efforts submitted to the Round Four call for projects. The Supplemental Round Four program will be advanced for approvals this October, prior to the opening of the Round Five (FY 2023-FY 2024) call for projects in November.



*Round Two (FY 2022-FY 2023) program supports popular bus services, addresses expected future commute patterns*

## **Commuter Choice on the I-395/95 corridor in FY 2021**

The Commonwealth Transportation Board approved a robust \$22.7 million Round Two (FY 2022-FY 2023) program of 13 multimodal strategies in June, a product of relatively resilient toll revenue in the I-395/95 corridor and the strong partnership between NVTC, the Potomac and Rappahannock Transportation Commission (PRTC), the Commonwealth of Virginia and Transurban, the Express Lanes operator. NVTC advanced the program in coordination with PRTC, which has joint approval authority with NVTC over the I-395/95 corridor program. The projects in the Round Two program include all-day improvements to three popular local bus routes serving the I-395/95 corridor in Alexandria and Fairfax County; strategies to rebuild transit and vanpool ridership and meet expected future park-and-ride demand; and continuations of six new and enhanced bus services funded in the Round One (FY 2020-FY 2021) program.

While NVTC has been pleased with the performance of bus service improvements funded under the program to date, Commuter Choice is limited in the overall share of funds that can be allocated to transit operations in each corridor and is nearing this cap for the I-395/95 corridor program. NVTC will engage with applicants to help foster a capital-focused set of multimodal proposals for the next call for projects, for Round Three (FY 2024-FY 2025) in late 2022.

COMMUTER CHOICE:

# A Vital Resource during COVID-19

*As we explore throughout this year's report, the COVID-19 public health emergency led to significant changes in travel patterns across our region.*

NVTC's Commuter Choice team provided grant recipients flexibility during this unusual and challenging year to respond to sharp changes in demand for travel. All transit operators temporarily reduced or suspended some of their bus service improvements funded by the program, while in the case of transportation demand management campaigns, agencies adjusted their engagement approaches in response to a large proportion of the area's workforce suddenly working from home.

Commuter Choice has continued to reimburse actual expenses incurred in carrying out each project — for instance, reimbursing the costs associated with operating the reduced bus service provided on a route — thus ensuring that the funds are still accessible to grant recipients and that they are only supporting approved activities that benefit toll payers.

Particularly during the peak of the public health emergency, the overall profile of continued public transit customers across the region (and country) shifted significantly away from a commuter-based model. In addition, many of the people continuing to ride transit were lower-income, non-white and traveling to employment, health care and other essential needs.

Commuter Choice funding afforded grant recipients the opportunity to keep services in operation at levels that helped to meet these critical travel needs while also ensuring safe onboard spacing for customers.

Northern Virginia's transit providers kept services rolling during the COVID-19 public health emergency — including many commuter routes such as those supported by Commuter Choice — to support essential trips.

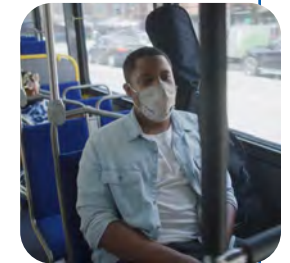
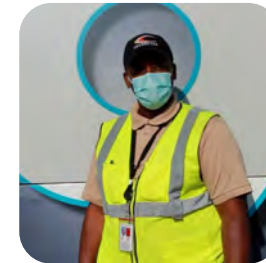


Image sources: Instagram @DASHBus\_, Twitter @FfxConnector, Facebook @MetroForward

**24%**

of regional transit users reported continuing to use transit similarly or more often during the peak of the public health emergency last year.

**92%**

of continued transit riders reported using service to get to and from work — particularly food service and healthcare jobs.

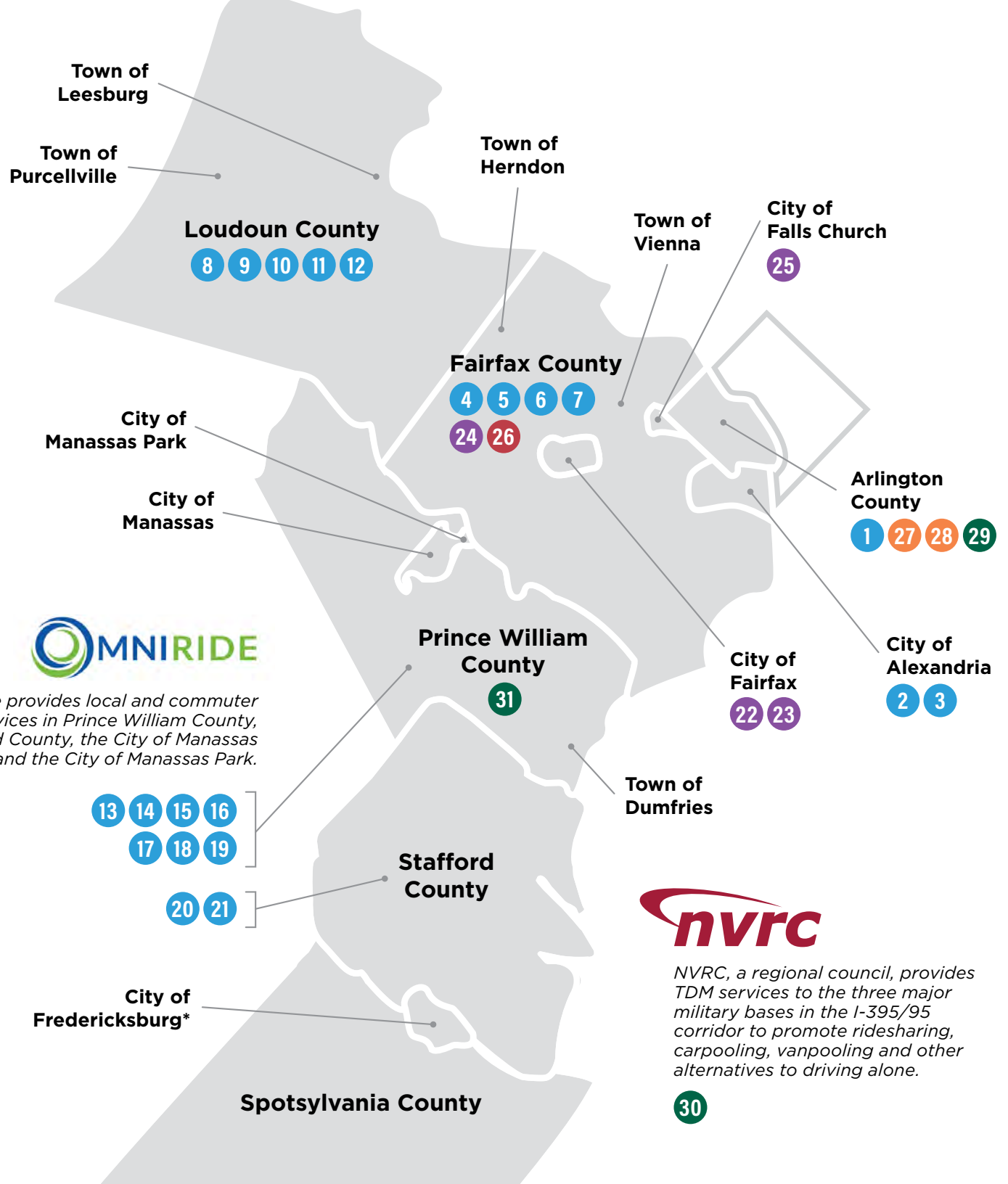
Sources: National Capital Region Transportation Planning Board's Voices of the Region 2020 survey, Transit App March-April 2020 national survey of continuing riders



# Active Projects

## Project Type

- Bus Service
- Access to Transit
- Roadway Operations
- TDM
- Rail Capital



*OmniRide provides local and commuter transit services in Prince William County, Stafford County, the City of Manassas and the City of Manassas Park.*



*NVRC, a regional council, provides TDM services to the three major military bases in the I-395/95 corridor to promote ridesharing, carpooling, vanpooling and other alternatives to driving alone.*

## NEW OR ENHANCED BUS SERVICE PROJECTS

- 1 **Arlington County - Enhanced Bus Service on Metrobus 3Y: Lee Highway-Farragut Square** I-66  
Funding: \$1,040,000
- 2 **City of Alexandria/DASH - Enhanced Bus Service on AT-1 Plus: West End to Van Dorn Metro** I-395  
Funding: \$3,040,000
- 3 **City of Alexandria/DASH - Enhanced Bus Service on AT-9: Mark Center to Potomac Yard** I-395  
Funding: \$1,949,000
- 4 **Fairfax County - New Bus Service from Stringfellow to L'Enfant Plaza** I-66  
Funding: \$4,326,000
- 5 **Fairfax County - New Bus Service to the Pentagon with Gambrill and Backlick North Park and Ride Improvements** I-395  
Funding: \$3,540,903
- 6 **Fairfax County - Fairfax Connector Express Bus Service between Vienna/Fairfax-GMU and Pentagon Metrorail Stations** I-66  
Funding: \$3,452,618
- 7 **Fairfax County - Fairfax Connector Government Center -Downtown DC, Route 699** I-66  
Funding: \$5,276,336\*

- 8 **Loudoun County - Loudoun County Transit Metro Connection from New Purcellville Park and Ride** I-66  
Funding: \$1,774,990\*
- 9 **Loudoun County - Loudoun County Transit Metro Connection Route 88X Extension to Dulles South** I-66  
Funding: \$1,706,040
- 10 **Loudoun County - Stone Ridge Enhanced Transit** I-66  
Funding: \$2,472,970\*
- 11 **Loudoun County - New Bus Service from Purcellville to DC** I-66  
Funding: \$949,482
- 12 **Loudoun County - New Bus Service from Stone Ridge to Pentagon** I-66  
Funding: \$1,257,226
- 13 **OmniRide - Gainesville to Pentagon Commuter Service** I-66  
Funding: \$6,020,700\*
- 14 **OmniRide - OmniRide Linton Hall Metro Direct Bus Service Enhancement** I-66  
Funding: \$134,200
- 15 **OmniRide - Enhanced Bus Service from Gainesville to DC** I-66  
Funding: \$1,519,100
- 16 **OmniRide - New Bus Service from Haymarket to Rosslyn** I-66  
Funding: \$913,800\*

- 17 **OmniRide - Enhanced Bus Service from Dale City to Ballston** I-395  
Funding: \$251,600
- 18 **OmniRide - Enhanced Bus Service on Prince William Metro Express** I-395  
Funding: \$562,400
- 19 **OmniRide - Enhanced Bus Service on Route 1 Local** I-395  
Funding: \$1,133,500
- 20 **OmniRide - New Bus Service from Staffordboro to Downtown D.C.** I-395  
Funding: \$3,569,200
- 21 **OmniRide - New Bus Service from Staffordboro to the Pentagon** I-395  
Funding: \$3,495,300

## ACCESS TO TRANSIT PROJECTS

- 22 **City of Fairfax - Bike Share Implementation** I-66  
Funding: \$460,000
- 23 **City of Fairfax - CUE Access and Technology Improvements** I-66  
Funding: \$965,000
- 24 **Fairfax County - I-66 Corridor Vienna/Merrifield Bike Share Expansion** I-66  
Funding: \$497,100
- 25 **City of Falls Church - Expanded Transit Access, Bike Share** I-66  
Funding: \$500,000

## RAIL CAPITAL PROJECTS

- 26 **Fairfax County - McLean Metro Station North Entrance** I-66  
Funding: \$1,000,000

## ROADWAY OPERATIONS PROJECTS

- 27 **Arlington County - Lee Highway HOV and Bus-Only Lane in Rosslyn** I-66  
Funding: \$710,000
- 28 **Arlington County - Traffic Management Center** I-66  
Funding: \$400,000

## TDM PROJECTS

- 29 **Arlington County - Expanded TDM Outreach to the I-66 Corridor** I-66  
Funding: \$2,050,000\*
- 30 **NVRC - New TDM Outreach Campaign for Military Facilities** I-395  
Funding: \$396,184
- 31 **Prince William County - New TDM Outreach to the I-66 Corridor** I-66  
Funding: \$200,000

*\*denotes the total funded amount for projects funded in multiple rounds*

# PROJECT PERFORMANCE

*In this disruptive and hopefully atypical year, we focus on the performance of our projects relative to broader travel trends in the region. We continue to provide flexibility to grant recipients as they respond to changes in travel demand and will help them be ready when commuters return in greater volumes. Going forward, we'll continue to work with applicants to foster innovative proposals that respond to changing travel needs – and that are measurable and provide tangible benefits to the region's toll road users.*

**18**

**Transit & Access To  
Transit Projects in Service  
in Spring 2021**

**750**

**PEOPLE moved each weekday**



**300  
PEOPLE**

**10 Projects**

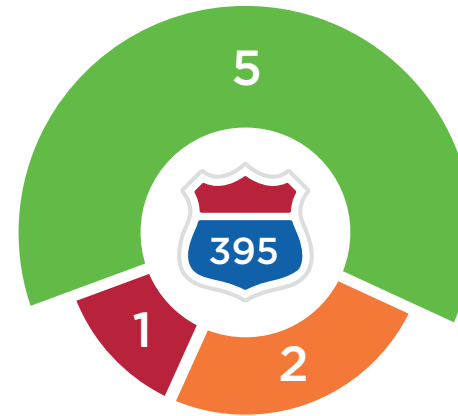
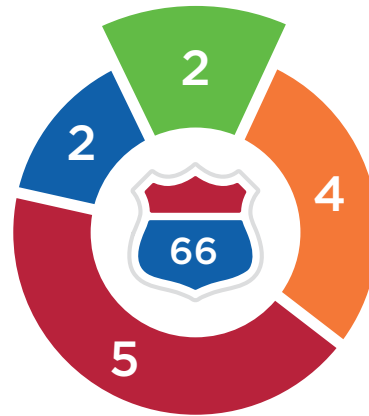


**450  
PEOPLE**

**8 Projects**

## Corridor Travel Trends During FY 2021

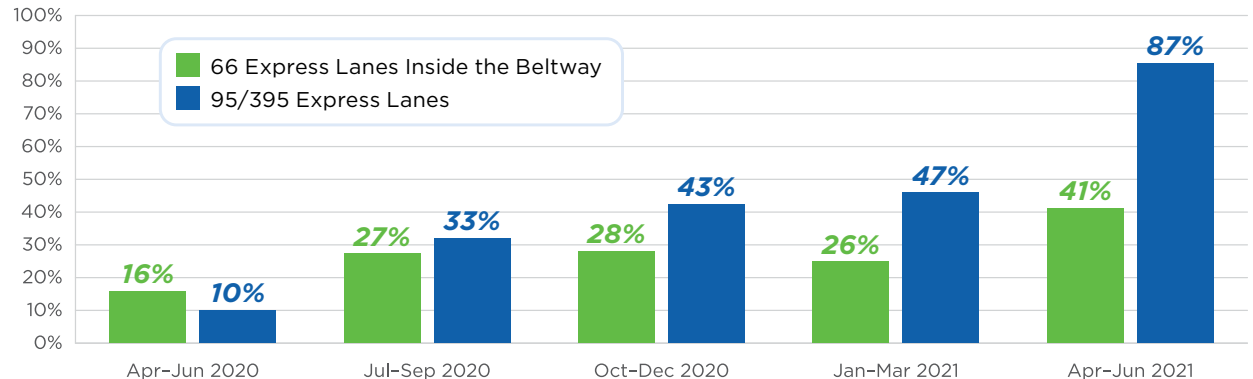
The continued impacts of the COVID-19 public health emergency during FY 2021 affected Commuter Choice's two corridors differently. Traffic volumes more rapidly rebounded and transit ridership was more resilient in the I-395/95 corridor than in the I-66 corridor. Many commute trips in the I-395/95 corridor are bound for Department of Defense facilities, which more quickly began to resume in-person work.



**Status of Commuter Choice-supported transit services slated to operate during FY 2021**

- Full service all year
- Suspended for part of or all year
- Reduced for part of or all year
- Start of service postponed

## Quarterly Toll Revenues Relative to October-December 2019



Sources: Virginia Department of Transportation quarterly revenue reports to NVTC (66 Express Lanes Inside the Beltway), Transurban first-half and fiscal-year investor reports (95/395 Express Lanes)

# IN A CHALLENGING YEAR

## The Rise of Telecommuting

Many workers in the metropolitan D.C. area began to telecommute full-time during the COVID-19 public health emergency – which initially led to much less driving and transit use across the region, including in the I-66 Inside the Beltway and I-395/95 corridors. Although many employers are now considering formal return-to-office plans, telecommuting will likely remain at higher levels indefinitely. Commuter Choice grant recipients will need to respond to more varied, dynamic commute patterns – and NVTC will support them in doing so.

*Of surveyed regional workers*

**60%**  
telecommuted during the peak of the COVID-19 public health emergency.

**91%**  
would like to continue telecommuting at least some of the time.

Source: National Capital Region Transportation Planning Board's Voices of the Region 2020 Survey

## Bright Spots in FY 2021

Commuter Choice-supported point-to-point express bus services to the Pentagon achieved 37% of their ridership targets in FY 2021, compared to 15% on Downtown D.C. express routes.

The relative success of Pentagon routes was a function of early return-to-work orders at the Department of Defense and growing traffic congestion, particularly in the I-395/95 corridor.



All-day, every-day service improvements funded by Commuter Choice on the I-395/95 Corridor on DASH's AT-1 and AT-9 local routes in Alexandria helped the routes retain most of their riders relative to pre-improvement service. The routes significantly outperformed the overall DASH system.

**AT-1**  
**90%**

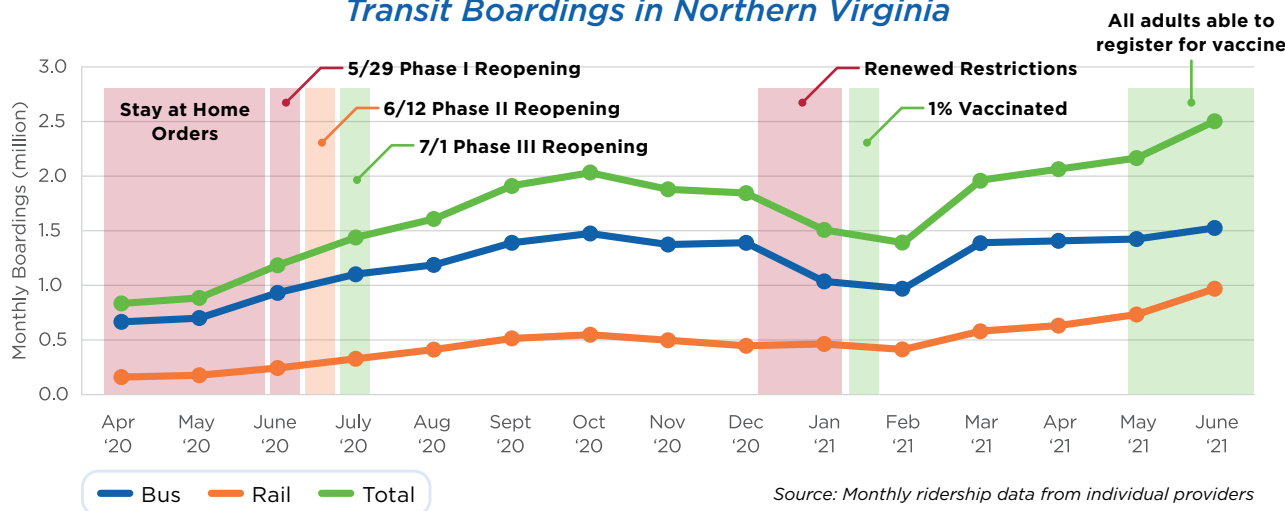
**AT-9**  
**98%**

**DASH SYSTEM**  
**40%**

% of Annual FY 2019 Ridership Achieved During FY 2021

## Transit Ridership in Northern Virginia: On an Upswing

### Transit Boardings in Northern Virginia





# The Year Ahead

*Commuter Choice will support our grant recipients as they prepare for commuters to return to worksites, providing flexibility as demands change.*

## How Our Funding is Helping Our Grant Recipients Prepare



**OmniRide** recently took delivery of four new motor coaches for the Commuter Choice-funded Gainesville-Pentagon route that are outfitted with onboard air ionizers to help provide a safe and comfortable environment.



**Fairfax County** installed a billboard at their Stringfellow Park & Ride lot to advertise their new express bus service to downtown D.C., funded by Commuter Choice.



**Arlington County** is introducing a new Commuter Choice-supported incentive program to attract commuters to transit and shared rides as they return to workplaces.



**Loudoun County** is responding to commuters' requests for service to return by launching new Commuter Choice-funded commuter bus trips to downtown D.C. and the Pentagon from the Purcellville and Stone Ridge park and ride lots in August.

## Supporting Services that Commuters Want

Regional commuters indicated that they are most likely to use buses that arrive reliably (40%) and travel faster (26%).

Commuter Choice-funded routes — particularly those that benefit from the reliability and speed advantages of the 66 Inside the Beltway or 95 and 395 Express Lanes — are poised to attract riders returning to transit.

*Source: National Capital Region Transportation Planning Board's Voices of the Region 2020 survey*

### Buses on a Reliable Schedule



### Buses Traveling More Quickly



# ... And Beyond

*The Commuter Choice team is encouraging applicants to pursue program funding for capital improvements that can benefit commuters for many years to come. We look to support more such projects — whose overall benefits are less susceptible to fluctuations from year to year — in future funding rounds.*



## McLean Silver Line Metrorail Second Entrance

Work will soon begin on a second entrance to the McLean Silver Line Metrorail station in Fairfax County. The entrance will provide more convenient access to a new large-scale mixed-use development just to the north of the station that includes almost 2,000 residential units, many of whose residents are anticipated to use Metrorail to travel into the I-66 Inside the Beltway corridor.



## U.S. 29 Bus- and High Occupancy Vehicle-Only Lane

Arlington County is preparing to construct a dedicated bus- and high occupancy vehicle-only lane along U.S. 29 near Rosslyn. The lane will provide several minutes of travel time savings in and out of the congested Rosslyn area for peak-period I-66 corridor buses as traffic volumes return.

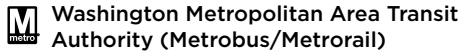


## Massaponax 700-Space Park-and-Ride Lot


Also beginning construction is a new 700-space park-and-ride lot in the Massaponax area of Spotsylvania County. A \$1.1 million Commuter Choice award is completing the funding commitments for this \$18 million project. Commuters from the lot will be able to take advantage of the full length of the 95 and 395 Express Lanes, which will be extended to Fredericksburg in 2022.

# Eligible Applicants

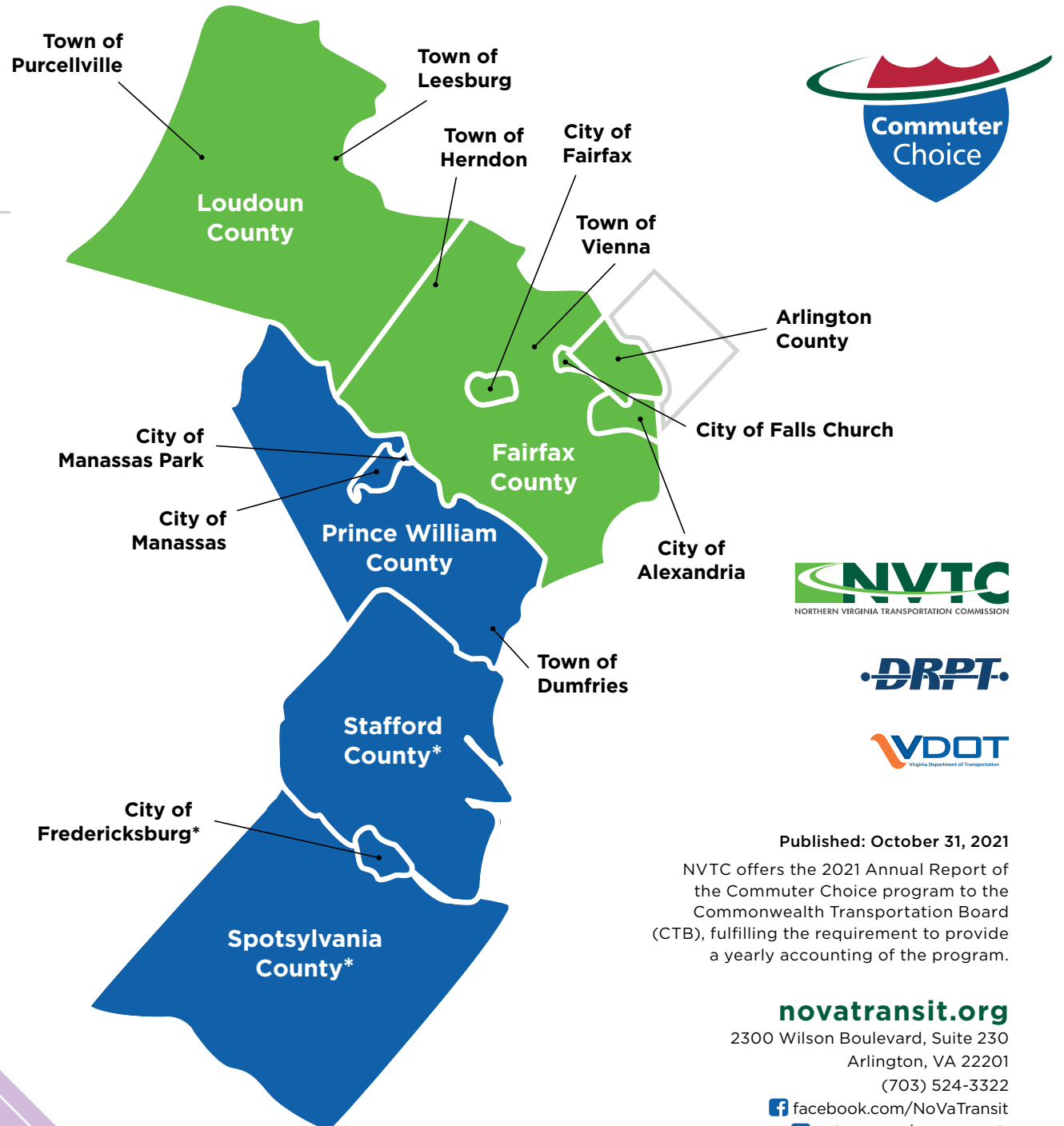
## Transit Agencies



 NVTC Jurisdiction

 PRTC Jurisdiction

*\*denotes jurisdiction eligible for Commuter Choice on the I-395/95 corridor only*




Published: October 31, 2021

NVTC offers the 2021 Annual Report of the Commuter Choice program to the Commonwealth Transportation Board (CTB), fulfilling the requirement to provide a yearly accounting of the program.

[novatransit.org](https://novatransit.org)

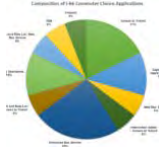
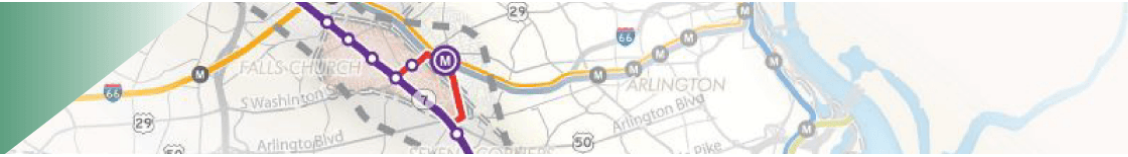
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Arlington, VA 22201  
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 [instagram.com/NoVaTransit\\_IG](https://instagram.com/NoVaTransit_IG)





## Transit Resource Center

The Transit Resource Center provides technical assistance to member jurisdictions; collects, analyzes, and reports data from all NVTC's programs; manages the Envision Route 7 Bus Rapid Transit (BRT) project; and supports coordination with other regional transportation organizations.

## Projects

### Envision Route 7

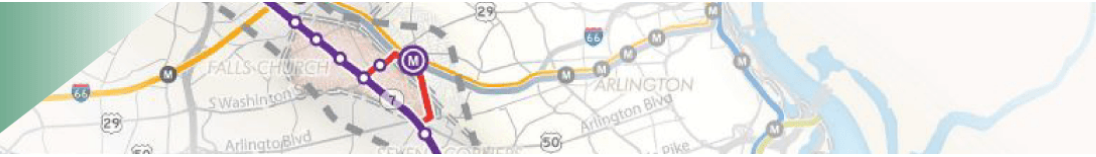
The Envision Route 7 Bus Rapid Transit (BRT) project is planned as a high performing BRT service that connects the Mark Center in Alexandria to Tysons through Bailey's Crossroads, Seven Corners, and Falls Church. The project is part of a network of BRT Services being planned, designed, and implemented to better link Northern Virginia that includes the Metroway BRT in the City of Alexandria and Arlington County, the West End Transitway in the City of Alexandria, and the Embark Richmond Highway BRT in Fairfax County. The Envision Route 7 project will serve the Route 7 corridor and will utilize the West End Transitway infrastructure from Route 7 to the Mark Center.

High performing transit in the Route 7 corridor has been in the planning phase for more than five years. Early phases of the Envision Route 7 project found the need for transit in the broad corridor from Alexandria to Tysons, identified BRT as the transit technology to serve the corridor and defined an alignment for the service to travel along. Detailed analysis was undertaken in these early efforts to identify potential transit ridership, suggest the location for BRT operations within the roadway, also known as runningway, and select general station locations. Phase III, the current effort of the Envision Route 7 project, focuses on updating the initial runningway assumptions and identifying the specific station locations so that the needed rights-of-way (ROW) can be identified and a cost estimate may be determined. Phase IV will focus on traffic impacts and benefits. The later Phases will focus on the environmental and detailed design efforts.

### NTD Support

NVTC works with local governments to coordinate collection of performance data for the Federal Transit Administration's (FTA) National Transit Database (NTD), manages a contract





for NTD data collection on behalf of Northern Virginia's transit systems and oversees data collection efforts to facilitate the receipt of federal funds to the region.

## **TBEST**

TBEST (Transit Boarding Estimation and Simulation Tool) was developed by the Florida Department of Transportation and is being used by many jurisdictions in Virginia under a DRPT program. NVTC is coordinating with DRPT on developing and constantly updating TBEST for Northern Virginia. The TBEST model uses the land use and the current bus network as inputs to develop short-term ridership forecasts, calculate cost estimates, and perform environmental justice (EJ) analysis.

To date, staff has used this tool to support transit planning efforts in the City of Alexandria and Fairfax County.

## **Data Collection, Research, and Analysis**

NVTC is a repository for a growing amount of valuable transit data (ridership, parking utilization, etc.) and uses the data to support research and analytical efforts for NVTC programs.

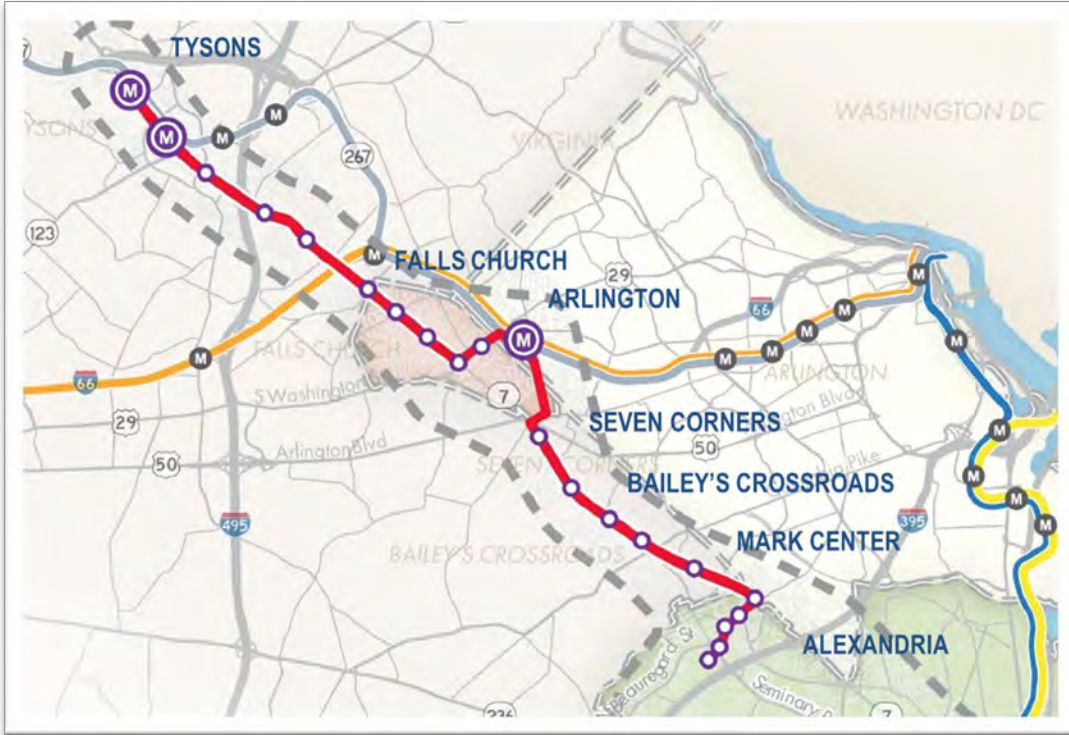
## **Regional Coordination**

NVTC participates on regionally focused technical, program, or study committees assisting in planning, funding, preliminary engineering and environmental analysis for transit in the region.

Regional agencies we work with include:

- Transportation Planning Board (TPB)
- Potomac and Rappahannock Transportation Commission / OmniRide
- Northern Virginia Transportation Authority (NVTA)
- Northern Virginia Regional Commission (NVRC)
- Metropolitan Washington Council of Governments (MWCOG)
- Virginia Department of Rail and Public Transportation
- Virginia Department of Transportation (VDOT)
- Washington Metropolitan Area Transit Authority (WMATA)
- Virginia Railway Express (VRE)

# Envision Route 7



## Bus Rapid Transit (BRT)

- Connects the Mark Center in Alexandria to Tysons via Bailey's Crossroad, Seven Corners, and Falls Church.
- Connects to Metrorail and West End Transitway (Alexandria)
- Reduces corridor transit travel time by 50%
- Approximately 7,000 new daily transit, 66% of which are for shopping and recreation
- 20% increase in pedestrian access to transit



# Envision Route 7

## Project Phases

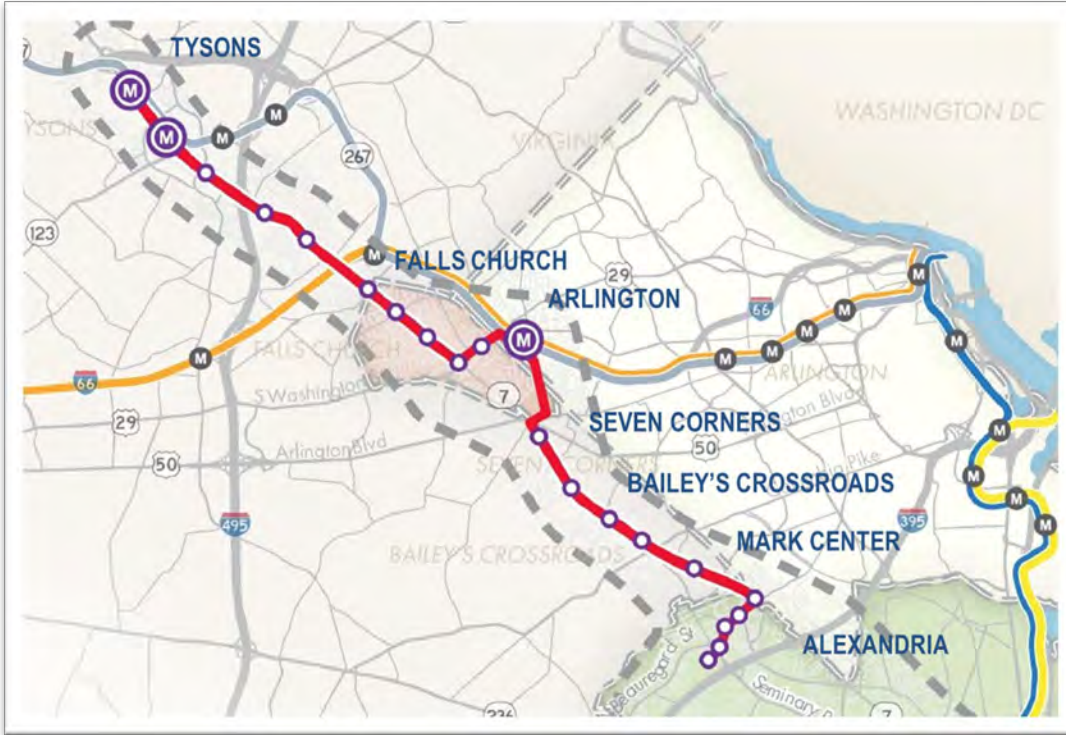
- Phase I - Mode Feasibility
- Phase II - Termini, Alignment and Mode
- Phase III - Conceptual Design
- **Phase IV - Mobility Study**
- Phase V - Environmental Assessment
- Phase VI - Design
- Phase VII - Construction

*Phases I through III Completed; Phase IV begins Fall 2021*





# Envision Route 7 - Phase 4 Analysis



Focused analysis of Route 7 from Tysons to Seven Corners to:

- Determine the **mobility (travel time) benefits** to travelers of BRT
- Understand the **impacts of BRT on traffic and traffic operation**
- Conduct a comprehensive public and **stakeholder engagement process** that facilitates an understanding of how a BRT would operate along Route 7





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## Transit Technology

NVTC's Transit Technology Program oversees the implementation of NVTC's Regional Fare Collection Program and engages with industry stakeholders to improve transit through innovative and emerging transit technology. The Regional Fare Collection Program manages technology and policy initiatives to maintain and upgrade fare payment programs and infrastructure, while keeping pace with customer expectations and technological innovation. The Northern Virginia Regional Fare Collection Strategic Plan establishes actions for NVTC's support to Northern Virginia transit agencies during enhancement of the regional fare collection system.

### Zero-Fare and Reduced Fare Research

NVTC's analysis, which resulted in a *White Paper: Zero-Fare and Reduced-Fare Options for Northern Virginia Transit Providers*, found that eliminating or reducing fares for public transit users can improve access, increase ridership and produce added community benefits. NVTC's *Zero-Fare and Reduced-Fare Options for Northern Virginia Transit Providers* white paper provides Commissioners and policy makers a high-level overview of options and considerations when evaluating potential zero- or reduced-fare programs. The September 2021 publication of the report comes as transit systems across the nation are weighing the advantages and considerations of zero and reduced fares.

### Regional Fare Collection Program

NVTC, in coordination with Northern Virginia transit agencies, developed the 2021 Northern Virginia Regional Fare Collection Strategic Plan to guide fare collection initiatives for Northern Virginia. It establishes thirteen actions for NVTC's support to Northern Virginia transit agencies for enhancement of the regional fare collection system. The plan serves as a roadmap for supporting the study, development and implementation of improvements and system upgrades. The plan establishes the vision, needs, and actions of NVTC's Regional Fare Collection Program. Actions of the plan will support and promote the enhancement of the fare collection systems used by Northern Virginia transit systems and WMATA.

### NTD Support

NVTC works with local governments to coordinate collection of performance data for the Federal Transit Administration's (FTA) National Transit Database (NTD), manages a contract for NTD data collection on behalf of Northern Virginia's transit systems, and oversees data collection efforts to facilitate the receipt of federal funds to the region.

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2021

# Northern Virginia Regional Fare Collection Strategic Plan

Approved by the Northern Virginia  
Transportation Commission  
January 7, 2021





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## Executive Summary

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The 2021 Northern Virginia Regional Fare Collection Strategic Plan update, developed by the Northern Virginia Transportation Commission (NVTC) with Northern Virginia transit agencies, documents the vision for an enhanced regionally integrated fare collection system and identifies NVTC's role in supporting and coordinating implementation of fare collection initiatives in the region. While considerable progress and innovation was accomplished through implementation of the 2018 strategic plan, the need to meet new challenges and maintain state of good repair while modernizing the regional fare collection system continues.

Since 2018, there have been notable developments in the region including the Washington Metropolitan Area Transit Authority (WMATA) completing its Fare Payment System Vision and Strategy in 2020, expansion of mobile payments, and the onset of the COVID-19 public health emergency. The public health emergency presented multiple challenges for fare collection, including paused fare collection and implementation of safety measures like rear-door boarding and driver barrier doors. The crisis has also spurred innovation, accelerating regional implementation of fare payment technology including rear-door validation and mobile payments.

As such, the 2021 plan establishes the following actions for NVTC's support over the coming years:

### Immediate (through calendar year [CY] 2021)

- A. Continue Farebox State of Good Repair:** NVTC and Northern Virginia transit systems will continue working with WMATA to implement the farebox state of good repair upgrade solution to mitigate end-of-life issues of the current bus fareboxes.
- B. Support Immediate Mobile Payment Needs:** NVTC will work with WMATA and the transit systems on implementation and promotion of the SmarTrip App and mobile wallet as a new self-service payment option. NVTC will also monitor local mobile ticketing activity for ways to minimize regional fragmentation.
- C. Facilitate Information Exchange on Installation of Bus Operator Safety Barriers:** NVTC will facilitate the exchange of information between transit systems on their experiences with installation of bus operator barriers, which is viewed by many as a prerequisite to resuming front door boarding and fare collection during the COVID-19 public health emergency.

### Near-Term (through CY 2022)

- D. Coordinate and Support New Farebox Procurement and Implementation (Including Rear-Door Payment and All-Door Boarding):** NVTC will represent the Northern Virginia's needs in WMATA's project for new bus fareboxes with standalone SmarTrip validators to enable rear-door payment and all-door boarding.

- E. Coordinate and Support Procurement of Off-Board Fare Collection System:** NVTC will support transit systems implementing off-board fare collection solutions for bus rapid transit services. Regional coordination is needed with WMATA, other regional partners and vendors for developing solutions that are cost effective and compatible with SmarTrip.
- F. Coordinate and Support Fare Capping Implementation Analysis:** NVTC will participate in planning discussions for regional back office systems upgrades to enable fare capping, as implementation requires technology and policy changes. Fare capping promotes equity and simplifies fares by allowing riders to “pay-as-you-go,” automatically issuing a pass after meeting the fare payment equivalent of a daily, weekly or monthly pass.
- G. Monitor Mobile Payment Trends:** NVTC will gather input and data from transit systems on customer adoption rates and impacts of mobile payments on the regional fare collection system in order to guide future system enhancements.
- H. Coordinate, Support and Market New Fare Products and Programs:** NVTC will facilitate information exchange between transit systems and WMATA on new fare products offerings and programs to attract customers to transit.

Long-Term (beyond CY 2022)

- I. Coordinate and Support Expansion of Retail Network:** NVTC will represent the transit systems’ needs in WMATA’s planned project to expand the retail network that can be used by customers to load money to fare payment cards or accounts using cash.
- J. Coordinate and Support Planning for Contactless Open Payments:** NVTC will represent transit systems’ needs in planning for contactless open payments, which would enable customers to use contactless bankcards and mobile wallets to pay for transit with a tap of the card or device they already have—just like they can at many retailers
- K. Coordinate and Support Upgrades to WMATA’s Back Office System:** NVTC will represent transit systems’ needs during WMATA’s transition to a new SmarTrip back office system.
- L. Coordinate and Support Integration of VRE with SmarTrip:** NVTC will support the integration of Virginia Railway Express (VRE) into the SmarTrip program as part of WMATA’s transition to a new back office system.
- M. Coordinate and Support SmarTrip App Enhancements:** NVTC will work with WMATA and transit systems to develop additional features, which will address customer and local transit system needs.

While this Strategic Plan update provides a proposed schedule, priorities and timelines will need to be regularly revisited and refined by NVTC as projects are implemented and evaluated to align with funding availability and updates to policy priorities.

## 1. Introduction

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The Northern Virginia Transportation Commission (NVTC), in coordination with Northern Virginia transit agencies, developed this strategic plan to guide fare collection near-term initiatives for Northern Virginia from 2021 through 2022, while also identifying longer-term initiatives for beyond 2022. It establishes thirteen actions for NVTC's support to Northern Virginia transit agencies during enhancement of the regional fare collection system. This is the first update to the Northern Virginia Regional Fare Collection Strategic Plan ("the plan", or "Strategic Plan") adopted by NVTC in 2018. The original plan resulted in considerable progress on fare collection initiatives in the region. Moving forward, there remains the need to incrementally replace or upgrade the regional fare collection system as components near end of life, and to keep pace with customer expectations and changing technology.

This plan serves as a roadmap for supporting the study, development and implementation these upgrades. This plan was developed as a collaborative effort with regional partners, and the process included regional partner surveys and work sessions, as well as an extensive industry review. It establishes the vision, needs, and actions of NVTC's Regional Fare Collection Program. The actions of the plan will support and promote the enhancement of the fare collection systems used by the seven Northern Virginia transit systems and the Washington Metropolitan Area Transit Authority (WMATA). The following vision statement was developed by NVTC and the transit systems as a guide for decision-making in alignment with regional fare collection goals:

### **Regional Fare Collection Vision Statement:**

Northern Virginia transit systems envision an enhanced regionally-integrated fare collection system with local flexibility to meet evolving customer expectations.

The intended audience of this plan includes leadership, planners, implementers and operators of transit fare collection systems in Northern Virginia.

In August of 2017, Northern Virginia's transit systems entered into a Memorandum of Agreement (MOA) for NVTC to coordinate upgrades and explore options and enhancements for the regional fare collection initiatives. This plan outlines the specific actions to be taken by NVTC and the transit systems through the MOA to advance fare collection in the region such as supporting and guiding improvement to the existing regional fare collection system.

NVTC manages federal, state, and regional funding for five local bus systems, WMATA, and Virginia Railway Express (VRE), which it co-owns. It also facilitates the planning and



development of transit systems in Northern Virginia and provides technical assistance to its member jurisdictions. As such, NVTC is working with the Northern Virginia transit systems to ensure current and future needs for regional fare collection are met and assist in coordination with the WMATA, the driving partner in regional fare collection, and other regional partners.

NVTC implements fare collection coordination through a Regional Fare Collection Working Group to gather needs and provide directions for improvements. The working group includes staff from the following transit systems:

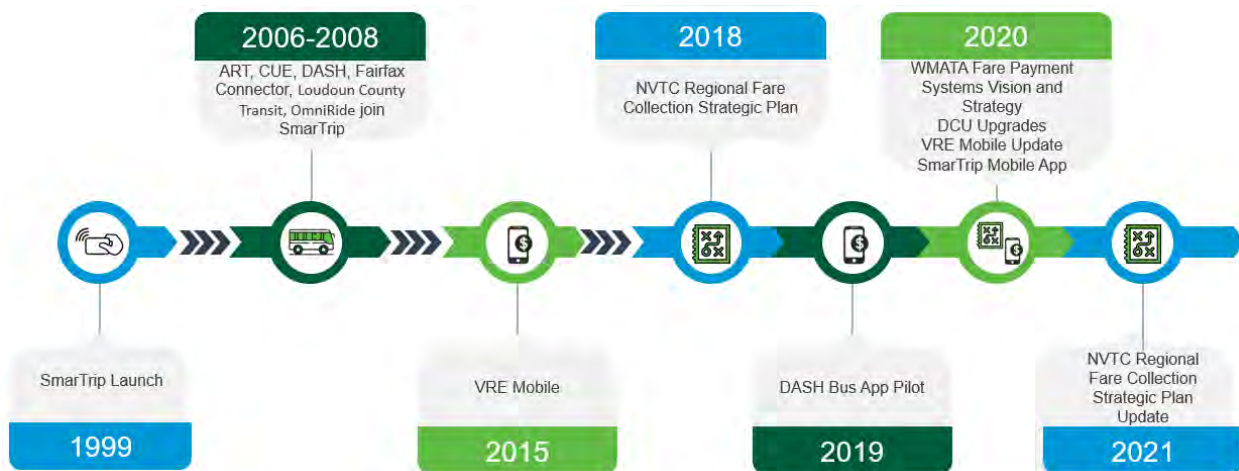
- Arlington Transit (ART)
- City of Fairfax City-University Energysaver (CUE)
- Alexandria Transit Company DASH
- Fairfax (County) Connector
- Loudoun County Transit
- OmniRide
- VRE
- WMATA

Members of the group represent their respective transit system on fare collection and collaborate on ongoing activities and provided input to NVTC to develop this plan.

## 2. Background

The Northern Virginia bus systems (ART, CUE, DASH, Fairfax Connector, Loudoun County Transit and OmniRide) collect fares through the regional SmarTrip system managed by WMATA. SmarTrip, deployed by WMATA in 1999, is a smart-card-based fare collection system that also supports cash payment on buses. VRE uses an independent paper and mobile phone ticketing-based fare collection systems, but participates in the regional transit benefits program, SmartBenefits, which also is operated by WMATA and linked to SmarTrip. The system was expanded to other regional partners, with many Northern Virginia transit systems joining in 2006.

**Figure 1: Fare Collection History**



In 2018, the Strategic Plan was created to guide efforts on fare collection system across the region. This effort was necessary as the region was facing the following challenges:

- Obsolete equipment for the existing fare collection system
- Cost inefficiencies from uncoordinated enhancements
- Reduced ability to collect fares due to failing equipment
- Inability to expand revenue vehicle fleet due to unavailability of obsolete equipment for purchase
- Falling short of customer expectations for a convenient and modern fare payment experience

The plan identified activities required to deliver on the Northern Virginia vision statement, an integral part of which is supporting the local implementation of and providing guidance to the detailed implementation elements of WMATA's strategy. In addition, WMATA completed its

Fare Payment Systems Vision and Strategy (FPSVS) in 2020. Developed with input from NVTC and WMATA's regional partners, the document established long-term goals, vision and business objectives related to improving and modernizing fare payment operations and technology for the SmarTrip system. The WMATA FPSVS outlines the following guiding principles:

- Design for frictionless customer experience, access and equity
- Improve cost-effectiveness and reduce operational demands
- Promote open architecture for flexible and futureproof solutions
- Improve WMATA, partner and customer data and reporting

WMATA's strategy, which was inspired by NVTC's Strategic Plan, provides a phased approach for implementing the desired upgrades and changes to the system. The document provides the following major program phases:

- Equipment upgrades and replacement for bus and rail
- Fare equity and simplification
- New payment options and cash reduction
- Back office upgrades
- New consumer and institutional website

This Strategic Plan update also aligns with strategies and recommendations from the Washington Area Bus Transformation Project<sup>1</sup> including:

- **Recommendation 2A: Commitment to prioritize bus** – elements of this recommendation include establishing regional guidelines on bus priority treatments, such as off-board fare payment and all-door boarding to decrease dwell time at stops.
- **Recommendation 3B: Fare payment** – elements of this recommendation make paying for bus fares easier such as reduced fare options for low-income riders, a mobile solution to plan and pay for trips in one place, and development of regional passes that work across all providers and make bus fares clear and understandable.

This Strategic Plan update process included a survey and work sessions with regional partners, as well as an extensive industry review. Details of the update process were documented in a technical memorandum. In the survey, the transit systems were asked to respond with their level of interest and desired timeline for implementing potential fare collection enhancements. These potential enhancements were compiled from past regional planning efforts (original Strategic Plan, WMATA's Fare Payment Systems Vision and Strategy, Washington Area Bus Transformation Project) and strategies gathered through the industry review.

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<sup>1</sup>[https://bustransformationproject.com/wp-content/uploads/2019/09/Bus\\_Transformation\\_Strategy\\_and\\_Recommendations\\_2019-09-05.pdf](https://bustransformationproject.com/wp-content/uploads/2019/09/Bus_Transformation_Strategy_and_Recommendations_2019-09-05.pdf)

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## 3. NVTC Actions to Support Fare Collection Needs

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This document serves as the first update to the 2018 Northern Virginia Regional Fare Collection Strategic Plan and reflects advancements made in the region and industry during that time. Like the 2018 Strategic Plan, the 2021 Regional Fare Collection Strategic Plan was developed by NVTC as a collaborative effort with regional partners. The actions for NVTC support are organized into immediate (through calendar year 2021), near-term (through calendar year 2022) and long-term (beyond calendar year 2022) timeframes, based on timelines provided by partners during plan development, and ordered based on NVTC priority. Actual implementation timelines are subject to change due to policy and funding considerations as well as WMATA's implementation timeline for actions in support of its projects. Overarching non-phased needs are also identified to be employed throughout future enhancements to the fare collection system.

### 3.1 Actions

To address unique transit partner needs and timelines, NVTC developed the following actions to support all transit systems in maintaining and enhancing fare collection within a framework of broader regional developments.<sup>2</sup>

#### Immediate Action (through calendar year [CY] 2021)

- A. Continue Farebox State of Good Repair
- B. Support Immediate Mobile Payment Needs
- C. Facilitate Information Exchange on Installation of Bus Operator Safety Barriers

#### Near-Term Actions (through CY 2022)

- D. Coordinate and Support New Farebox Procurement and Implementation (Including Rear-Door Payment and All-Door Boarding)
- E. Coordinate and Support Procurement of Off-Board Fare Collection System
- F. Coordinate and Support Fare Capping Implementation Analysis
- G. Monitor Mobile Payment Trends
- H. Coordinate, Support and Market New Fare Products and Programs

#### Long-Term Actions (beyond CY 2022)

- I. Coordinate and Support Expansion of Retail Network
- J. Coordinate and Support Planning for Contactless Open Payments
- K. Coordinate and Support Upgrades to WMATA's Back Office System
- L. Coordinate and Support Integration of VRE with SmarTrip

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<sup>2</sup> Timelines are subject to ongoing policy and funding considerations and are based on dates provided by partners during plan development.



## M. Coordinate and Support SmarTrip App Enhancements

The following tables describe each action with the following parameters:

- Description with listing of tasks and activities
- Estimated timeframe
- Whether the action is linked to or dependent on WMATA activity
- Anticipated transit system role
- NVTC priority based on proposed role and anticipated impact
- Transit system priority based on survey
- Anticipated NVTC level of effort

**A. Continue Farebox State of Good Repair**

*Immediate  
(through CY 2021)*

**Description:**

Bus transit systems need support with coordination of installing, testing and commissioning of the fare collection Driver Control Unit (DCU) upgrade hardware as well as support for garage infrastructure and new replacement farebox procurement. NVTC and Northern Virginia transit systems will continue working with WMATA to implement the farebox/DCU solution to mitigate obsolescence of the current fareboxes.

**NVTC Tasks and Activities:**

- Coordinate WMATA support to transit systems during installation and configuration of the farebox upgrades and supporting garage infrastructure
- Provide technical review of plans and processes for supporting DCU operation (including software patching and updates) and coordinate transit system feedback
- Monitor progress of implementation of upgrades and share lessons learned between transit systems
- Identify mitigation strategies and support transit systems in exploring these strategies where schedule, scope, or cost risks occur
- Continue coordination with WMATA on farebox modernization procurement initiative

**Link to WMATA:** This action is related to WMATA Fare Payment Systems Vision and Strategy, which includes procurement of a complete new farebox solution based on the DCU strategy. WMATA will be responsible for testing future updates to the DCU solution and offering support to the transit systems during installation and configuration.

**Role of Transit System(s):** Participate in coordination efforts and share information on any issues or enhancements which would improve system performance.

<b>NVTC Priority:</b>		<b>Transit Systems Priority:</b>	
<b>NVTC Level of Effort:</b>			

Key:

○ = Very Low, ◐ = Low, ◑ = Medium, ◒ = High, ◓ = Very High

**B. Support Immediate Mobile Payment Needs**

*Immediate  
(through CY 2021)*

**Description:**

WMATA has launched the SmarTrip App that allows customers to manage their SmarTrip card(s) and pay fares using near-field communication (NFC)-based virtual cards on iPhone, Apple Watch, and Android phones (under development for future expansion). Bus transit systems will require support in promoting the SmarTrip App as an additional payment and self-service option as fare collection resumes. NVTC will work with WMATA and the transit systems on implementation and promotion of this new payment option on bus service.

Aside from SmarTrip, several Northern Virginia transit systems have ongoing interests in local mobile ticketing solutions (VRE Mobile, DASH Bus App pilot) when needs cannot be met by the SmarTrip App. NVTC will monitor this activity for ways to minimize regional fragmentation.

**NVTC Tasks and Activities:**

- Facilitate information exchange to prepare transit systems for acceptance of mobile payments from customers using SmarTrip App/mobile wallet
- Coordinate promotion of SmarTrip App and mobile payment for bus services between transit systems and WMATA
- Coordinate required bus technology upgrades to support mobile payments
- Assist transit agencies in identifying opportunities to incentivize mobile payments over ticket vending machine usage and onboard payment
- Monitor and coordinate with VRE Mobile enhancements
- Monitor and coordinate with local mobile ticketing projects (e.g., DASH Bus App, potential OmniRide deployment) and encourage a uniform regional approach to mobile payments
- Monitor mobile payments industry trends

**Link to WMATA:** This action is related to WMATA’s strategy for new payment options. WMATA is leading the development and implementation of the SmarTrip App.

**Role of Transit System(s):** Participate in coordination efforts and promote SmarTrip App for mobile payments for transit in the region. Identify opportunities to incentivize mobile payments over ticket vending machine usage and onboard payment.

<b>NVTC Priority:</b>		<b>Transit Systems Priority:</b>	
<b>NVTC Level of Effort:</b>			

Key:

○ = Very Low, ◐ = Low, ◑ = Medium, ◒ = High, ◓ = Very High

**C. Facilitate Information Exchange on Installation of Bus Operator Safety Barriers**

*Immediate  
(through CY 2021)*

**Description:**




To ensure safety of operators and customers during and after the COVID-19 public health emergency, the bus transit systems in the region are installing transparent barriers between the customers and operators. NVTC will facilitate the exchange of information between transit systems on their experiences with installation of bus operator barriers, which is viewed by many as a prerequisite to resuming front door boarding and fare collection. Regular discussions on the subject and any other safety measures related to fare collection can help transit systems learn from others and potentially reduce costs through joint procurement.

**NVTC Tasks and Activities:**

- Facilitate coordination between transit systems to share resources and experiences as they move ahead with installation of bus operator barriers
- Monitor industry trends to identify other safety measures being undertaken to protect customers, operators and transit agency staff during fare collection-related activities
- Monitor timeline for resumption of fare collection across the region

**Link to WMATA:** This action is not dependent on WMATA activity.

**Role of Transit System(s):** Participate in coordination efforts and share information on measures being taken to ensure safety of riders and operators.

<b>NVTC Priority:</b>		<b>Transit Systems Priority:</b>	
<b>NVTC Level of Effort:</b>			

Key:

○ = Very Low, ◐ = Low, ◑ = Medium, ◒ = High, ◓ = Very High



**D. Coordinate and Support New Farebox Procurement and Implementation (Including Rear-Door Payment and All-Door Boarding)**

*Near-Term  
(through CY 2022)*

**Description:**

NVTC will represent the Northern Virginia’s needs in WMATA’s project for new bus fareboxes with standalone validators to enable rear-door payment and all-door boarding. This support will include reviewing technical documents provided by the vendor, collecting and providing feedback from the transit systems on the system design and testing, and coordinating fare inspection policy. Bus transit systems need also need support with coordination of procuring, installing, and configuring any new garage infrastructure needed to support the bus fareboxes.

**NVTC Tasks and Activities:**

- Coordinate, through all phases of WMATA activity, as a full partner including concept analysis, strategy development, planning, procurement, and contracting for new fareboxes with separate validators to facilitate all-door boarding
- Review and provide feedback on system design and testing documents
- Monitor progress of testing
- Support transit systems with development of an implementation plan
- Coordinate WMATA support to transit systems during installation and configuration of supporting garage infrastructure
- Explore and coordinate funding and contracting mechanisms for transit systems to purchase and install solution
- Support development of uniform regional policy for fare inspection of rear-door SmarTrip payment and all-door boarding
- Continue coordination with WMATA on farebox modernization initiatives

**Link to WMATA:** This action is related to WMATA’s bus farebox strategy, which consists of a procurement and design for new bus fareboxes. WMATA is leading procurement, design review and testing.

**Role of Transit System(s):** Participate in coordination efforts, provide feedback on procurement and develop implementation plan.

**NVTC Priority:**



**Transit Systems Priority:**



**NVTC Level of Effort:**



Key:

○ = Very Low, ◐ = Low, ◑ = Medium, ◒ = High, ◓ = Very High

**E. Coordinate and Support Procurement of Off-Board Fare Collection System**

*Near-Term  
(through CY 2022)*

**Description:**

Transit systems implementing Bus Rapid Transit (BRT) services have identified a need for off-board fare collection solutions (platform validators, small footprint ticket vending machines, inspection devices) for those services. This includes Arlington County, City of Alexandria and Fairfax County. Since the SmarTrip program does not currently include appropriate equipment options, there is a need for regional coordination to work with WMATA, other regional partners and vendors for developing solutions that are cost effective and compatible with SmarTrip. NVTC will support these transit systems with procurement, system design reviews and coordination with WMATA to ensure system compatibility with SmarTrip.

**NVTC Tasks and Activities:**

- Continue quarterly Off-Board Fare Collection Working Group meetings to facilitate information exchange
- Coordinate with Maryland and District of Columbia transit systems and WMATA in developing a unified regional approach for off-board fare collection implementation
- Coordinate with WMATA to integrate regional solution with SmarTrip as appropriate
- Monitor WMATA’s rail ticket vending machine project and represent regional needs in the ticket vending machine procurement
- Assist transit systems in the development of technical requirements
- Assist transit systems in issuing a request for proposal for off-board fare collection equipment
- Support development of unified regional policy for fare inspection
- Support the implementation of off-board fare collection

**Link to WMATA:** This action is not tied to a WMATA strategy or project but will require a leading role of WMATA as administrator of the SmarTrip system. WMATA’s fare vendor project and strategy for new rail ticket vending machines is related to this action, and may potentially create a vehicle for transit systems to procure fare vending machines.

**Role of Transit System(s):** Participate in coordination efforts. Share information on technical requirements, procurement and implementation of the off-board fare collection system with the other transit agencies in the region.

<b>NVTC Priority:</b>		<b>Transit Systems Priority:</b>	
<b>NVTC Level of Effort:</b>			

Key:  
 ○ = Very Low, ◐ = Low, ◑ = Medium, ◒ = High, ◓ = Very High

**F. Coordinate and Support Fare Capping Implementation Analysis**

*Near-Term  
(through CY 2022)*

**Description:**

Northern Virginia transit systems are interested in exploring implementation of fare capping, and WMATA has identified the project for future policy consideration. Fare Capping allows riders to “pay-as-you-go,” automatically issuing a pass after meeting the fare payment equivalent of a daily, weekly or monthly pass. Fare capping could also help the region realize a Bus Transformation Project transit equity goal. Fare capping would provide fare equity, customer loyalty, and fare simplification as part of a broader back office upgrade. NVTC will participate in planning discussions prior to the region upgrading back office systems to enable fare capping, as it requires changes to fare collection technology and policy.

**NVTC Tasks and Activities:**

- Facilitate coordination and provide feedback to WMATA and transit systems in identifying technology and policy needs to support fare capping
- Facilitate coordination and provide feedback to WMATA and transit systems in evaluating costs and benefits of fare capping

**Link to WMATA:** This action is linked to WMATA’s strategy for back office upgrades and transition to an account-based system. WMATA identified fare capping implementation as a future policy consideration in its Fare Payment Systems Vision and Strategy.

**Role of Transit System(s):** Participate in coordination efforts. Support WMATA in identifying technology and policy needs to support fare capping. Support WMATA and transit agencies in evaluating costs and benefits of fare capping.

**NVTC Priority:**  **Transit Systems Priority:** 

**NVTC Level of Effort:** 

Key:

○ = Very Low, ◐ = Low, ◑ = Medium, ◒ = High, ◓ = Very High

**G. Monitor Mobile Payment Trends**

*Near-Term  
(through CY 2022)*

**Description:**

NVTC will gather input and data from transit systems on customer adoption rates and impacts of mobile payments on the regional fare collection system. Findings, observations and needs will be included in discussions with WMATA and regional partners to support mobile payment enhancements to support local needs.

**NVTC Tasks and Activities:**

- Coordinate with transit systems and WMATA to gather usage data on SmarTrip App, DASH Bus App and VRE Mobile performance
- Review WMATA analysis of impact of SmarTrip App on ticket vending machine usage
- Synthesize performance data and share findings with regional partners
- Monitor mobile payments industry trends
- Identify potential future enhancements to the SmarTrip App to address local needs for mobile payments (institutional partnerships, fast and flexible fare product implementation)

**Link to WMATA:** This action is related to WMATA’s strategy for new payment options. WMATA is leading the development and implementation of the SmarTrip App.

**Role of Transit System(s):** Participate in coordination efforts. Share information on mobile app performance and customer feedback.

<b>NVTC Priority:</b>		<b>Transit Systems Priority:</b>	
<b>NVTC Level of Effort:</b>			

Key:

○ = Very Low, ◐ = Low, ◑ = Medium, ◒ = High, ◓ = Very High



**H. Coordinate, Support and Market New Fare Products and Programs**

*Near-Term  
(through CY 2022)*

**Description:**

NVTC will facilitate information exchange between transit systems and WMATA on new fare products offerings to attract customers to transit. Discussions will be geared towards learning about new fare products, marketing strategies for new products, policy needed for adoption and fare product management. This will help with identifying issues with introduction of new fare products and removing barriers to fare product management. One area of interest for several transit systems are new reduced fare or low-income fare programs.

**NVTC Tasks and Activities:**

- Coordinate with transit systems and WMATA to share information on new fare products and programs
- Support regional studies to research new fare products and explore feasibility and impacts of fare product offerings
- Identify compatibility of SmarTrip to accommodate needed fare products
- Coordinate with WMATA on potential back office enhancements to support fare product management
- Identify opportunities to provide more local transit system control of fare products
- Coordinate with WMATA to improve speed and ease of implementation, and local transit system flexibility in testing and implementing new fare products using SmarTrip

**Link to WMATA:** This action is not directly linked to a WMATA strategy or project. WMATA is the administrator of the SmarTrip system and any new fare product has to be tested and implemented through the WMATA AFC engineering team.

**Role of Transit System(s):** Participate in coordination efforts, support regional research studies and identify opportunities to optimize the system for greater control improving management of fare products.

<b>NVTC Priority:</b>		<b>Transit Systems Priority:</b>	
<b>NVTC Level of Effort:</b>			

Key:

○ = Very Low, ◐ = Low, ◑ = Medium, ◒ = High, ◓ = Very High

**I. Coordinate and Support Expansion of Retail Network**

*Long-Term  
(beyond CY 2022)*

**Description:**

As additional electronic payment methods are introduced, there will be a need to provide options for cash customers and to support the chosen payment methods adopted by those who are underbanked. One area of need is expanding and improving the retail network that can be used by cash customers to load money to fare payment cards or accounts using cash. There are limited retail locations in Northern Virginia where value can be added to SmarTrip cards. Cash digitization services will allow cash reloading of SmarTrip (physical or virtual cards) at an extensive retail network. NVTC will represent the transit systems' needs in WMATA's planned project to expand the retail network.

**NVTC Tasks and Activities:**

- Identify how regional transit systems can promote and coordinate expansion and mitigate barriers to expansion
- Work with WMATA to identify SmarTrip improvements needed to address barriers to retail expansion
- Review technical functionality and monitor WMATA's implementation of new Compact Point of Sale (CPOS) and Multi-Function Point of Sale (MPOS) devices
- Assist agencies in identifying opportunities for customer marketing, promotion and incentives to expand network
- Identify opportunities to continue to allow cash payment in support unbanked and underbanked customers

**Link to WMATA:** This action is related to WMATA's strategy for new payment options. WMATA will lead the retail expansion efforts and initiate contracts.

**Role of Transit System(s):** Participate in coordination efforts. Identify opportunities for customer marketing, promotion and incentives to expand network.

<b>NVTC Priority:</b>		<b>Transit Systems Priority:</b>	
<b>NVTC Level of Effort:</b>			

Key:

○ = Very Low, ◐ = Low, ◑ = Medium, ◒ = High, ◓ = Very High

**J. Coordinate and Support Planning for Contactless Open Payments**

*Long-Term  
(beyond CY 2022)*

**Description:**

There is interest in expanding payment options through contactless open payments, which would enable customers to use contactless bankcards and mobile wallets to pay for transit with a tap of the card or device they already have—just like they can at many retailers. NVTC will represent transit systems’ needs in planning for contactless open payments. Close coordination with WMATA will be required, and initiating planning early will provide enough time for transit systems to prepare for the updates and work on policies to support open payments to ensure timely deployment of this technology.

**NVTC Tasks and Activities:**

- Support WMATA and transit systems in identifying technology and policy needs to support open payments
- Support WMATA and transit systems in evaluating costs and benefits of open payments
- Support implementation of open payments

**Link to WMATA:** This action is related to WMATA’s strategy for back office upgrades and transition to an account-based system. WMATA will lead the back office upgrade efforts that will enable acceptance of contactless open payments.

**Role of Transit System(s):** Participate in coordination efforts and support WMATA with development of this functionality.

<b>NVTC Priority:</b>		<b>Transit Systems Priority:</b>	
<b>NVTC Level of Effort:</b>			

Key:

○ = Very Low, ◐ = Low, ◑ = Medium, ◒ = High, ◓ = Very High

**K. Coordinate and Support Upgrades to WMATA’s Back Office System**

*Long-Term  
(beyond CY 2022)*

**Description:**

WMATA plans to migrate to an account-based system, by upgrading the existing back office infrastructure to support the new system. NVTC will represent transit systems’ needs during WMATA’s transition to a new back office system. The transition would enable features such as fare capping, open payments and flexibility to integrate new technologies in the future through an open architecture.

**NVTC Tasks and Activities:**

- Coordinate, through all phases of WMATA activity, as a full partner including concept analysis, strategy development, planning, procurement and contracting for back office upgrades
- Review technical documents, collect and share feedback from the transit systems and provide input to WMATA during the implementation process
- Identify mitigation strategies and support transit systems in exploring these strategies where schedule, scope or cost risks occur
- Coordinate necessary updates of local garage back office hardware and software
- Gather regional requirements for the implementation of regional data analytics/reporting platform
- Coordinate integration of VRE to the SmarTrip program

**Link to WMATA:** This action is related to WMATA’s strategy for back office upgrades and transition to an account-based system. WMATA will lead the back office upgrade efforts.

**Role of Transit System(s):** Participate in coordination efforts and participate in development of the new back office system by providing feedback on technical documents and develop implementation plan.

<b>NVTC Priority:</b>		<b>Transit Systems Priority:</b>	
<b>NVTC Level of Effort:</b>			

Key:

○ = Very Low, ◐ = Low, ◑ = Medium, ◒ = High, ◓ = Very High



**L. Coordinate and Support Integration of VRE with SmarTrip**

*Long-Term  
(beyond CY 2022)*

**Description:**

There is a need to facilitate ongoing discussions between VRE and WMATA to identify technology and policy needs to potentially integrate VRE into SmarTrip, especially as WMATA pursues SmarTrip system upgrades and modernization. VRE is the only Northern Virginia transit system that does not accept SmarTrip. However, SmartBenefits can currently be directed for payment of VRE fares, a process that VRE and WMATA are working on to make more seamless for the customer. For an integrated system that promotes regional multimodal travel, it would also benefit customers if SmarTrip could be used to pay VRE fares. NVTC will support the integration of VRE into the SmarTrip program. This would occur as part of the transition to an account-based back office system with open architecture to enable integration of VRE.

**NVTC Tasks and Activities:**

- Support WMATA and VRE in identifying technology and policy needs to integrate VRE into SmarTrip
- Seek the use of open architecture during the planning, procurement, design, implementation, and expansion of the new back office system that will enable third-party devices/system integration

**Link to WMATA:** This action is related to WMATA’s strategy for back office upgrades and transition to an account-based system. WMATA will lead the back office upgrade efforts and support VRE.

**Role of VRE:** Lead development of concept and procure or modify system(s) for integration with the enhanced regional system.

<b>NVTC Priority:</b>		<b>Transit Systems Priority (VRE):</b>	
<b>NVTC Level of Effort:</b>			

Key:

○ = Very Low, ◐ = Low, ◑ = Medium, ◒ = High, ◓ = Very High

**M. Coordinate and Support SmarTrip App Enhancements**

*Long-Term  
(beyond CY 2022)*

**Description:**

As new technology is developed and customer preferences change, there will be a need to enhance the SmarTrip App to address unmet needs. This includes expanding institutional partnerships (for example, social service agencies), fast and flexible fare product implementation, and potential acceptance by VRE. NVTC will work with WMATA and transit systems to develop additional features, which will address customer and local transit system needs.

**NVTC Tasks and Activities:**

- Coordinate with transit systems and identify unmet mobile needs payment needs from the system and those expressed by their customers
- Coordinate with WMATA and express mobile payment needs of transit systems
- Work with WMATA and its app developer to find solutions to address needs
- Support promotion and marketing of app enhancements to customers

**Link to WMATA:** This action is related to WMATA’s strategy for new payment options. WMATA is leading the development and implementation of the SmarTrip App.

**Role of Transit System(s):** Participate in coordination efforts. Share customer feedback on mobile app and work with WMATA on app enhancements. Promote use of SmarTrip app to customers.

<b>NVTC Priority:</b>		<b>Transit Systems Priority:</b>	
<b>NVTC Level of Effort:</b>			

Key:

○ = Very Low, ◐ = Low, ◑ = Medium, ◒ = High, ◓ = Very High

## 3.2 Cross-Cutting Needs and Guiding Principles

As a part of the strategic planning and survey process, several overarching needs were identified which should be considered while delivering NVTC support to meet the specific fare collection needs. These needs have been categorized as the following cross-cutting needs:

- **Increase ease of use and improve customer experience:** As customer preferences change and new technology is developed, there will be a need to improve customer experience and fine tune the system to increase efficiency and ease of use. Transit systems do not want the fare payment process to be a barrier to choosing to ride transit.
- **Keep pace with technology and customer expectations:** Transit systems need support with monitoring new technology and industry trends. One of the issues identified in the Washington Area Bus Transformation Project was that bus systems don't appear to be keeping up with the technology innovations. The mobility landscape is constantly changing with new products that impact all aspects of transit services and new payment technologies and platforms can impact customer expectations of fare payment options. There is a need for regular discussions between agencies and with agencies to develop solutions which will better serve the customers. NVTC has fostered exchange of information between agencies for ongoing projects will continue to support this need as a part of its long-term efforts.
- **Expand fare payment options equitably:** Transit systems need to ensure that options are made available to all customers as new fare payment options are introduced. Easy and ubiquitous cash payment options remain extremely important for most transit systems in the context of a general industry preference towards reducing cash collection activities to lower costs and improve efficiency. The region has advanced several options for customers to pay for transit which include expanding retail network and accepting prepaid cards to add value to SmarTrip accounts on WMATA SmarTrip app.

While the cross-cutting needs are not included in specific actions that follow in this section, they have been incorporated into guiding principles as follows:

- **Support updates of the regional SmarTrip fare collection system:** Maintain and enhance the regional multi-transit system fare collection system (SmarTrip) according to WMATA's Fare Payment Systems Vision and Strategy.
- **Support local transit systems in deploying fare collection solutions to meet local needs:** Identify ways to meet local needs through enhancement of the SmarTrip system to minimize fragmentation, promote a consistent customer experience and control regional costs while maximizing benefits.
- **Continue regional coordination between WMATA, Northern Virginia, District of Columbia and Maryland transit systems:** Continue information sharing through regular meetings of the Regional Fare Collection Working Group as well as through other regional channels such as WMATA's monthly regional SmarTrip meetings. NVTC

has been fostering coordination in the region and has an off-board fare collection working group to facilitate exchange of information and learnings between agencies and will continue to work on additional efforts to facilitate information on an ongoing basis for different aspects of fare collection.

- **Support WMATA’s centralized role of operating a regional fare collection system and providing support services to regional transit systems:** Facilitate coordination of technical needs between transit systems and WMATA and provide tracking and oversight of development.
- **Maintain role of Northern Virginia transit systems in WMATA fare collection planning:** Ensure NVTC involvement in all stages of fare collection enhancements that impact the region including formulation of concepts, development of technical requirements, planning, procurement, and contracting and as a full partner with WMATA so that Northern Virginia transit systems and NVTC have full visibility into the WMATA fare collection initiatives.
- **Continue to identify opportunities to coordinate fare collection procurements:** Continue coordination of fare collection procurements among regional transit systems and the use of contract riders to allow transit systems in the region to benefit from regional pricing, consistency between systems, and economies of scale.



## 4. Resource Needs

The Strategic Plan is intended to help NVTC and the transit systems plan resources to support the implementation of fare collection upgrades. **Table 1** summarizes the relative technical assistance level of effort needed to carry out the actions of the Strategic Plan. The table also indicates which actions are fare policy-related and those that will require marketing resources to promote to customers. The funding strategy is to seek funds to support the implementation of the Strategic Plan through statewide public transportation grant programs. NVTC will help transit systems track regional cost estimates for enhancements.

**Table 1: NVTC Level of Effort per Action**

Action		NVTC Technical Assistance	Fare Policy Related	Marketing Related
<b>Immediate</b> (Through CY 2021)	<b>A</b> Continue Farebox State of Good Repair	○		
	<b>B</b> Support Immediate Mobile Payment Needs	◐		<b>X</b>
	<b>C</b> Facilitate Information Exchange on Installation of Bus Operator Safety Barriers	○		
<b>Near-Term</b> (Through-CY 2022)	<b>D</b> Coordinate and Support New Farebox Procurement and Implementation (Including Rear-Door Payment and All-Door Boarding)	◑	<b>X</b>	<b>X</b>
	<b>E</b> Coordinate and Support Procurement of Off-Board Fare Collection System	◑	<b>X</b>	
	<b>F</b> Coordinate and Support Fare Capping Implementation Analysis	◐	<b>X</b>	
	<b>G</b> Monitor Mobile Payment Trends	◐		
	<b>H</b> Coordinate, Support and Market New Fare Products and Programs	◐	<b>X</b>	<b>X</b>
<b>Long-Term</b> (Beyond CY 2022)	<b>I</b> Coordinate and Support Expansion of Retail Network	◐		<b>X</b>
	<b>J</b> Coordinate and Support Planning for Contactless Open Payments	◐	<b>X</b>	
	<b>K</b> Coordinate and Support Upgrades to WMATA's Back Office System	◐		
	<b>L</b> Coordinate and Support Integration of VRE with SmarTrip	◐	<b>X</b>	
	<b>M</b> Coordinate and Support SmarTrip App Enhancements	◐		<b>X</b>

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## 5. Progress and Impacts Since 2018

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NVTC implementation of the 2018 Strategic Plan resulted in significant progress by regional partners on fare collection. In addition, there have been major changes in the fare collection industry. Moreover, the COVID-19 public health emergency presented new challenges for fare collection and has shaped considerations for safe fare collection operations. This section provides an overview of changes necessitating an update to the strategic plan.

### 5.1 Regional Progress

Regional progress resulting from NVTC support outlined in the 2018 Strategic Plan includes the following:

- **Farebox state of good repair support:** NVTC provided input on WMATA's farebox driver control unit (DCU) upgrade project to ensure regional needs are met, coordinated orders and funding for hardware kits and provided input to WMATA's new farebox procurement. WMATA completed design and testing of the DCU upgrade project with support from several Virginia transit systems and several upgraded fareboxes have been put into production in Virginia. WMATA also initiated a procurement for new bus fareboxes for the region and incorporated several recommendations from NVTC and other regional partners to enhance the solicitation.
- **DASH Bus App:** DASH launched a pilot of mobile ticketing in June 2019. NVTC organized a mobile ticketing industry day in 2018, assisted DASH in preparing specifications that ensure the platform could serve regional needs and be used by other transit systems in the region, assisted in evaluating proposals and coordinated with DASH and WMATA on SmartBenefits integration.
- **VRE Mobile upgrade:** VRE replaced its mobile ticketing system. NVTC provided regional requirements to VRE that ensure the platform could be used other transit systems in the region if needed in the future.
- **Off-Board/All-Door Fare Collection Working Group:** NVTC facilitated quarterly coordination meetings of regional partners planning to implement off-board and all-door fare collection solutions.
- **WMATA Fare Payment Systems Vision and Strategy:** WMATA developed this strategy document to provide a roadmap for WMATA's fare payment systems upgrades and was developed with input from NVTC and regional partners.
- **SmarTrip App:** WMATA developed and launched the app and mobile wallet in September 2020, which enables payment using iPhone and Apple Watch via virtual SmarTrip cards, as well as mobile account management. NVTC and regional partners participated in demonstrations and testing.

## 5.2 Industry Progress

The fare collection industry has seen changes in technology, vendor business models, as well as preferences of customers, transit agencies and vendors since the 2018 Strategic Plan was approved. Fare collection equipment has evolved to accommodate the growing demand for electronic validation of mobile tickets, mobile payments and contactless credit/debit cards.

### 5.2.1 Farebox Technology

The next generation of fareboxes installed by several transit agencies across the country are being equipped with barcode and NFC readers. Mobile ticketing vendors are expanding from visual validation (showing the ticket to the bus operator) to hardware integration providing electronic validation on the vehicles. Alas, the pace of advancement of mobile ticketing systems has been slower than was anticipated several years ago and has not been as widely adopted as more conventional fare collection methods.

### 5.2.2 Account-Based and Open Payment Systems

Transit systems across the country are continuing to upgrade their fare collection back office software with a majority now moving to account-based systems. These systems support additional types of fare media and include features like fare capping, which can automatically upgrade customers to a pass product after they meet the fare payment equivalent of a daily, weekly or monthly pass. New back office systems are being designed on an open architecture to accommodate integration with other mobility providers and offer flexibility for the rapid changes in the industry. Several transit systems have leveraged NFC readers and upgraded central software to deploy open payments allowing fare payment by the tap of a contactless credit/debit card or mobile payment wallet such as Android or Apple pay.

### 5.2.3 Multipurpose Mobile Ticketing

In the area of mobile ticketing, there have been organizational restructuring and changes in business priorities with some new vendors entering the market. There is an increasing trend of combining mobile ticketing products with other mobility platforms, such as multimodal trip planning, that allow customers to plan their trip and pay their fares within a single app. Agencies are providing real-time information on their services through third-party apps like Transit App, Moovit and Google.

### 5.2.4 Lessons from Peer Regions

The industry review also included interviews with peers consisting of regional transit agencies or coordinating regional organizations similar to NVTC. Key takeaways from the interviews show benefits of regional collaboration that have also been experienced in Northern Virginia through NVTC's support. Some takeaways from the industry review include:

- Regional coordination of procurements reduce cost to allows transit agencies to obtain better pricing and benefit from economies of scale
- Regional coordination of fare collection improvements enhances customer convenience by providing a consistent experience across multiple transit systems

- Regional technical assistance allows local transit systems to focus their attention on their transit operations while keeping pace with fare collection improvements occurring in the region

The interviews also showed alignment of planned enhancements of the regional fare collection system with industry trends, including:

- Implementing mobile payments
- Analyzing impacts of customer adoption of mobile payments before implementing upgrades to more traditional fare collection hardware such as ticket vending machines
- Providing additional purchase channels to allow customers to buy from their preferred channel (e.g., via transit agency app, via third-party apps, online, at retail locations, at ticket vending machines)
- Upgrading to an account-based back office software

### 5.3 COVID-19 Public Health Emergency Impacts

Beginning in early 2020, the COVID-19 public health emergency presented new challenges for many aspects of public transit operation including fare collection. Many transit systems suspended fare collection during the public health emergency and implemented rear-door boarding for bus services to provide additional driver safety. Across the country, reduced revenues due to depressed ridership, paused fare collection, and reduced tax revenues, together with increased operating costs to protect workers and riders, are straining public transit agency budgets.

Operational challenges related to traditional fare collection revealed during COVID-19 include transit vehicle operator interaction with customers, customer interaction with shared fare collection equipment, manual requirements for cash handling by transit agency personnel and the need for flexible fare passes due to changing travel patterns. These factors have resulted in agencies pushing forward contactless fare collection and consideration of all-door fare payment.

While the public health emergency has created challenges, transit agencies have also been working on technology and policy innovation with new urgency. These include new fare technologies to provide rider confidence. As agencies are looking for solutions which make it safer for employees and for the rider to use transit with resumed fare collection, efforts have focused on installation of driver barriers. Agencies have placed greater consideration on technology and processes which would help reduce interaction of riders with fare equipment.

Locally, COVID-19 has also accelerated fare payment technology and innovation. For example, WMATA accelerated their planned SmarTrip mobile app for the iPhone and Apple Watch and released the new “touchless” payment capability in September 2020, with plans for Android and Google Pay within a few months thereafter. The effort involved WMATA and regional partners upgrading readers and validators. The new mobile app also offers the capability for riders to pay without interacting with ticket vending machines.



Additionally, most regional partners implemented rear door boarding during the crisis, which facilitated speeding up rear-door validation, another planned project. In the new farebox procurement, WMATA had planned to add capability for future rear-door validation. Due to the public health emergency, WMATA accelerated the procurement of rear-door validators by several months. Additionally, regional partners are installing driver barrier doors to reduce contact between operators and passengers.

VRE is also developing a new mobile payment app that will include passenger-counting features to inform riders about train car occupancy so they can board a less-crowded car.

NVTC support is required to implement each of these initiatives. This progress in the region and industry, as well as changes due to the public health emergency, highlight a need for an update of the Strategic Plan.

## 6. Assessment

NVTC will continually measure progress and report to the transit systems as the actions of the 2021 Strategic Plan are taken. It will be important to achieve the plan goals while remaining flexible to changes in needs, technology and funding availability. NVTC will assess progress based on how the overall purpose and need of the Strategic Plan is being addressed. **Table 3** illustrates the annual assessment and reporting cycle that NVTC will use with support from the transit systems and WMATA is as follows, beginning upon implementation of this plan:

**Table 3: Annual Assessment and Reporting Cycle**

Quarter:	1	2	3	4
<b>Provide a roadmap for advancing fare collection in the region</b> <ul style="list-style-type: none"> <li>Complete and adopt 2021 Strategic Plan (Year 1)</li> <li>Track actions from Strategic Plan</li> <li>Report progress on actions to Commission and transit systems every six months; reflect changes to needs, technology and resource needs</li> </ul>	●	Ongoing →		
<b>Provide input into WMATA fare collection modernization initiatives</b> <ul style="list-style-type: none"> <li>Document and report quarterly to transit systems on coordination efforts with WMATA</li> </ul>	●	●	●	●
<b>Replace or upgrade the system as components near end of life</b> <ul style="list-style-type: none"> <li>Gather input from each transit systems quarterly on completed replacements and upgrades; document schedule to reflect changes to needs, technology and funding</li> </ul>	●	●	●	●
<b>Keep pace with customer expectations</b> <ul style="list-style-type: none"> <li>Monitor customer feedback gathered by transit systems</li> </ul>	Ongoing →			
<b>Keep pace with changing technology</b> <ul style="list-style-type: none"> <li>Attend relevant industry conferences and report on findings</li> <li>Produce best practice research, as needed, to reflect changes in technology</li> </ul>	Ongoing →			
	Ongoing →			

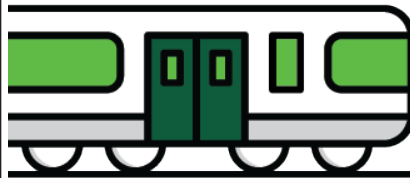
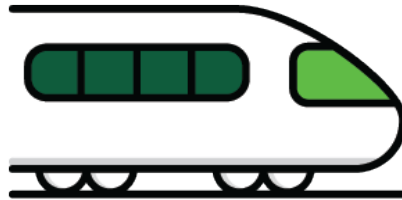


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### **Zero-Fare Transit:**

Public transit funded in full by means other than collecting fares from passengers (may also be called Fare-Free or Fareless).

### **Reduced-Fare Transit:**

Special programs providing particular passengers with discounted fare options for public transit.

# Zero-Fare and Reduced-Fare Options for Northern Virginia Transit Providers

## Key Research Findings:

- Northern Virginia's unique transit environment provides both opportunities and challenges for new fare programs
- Eliminating fares can grow ridership
- Reduced-fare programs may result in a net cost increase
- Funding is available to help establish these types of fare programs, but long-term sustainable revenue replacement sources are needed
- Zero- and reduced-fare programs are already underway in Virginia

Read full report here:

[novatransit.org/programs/transit-technology](https://novatransit.org/programs/transit-technology)





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# NVTC 2021 White Paper Zero-Fare and Reduced-Fare Options for Northern Virginia Transit Providers

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## Executive Summary

The purpose of this white paper is to provide Commissioners and Northern Virginia’s bus system decision-makers with policy and technical considerations for zero-fare and reduced-fare transit service. It provides a high-level overview of the options and topics to consider when evaluating new potential fare programs that eliminate or reduce fares. Further analysis may be needed beyond this informational white paper to make policy decisions.

Following comments and questions from NVTC Commissioners, NVTC staff commenced work on a white paper examining a wide variety of zero-fare or reduced-fare transit options. The result is this document, which serves as both a policy and technical resource for decision makers regarding zero-fare or reduced-fare transit opportunities and challenges.

Its purpose is to provide a high-level overview of the options and topics to consider when evaluating zero or reduced fares for a community’s transit system.

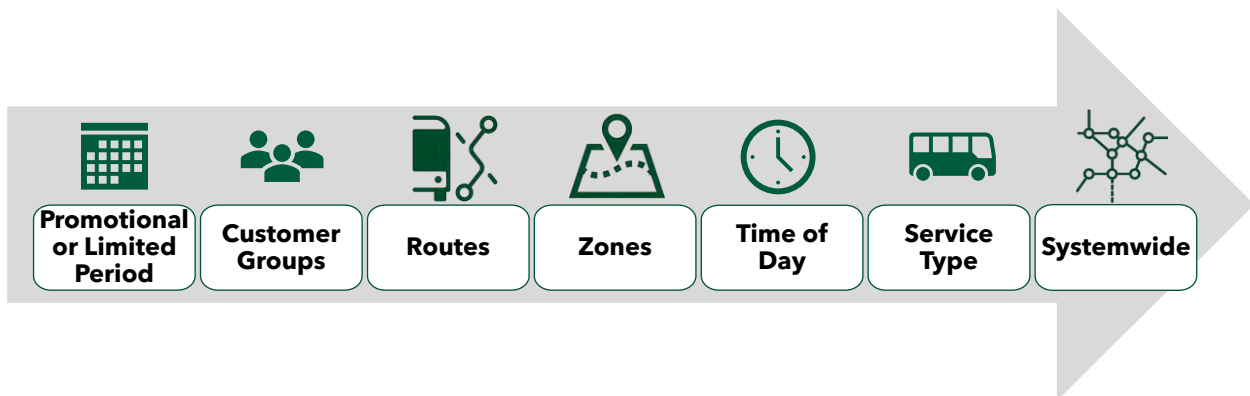
Nationally, momentum and interest has been building for zero- or reduced-fare transit, particularly after temporary fare elimination was put into practice as part of the COVID-19 pandemic response. Even prior to the pandemic, there are examples of transit systems around the U.S. and internationally eliminating or reducing fares.

Transit systems around the U.S. and internationally that have eliminated or reduced fares have prioritized investing in transit as a tool that enhances overall community benefits over associated cost challenges. Zero- and reduced-fare options ultimately rely on community support and political willingness.

### Zero-Fare and Reduced-Fare Implementation Options

The following figure shows the continuum of common implementation options. These are not mutually exclusive, and a transit system could implement multiple options together. Either zero- or reduced-fare policies could be developed for each option as well.

*Figure 1: Continuum of Implementation Options*





The following are key observations from the white paper:

- **Northern Virginia’s unique transit environment provides both opportunities and challenges for new fare programs.** Local bus providers operate alongside the Metrobus and Metrorail regional transit system, which raises the importance of considering regional impacts when planning fare programs. There are several examples of transit systems across the U.S. that have eliminated fares, but none are direct peers to the Northern Virginia environment.
- **Eliminating fares can grow ridership.** Transit systems that have done so have seen ridership increase between 20% and 85%. U.S. examples have not shown strong evidence on mode shift from automobiles to transit, but this is highly dependent on local factors.
- **Reduced-fare programs may result in a net cost increase.** Additional expenses may be due to extra program administration costs.
- **Full systemwide zero-fare options may reduce fare collection costs, but other expenses may increase.** Increased system usage or potential service adjustments can add costs.
- **Funding is available to help establish these types of fare programs, but long-term sustainable revenue replacement sources are needed.** Virginia’s Transit Ridership Incentive Program (TRIP) is one funding source available to Northern Virginia transit operators. However, the TRIP program and similar types of grant programs are typically designed for fixed time periods.
- **Zero- and reduced-fare programs are already underway in Virginia.** The Alexandria Transit Company (DASH) will eliminate fares for all customers in September 2021 alongside a major network change. OmniRide has eliminated local bus fares through June 2022, as has the Greater Richmond Transit Company (GRTC)—a prominent Virginia advocate for zero-fare policies.
- **Northern Virginia transit operators have expressed desire to consider eliminating or reducing fares for improved accessibility, increased ridership, and other community benefits.**

## 1. Introduction

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### Purpose of Effort

While the COVID-19 pandemic required transit systems to quickly adapt their day-to-day fare collection practices, it also created an opportunity to fundamentally reexamine fare collection policy and practices. Most transit systems temporarily eliminated fares for a portion of the pandemic as a safety measure, but there are several examples of transit systems across the country considering, testing, or implementing zero-fare transit service even prior to 2020. Reduced fares are also commonplace with traditional programs like reduced fares for people with disabilities, seniors, children, and students. Many transit systems are currently examining whether and how zero-fare or reduced-fare transit programs can be expanded as a tool to promote mobility, reduce a barrier to using transit, boost ridership, and achieve other community goals.

#### Definitions

**Zero-Fare Transit:** Public transit funded in full by means other than collecting fares from passengers (may also be called Fare-Free or Fareless)

**Reduced-Fare Transit:** Special programs providing particular passengers with discounted fare options for public transit

Following several comments and questions presented by NVTC Commissioners, NVTC staff commenced work on a white paper examining a wide variety of zero-fare or reduced-fare transit options. The result is this document, which serves as both a policy and technical resource for decision makers regarding the opportunities and challenges related to zero-fare or reduced-fare transit.

This white paper is not intended be a detailed step-by-step guide to eliminating fares for Northern Virginia transit services nor define how every consideration should be handled. Its purpose is to provide a high-level overview of the options and topics to consider when evaluating zero or reduced fares for locally operated, fixed route bus transit systems.

### Overview

The white paper is organized as follows:

1. **Introduction:** overview and purpose of the white paper
2. **Options and Key Considerations:** definition of the continuum of implementation options and key opportunities and challenges to consider
3. **Existing Conditions in Northern Virginia:** status of fare collection in Northern Virginia and recent or upcoming initiatives
4. **United States and International Examples:** summary of the case studies and research used to inform the white paper
5. **Conclusion:** summary of opportunities, challenges, implementation considerations
6. **Commissioner Questions and Feedback:** summary of comments and questions received from Commissions at the July 2021 Commission meeting

## Northern Virginia Transit Systems

NVTC recognizes the complexity of the Northern Virginia transit environment with local bus service provided by multiple transit operators alongside the regional authority, WMATA, which provides Metrorail, Metrobus, and MetroAccess services. While the white paper may be valuable for any transit system, its development was focused on considerations for local bus service in NVTC's member jurisdictions in addition to Prince William County which includes:

- Arlington Transit (ART)
- City of Fairfax City-University Energysaver (CUE)
- Alexandria Transit Company DASH
- Fairfax (County) Connector
- Loudoun County Transit
- OmniRide

## 2. Options and Key Considerations

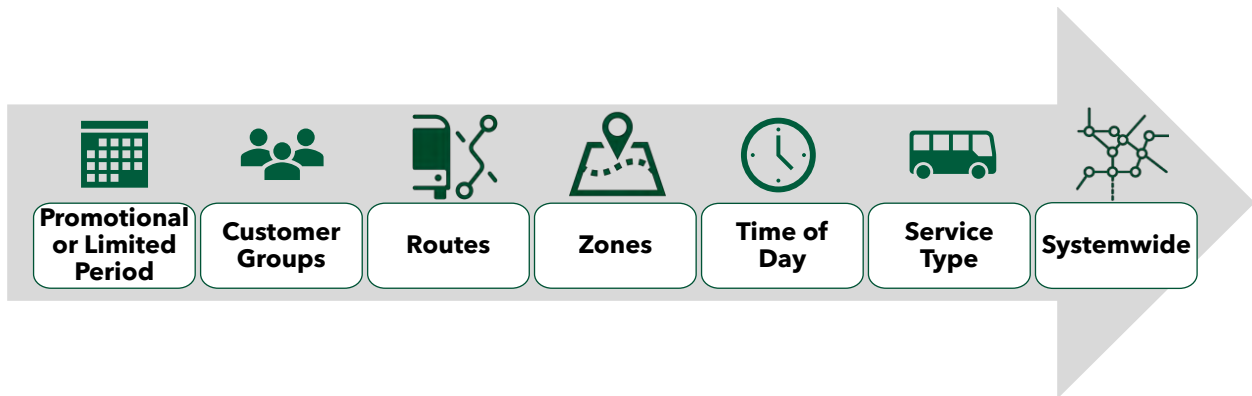
There are several implementation options, opportunities, and challenges to consider when evaluating zero-fare or reduced-fare transit. This section describes the continuum of options across the following four main categories of opportunities and challenges—all based on industry examples:

1. Community Benefits and Access to Transit
2. Ridership
3. Transit Service Delivery
4. Cost and Revenue


### Zero-Fare or Reduced-Fare Implementation Options

**Figure 2** shows the most common implementation options for reduced fare transit ranging from limited scope on the left to the broadest scope on the right. The options are not mutually exclusive, and a transit system could implement multiple options together. Either zero- or reduced-fare policies could be developed for each option as well.

*Figure 2: Continuum of Implementation Options*



The following describes each of the implementation options, along with examples:

 <b>Promotional or Limited Time Period</b>	
<b>Description</b>	Zero- or reduced-fare rides during a pre-defined limited time period to promote a behavior shift towards public transit.
<b>Examples</b>	Free Ride Days, promotional period when launching new service





## Customer Groups

<b>Description</b>	<p>Zero- or reduced-fare programs for customers that meet eligibility requirements such as low income; age (seniors, children); persons with disabilities; K-12 students; university students, faculty and staff; or employees of a specific organization or employer.</p> <p>U.S. transit systems that receive federal funding are required to offer, at minimum, half fares to the older adults and people with disabilities during off-peak travel. WMATA Metrobus is the only local bus service operating in Northern Virginia that accepts federal funding. A summary of their reduced fare programs can be found <a href="#">here</a>.</p> <p>Programs have associated administrative costs to accept participants, issue fare cards or passes as applicable, and verify eligibility.</p> <p>Low-income or mean-based reduced-fare programs in the U.S. typically require individuals to have incomes of no more than 150% to 200% of the federal poverty line to qualify.</p>
<b>Examples</b>	Fairfax County and Fairfax City Student Bus Pass Program (Fairfax, VA), Kids Ride Free Program (Washington, D.C.); TriMet Low-Income Honored Citizen program (Portland, OR); LA Metro Low-Income Fare is Easy (LIFE) program (Los Angeles, CA); LA Metro zero-fare pilot program for low-income, K-12, and community college students (Los Angeles, CA)



## Routes

<b>Description</b>	Zero- or reduced-fare rides on specific routes in the transit system. Routes often serve a specialized purpose such as tourism, downtown circulation, or an employment area / specific employer.
<b>Examples</b>	King Street Trolley (Alexandria, VA), Leesburg Safe-T-Ride (Leesburg, VA), Merrimack Valley Regional Transit Authority—three zero-fare downtown routes (Lawrence, MA)



## Zones

<b>Description</b>	Zero-fare rides for customers that travel within a predefined geography or zone. Enforcement is needed to verify customers entering or exiting the zone pay fares.
<b>Examples</b>	UTA Free Fare Zone (Salt Lake City, UT), King County Metro Ride Free Area (Seattle, WA; discontinued in 2012), Portland Fareless Square (Portland, OR; discontinued in 2012).



## Time of Day

<b>Description</b>	Zero- or reduced-fare rides at defined times of the day such as off-peak or weekend when there is available capacity. This option can be used to incentivize travel during less congested times and provide benefits to non-commuter trips.
<b>Examples</b>	CTransit Weekend Wheels zero-fare local bus service during summer 2021 (CT), zero-fare off-peak service (Mercer County, NJ; historical test in 1979)



## Service Type

<b>Description</b>	Zero- or reduced-fare rides on subsystem transit modes such as local circulators, light rail/streetcar, or local bus but not premium services.
<b>Examples</b>	Charm City Circulator (Baltimore, MD), DC Streetcar (Washington, D.C.)



## Systemwide

<b>Description</b>	Zero-fare rides on all transit services in the system.
<b>Examples</b>	DASH (Alexandria, VA; planned for September 2021), OmniRide local services (FY 2022), Intercity Transit (Olympia, WA), Corvallis Transit (Corvallis, OR), Park City Transit (Park City, UT).

### *Other Emerging Ideas*

There may be implementation options and new ideas that do not fit within those outlined above. These could include other transit benefits, loyalty, rewards or fare programs. NVTTC and Northern Virginia transit systems should monitor emerging concepts in the industry.

## Opportunities and Challenges

Based on the experiences of transit systems that have adopted zero-fare and reduced-fare options, each approach offers opportunities and challenges. Opportunities include improving access, ridership growth, improved transit performance, and sustainability goals. Challenges include additional costs, identifying funding to replace lost fare revenue, and day-to-day operational logistics, all of which require advanced consideration and planning.

Opportunities and challenges for zero-fare and reduced-fare programs will vary by transit system, so additional evaluation may be needed to determine the best option(s) for each transit provider.

The primary opportunities and challenges related to zero-fare and reduced-fare options are discussed in this section and categorized by their associated improvement goal or factor. Overall, opportunities and challenges do not represent standalone reasons for adopting or dismissing zero-fare or reduced-fare options, but instead are intended as topics transit systems should consider when determining fare options. These will vary by transit system so additional evaluation may be needed.

### *Community Benefits and Access to Transit*

#### Opportunities

- **Transit Access:** Zero-fare options, which do not require direct user payment, allow transit service to be equally available to everyone, regardless of ability to pay. Reduced-fare programs also enhance transit access by lowering fares and allowing more individuals access to services, especially when oriented toward vulnerable communities. In general, these options reduce the cost-related barriers that prevent all community members from being able to access transit.
- **Access to Jobs and Services:** By enhancing access, zero-fare and reduced-fare options enable more individuals to access employment opportunities, health care, social services, shopping opportunities, and other essential resources.
- **Livability:** Both zero-fare and reduced-fare options can potentially enhance community livability and economic sustainability through the elimination of barriers to transit. Specifically, a community's livability is enhanced when it offers more mobility options to its population, improving the quality of life and overall attractiveness of a community. These factors then support economic sustainability by helping the community become a more attractive place to do business, with a more mobile and accessible workforce. Furthermore, by enhancing transit access and potentially encouraging a mode shift away from personal vehicles to transit, zero-fare and reduced-fare applications could work to reduce emissions and support a community's sustainability goals.
- **Support for Local Economies:** By reducing or eliminating individuals' transportation costs, zero-fare and reduced-fare options help keep money in people's pockets. This allows more people around a community to have income available to spend on day-to-

day needs as well as in local businesses and institutions; therefore, enhancing local economies with newly accessible funds.

## Challenges

- **Safety and Security:** Providing increased or unlimited transit access for all individuals has the potential to cause safety and security issues related to passengers riding buses for long periods without a specific destination and causing disturbances for other riders. Therefore, when considering the adoption of zero-fare or reduced-fare options, transit systems may want to also consider operator training practices, ongoing collaboration with transit public safety agencies, and adopting policies that require customers to have a destination or limiting trip length.
- **Mode Shift:** While zero-fare and reduced-fare options tend to increase transit ridership, they are not always effective at getting people out of their automobiles. According to analyses of zero-fare applications enacted in the past, including those in Denver and Austin, only small percentages of added transit trips experienced were made by riders who switched from using their car or another motorized transportation mode. The new transit trips were made by individuals who formerly walked, rode their bike, or would not have made the trip at all. Furthermore, the Transit Cooperative Research Program's (TCRP's) "Implementation and Outcomes of Fare Free Transit" study states that ridership increases and mode shift rates because of zero-fare implementation depends widely on various local factors, including transit availability and driving conditions<sup>1</sup>. Transit systems may want to consider accompanying their introduction of zero- or reduced-fare programs with strategies to encourage mode shift, such as marketing campaigns or other targeted approaches.
- **Eligibility Limits:** Reduced-fare programs, specifically, are sometimes based on individual eligibility. For example, transit systems may offer reduced fares only to individuals who can prove that they are under a certain income level or are over a specific age. Depending upon the requirements and the complications of the qualification process, reduced-fare programs of this type may inadvertently introduce an added barrier to accessing transit and would dissuade individuals from participating in these programs at all. Identifying eligible population groups also introduces risks of bias and stigmatizing beneficiaries. Many transit systems that have targeted reduced-fare programs determine eligibility using existing processes or methods to simplify eligibility for both the customer and transit system.
- **Transfers:** Customers who currently receive a discount when transferring between two services may not benefit if only one of those transit systems implements zero fares. Unless alternate transfer agreements are made, (which could incur operating costs) these customers may see the same price for their overall trip even though one leg of

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<sup>1</sup> <http://www.trb.org/Publications/Blurbs/167498.aspx>



their overall trip is zero cost. Since Northern Virginia is served by multiple transit providers, customers transferring between a zero-fare bus and fare-charging systems would not receive the same financial benefits. This potential complication would also affect customers that receive tax-free employer commuter benefits through the SmartBenefits program, who would have less of a direct financial benefit from a zero-fare system. Customers traveling solely on the zero-fare transit system would receive the most financial benefit.

- **Overlapping Service:** In corridors with overlapping service provided by separate operators with differing fare policies, customers may face confusion or varied levels of transit access. For example, if two transit providers operate bus service on the same corridor, but only one has eliminated fares, the zero-fare service could be overutilized while the fare-charging service is underutilized. This could potentially result in longer wait or travel times for customers. In Northern Virginia, these cases could arise along corridors across the region on which Metrobus routes overlap existing service provided by local operators. Collaboration between overlapping transit systems in advance of fare policy changes could help define strategies for service optimization that benefits both the zero-fare and fare-charging systems, including coordinated service planning, clearer definition of the role and purpose of both services, and targeted messaging that explains reasons for using one service versus another.

## *Ridership*

### Opportunities

- **Ridership Impacts:** Under typical operating conditions characterized by a normal public health environment, the introduction of zero-fare or reduced-fare options almost always leads to increased ridership. Prior to the pandemic, transit systems that launched zero-fare programs, even if only temporarily, experienced ridership increases from 20% to as high as 85%. While transit systems tended to see the biggest increases upon program launch, which was usually accompanied by targeted marketing efforts, they were often able to sustain at least somewhat higher ridership levels over the long-term.
- **Ridership Recovery:** Offering zero- or reduced-fare options is one tool transit systems have to recover lost ridership after significant disruptions such as the COVID-19 pandemic or major transit capital projects that disrupt regular service.

### Challenges

- **Operational Needs Associated with Increased Ridership:** Before launching zero- or reduced-fare options, transit systems should anticipate higher ridership and prepare for the operational adjustments that may be required based on higher levels of use. For example, if ridership grows enough, routes may serve more stops along each run which affects travel times and reliability. Higher ridership may also require a larger fleet to serve demand. Transit systems that anticipate these higher usage levels and prepare

for service adjustments or added costs are best equipped to accommodate the added ridership.

### *Transit Service Delivery*

#### Opportunities

- **Travel Times and Reliability:** Zero-fare and reduced-fare options have the potential to reduce transit travel times and enhance on-time performance by reducing boarding times at stops. For zero-fare options, fare collection is no longer necessary, removing the need for riders to queue to pay fares while boarding buses. While reduced-fare programs do not eliminate the need for fare collection, they do reduce the need among certain rider groups, allowing some riders to board buses more quickly. Overall, with either shorter or nonexistent queues for fare payment, the boarding process can be quicker, which can reduce delays at stops, improve on-time performance, and enhance travel times. These improvements can be boosted even further with all-door boarding, often introduced along with zero-fare options, which enables riders to enter vehicles through all doors, reduces queueing at the front door, making the boarding process more efficient.
- **Operator Safety:** With elimination of the fare payment process for zero-fare options, customers will largely no longer have fare-related questions and disputes to negotiate with bus operators upon boarding; a common reason for operator/customer conflict. This allows operators not only to stay on schedule more easily, but to also focus on delivering quality service in a more secure driving environment.

#### Challenges

- **Service Schedule:** Service schedules may need to be adjusted to respond to operating conditions that may result from zero- or reduced-fare options—for example, faster travel times due to reduced boarding times or slower service due to higher ridership. In some cases, transit systems that implemented zero-fare or reduced-fare options found that operators were reporting greater difficulty in adhering to schedules. If transit systems are not prepared to make schedule changes, reliability could sharply decline and deter customer use. When eliminating or reducing fares, transit systems should anticipate the potential need for schedule revisions.

### *Cost and Revenue*

#### Opportunities

- **Fare Collection Costs:** For zero-fare options, some costs related to fare collection may no longer be required. These include:
  - Capital costs for fareboxes and garage equipment, as well as future replacement costs related to technology updates
  - Fare collection system operating and maintenance costs

- SmarTrip regional operating costs
- Fare policy planning costs related to staff time devoted to analyzing and implementing fare changes
- Public communications costs related to disseminating fare information
- **Average Subsidy per Passenger:** For zero-fare options, higher ridership levels can mean a decrease in overall average subsidy per passenger, even though fare revenue would no longer be collected and the total cost and subsidy related to operating transit could increase.
- **Additional Funding:** Where transit system funding allocations are based on ridership levels, increased ridership resulting from fare elimination or reduction options could generate additional funding. The Virginia Department of Rail and Public Transportation (DRPT) allocates operating assistance funds based on a performance-based methodology that is partially based on ridership<sup>2</sup>.

## Challenges

- **With Zero-Fare, a Lost Revenue Source:** When fares are eliminated, the revenue that transit systems generate from fares is also eliminated, although this is often a smaller part of overall revenue. This includes the revenue generated through the SmartBenefits program. Cost savings from fare collection elimination may also be offset by increased operating costs. Transit systems should compare the revenue they generate from fares with the costs spent on fare collection to determine if the full loss of a revenue source is sustainable by alternate funding sources.
- **With Reduced-Fare, a Potential Cost Increase:** Since reduced-fare options do not eliminate the need for fare collection, costs for fare collection activities remain after the introduction of these programs. Furthermore, reduced-fare options, which may involve different fare levels for different rider types based on age, income level, etc., may require added administration costs, and could result in a net cost increase for transit systems. Transit systems can leverage existing processes or methods of proving eligibility to minimize administration costs.
- **Technology Costs:** In some cases, fare elimination or reduction programs could have impacts on a transit system's technology costs. For example, some transit systems collect ridership statistics using farebox data. When considering these options, transit systems should consider the impacts that fare collection systems have on other technologies, and anticipate potential costs related to technologies, such as automatic passenger counters (APCs). Alternatively, for temporary zero-fare programs, such as a pilot project, fareboxes would likely remain in place and would have to continue to be maintained. When fareboxes are removed in zero-fare programs, alternative data collection methods should be identified.

<sup>2</sup> <http://www.drpt.virginia.gov/transit/merit/operating-and-capital-assistance/>

- **Long-Term Financial Sustainability:** When identifying alternate funding sources to address the revenue loss associated with eliminating or reducing fares, transit systems should consider each source’s long-term sustainability and availability. Transit systems that have reduced or eliminated fares have utilized a variety of alternative funding sources, including:
  - State assistance
  - Local general funds
  - Regional funds
  - Federal funds
  - Private partnerships—hospitals, businesses, non-profits, colleges, and universities

## Business Case Considerations for Zero-Fare or Reduced-Fare Transit

The case for zero- or reduced-fare transit varies from community-to-community depending on its goals, the type of program under consideration, and community characteristics.

The goals and objectives of the Northern Virginia transit systems documented in recent Transit Development Plans (TDP) or Transit Strategic Plans (TSP) reveal some common themes. These can potentially be supported by zero- or reduced-fare options, or they could be in conflict. **Table 1** summarizes common themes related to fare collection, the majority of which could be supported by zero- or reduced-fare options.

*Table 1: Common Transit System Goals*

Goal Themes	Potential Impacts of Zero-Fare or Reduced-Fare Options
<b>Accessibility</b>	Supportive
<b>Affordability for Customer</b>	Supportive
<b>Cost-Effectiveness and Fiscal Sustainability</b>	Potential Challenge
<b>Minimize Single-Occupancy Vehicle (SOV) Travel</b>	Supportive
<b>Ridership Growth</b>	Supportive
<b>Quality of Life</b>	Supportive
<b>User Friendliness</b>	Supportive

The opportunities and challenges identified earlier in this section should be evaluated and, where possible, quantified by a transit system when determining its business case.



The following set of prompting questions, categorized by improvement goal or factor, can assist in determining a business case:

### *Community Benefits and Access to Transit*

1. Who is riding transit in your community, and who stands to benefit most from zero-fare and reduced-fare options?
2. How do residents select a transportation mode? Is cost keeping people away from using transit?
3. What do local communities and economies stand to gain with eliminated or reduced transit fares?
4. Overall, what are the short-term and long-term benefits that zero-fare and reduced-fare options may provide to your community?

### *Ridership*

1. Is ridership growth a priority for the transit system implementing zero- or reduced-fare options?
2. To what extent can your transit system accommodate increased ridership without requiring substantial added investment in vehicles, maintenance, etc.?

### *Transit Service Delivery*

1. How does Northern Virginia's mobility environment lend itself to zero-fare or reduced-fare options, especially in consideration of transit reliability issues?
2. To reduce queueing and dwell times at stops after fare collection is eliminated, how easily can your transit system accommodate all-door boarding with sufficient space at stops to allow front and rear-door boarding and with updated information to inform customers about this new practice?
3. Can your transit system make schedule adjustments when needed, based on new mobility conditions?

### *Cost and Revenue*

1. For zero-fare options, to what extent does the removal of fare collection costs offset the loss of revenue associated with the elimination of fares?
2. What overall effects will zero-fare or reduced-fare options have on funding, such as access to additional funding through increased ridership levels?
3. Are sustainable long-term funding sources available to help replace the loss of revenue associated with reduced or eliminated fares?
4. How would zero-fare affect regional transfer agreements, as well as the revenue flow associated with them?
5. What impacts will reducing or eliminating fares have on technology costs and capabilities?

### 3. Existing Conditions in Northern Virginia

#### Northern Virginia’s Post-COVID-19 Mobility Environment

Shortly after the onset of the pandemic in the Spring of 2020, most transit systems in Northern Virginia, as well as nationwide, eliminated fares as a way of enhancing access to transit while reducing the surface/human-to-human contact and crowding issues associated with on-board fare payment. Transit systems’ recent experimentation with operating without fares for an extended period, accompanied by a newfound need for ridership recovery, has spurred serious consideration of long-term or permanent fare elimination.

The pandemic has altered the mobility needs of major segments of the region’s population. For instance, many office workers are still working from home, and have less need for the traditional weekday morning and evening commute. The individuals who do continue to ride transit are most often essential workers and others who may not have easy access to other forms of transportation and whose mobility needs are more widely varied.

By eliminating or reducing fares, transit access is broadened to a wider spectrum of customers and benefits those who have few transportation options and count on transit for daily commuting, shopping, medical services and other community access.

#### Status of Fare Collection in Northern Virginia

Historically, the Northern Virginia local bus systems (ART, DASH, Fairfax Connector, CUE, Loudoun County Transit, and OmniRide) have collected fares through the regional SmarTrip system managed by WMATA. SmarTrip, deployed by WMATA in 1999 and joined by the Northern Virginia bus systems between 2006 and 2008, is a smart card-based fare collection system that also supports cash payment on buses via the farebox. During the onset of the COVID-19 pandemic in 2020, the majority of bus systems temporarily eliminated fares both as a safety measure and to allow customers to board through the rear door instead of the front door where the farebox is. In 2021, fares were reinstated on most services as summarized in **Table 2**.

*Table 2: Status of Northern Virginia Fare Collection During COVID-19 Pandemic*

Bus System	Elimination of Fares	Resumption of Fares (status as of September 2021)
<b>Arlington Transit</b>	April 17, 2020	January 3, 2021
<b>Alexandria DASH</b>	March 20, 2020	March 15, 2021
<b>Fairfax County Connector</b>	March 24, 2020	January 4, 2021
<b>Fairfax City CUE</b>	March 19, 2020	N/A
<b>Loudoun County Transit</b>	March 30, 2020	May 3, 2021
<b>OmniRide</b>	March 25, 2020 (local and Metro Express)*	Local and Metro Express service zero-fare through June 2022*
<b>Metrobus</b>	March 23, 2020	January 3, 2021

\*OmniRide continued fare collection on commuter service using SmarTrip only and no cash

While there is some variability in local bus fare programs and levels from system to system, SmarTrip provides payment consistency across the region and is the mechanism for offering regional bus-to-bus, bus-to-rail, and rail-to-bus transfer discounts to customers. The number of transferring customers is an important consideration for zero-fare or reduced-fare options, because transferring customers may not receive the same financial benefits as non-transferring customers. This is because many of the transit systems in the region have transfer agreements that effectively provide free transfers to their customers even when transferring between two systems. **Table 3** shows the percentage of SmartTrip transactions the involved a transfer for each transit system in October 2019. ART, DASH, Fairfax Connector, and CUE all had over half of their SmarTrip transactions involve a transfer.

*Table 3: Transfer Rate for SmarTrip Users (October 2019)*

Transit System	SmarTrip-Based Ridership Transferring Between Transit System and the Following:				Total Transferring
	Same Operator	Metrobus	Metrorail	Other Regional Operator	
<b>Arlington Transit</b>	6%	17%	25%	7%	<b>55%</b>
<b>Alexandria DASH</b>	7%	13%	28%	10%	<b>58%</b>
<b>Fairfax County Connector</b>	11%	8%	35%	13%	<b>67%</b>
<b>Fairfax City CUE</b>	6%	9%	37%	14%	<b>66%</b>
<b>Loudoun County Transit</b>	<1%	<1%	<1%	<1%	<b>1%</b>
<b>OmniRide</b>	3%	1%	7%	5%	<b>17%</b>

*Source: WMATA*

*SmarTrip transactions only; excludes ridership recorded from cash transactions and farebox button presses.*

*One transfer is counted for each system in the data above. For example, a transfer from Fairfax County Connector to Fairfax City CUE is considered a transfer for both systems.*

Additionally, all Northern Virginia systems currently have some form of zero- or reduced-fare programs for eligible customer groups, as summarized in **Table 4**. Program administration and eligibility requirements vary between systems.

Table 4: Summary of Existing Zero- or Reduced-Fare Programs in Northern Virginia

Fare Program	Arlington Transit	Alexandria DASH <sup>1</sup>	Fairfax County Connector	Fairfax City CUE <sup>2</sup>	Loudoun County Transit	OmniRide <sup>3</sup>	Virginia Railway Express	Metrobus
<input checked="" type="radio"/> Reduced Fare <input type="radio"/> Zero Fare								
<b>Seniors</b>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
<b>Persons with Disabilities</b>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
<b>K-12 Students</b>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>				<input type="radio"/>
<b>Children</b>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
<b>Select Routes</b>		<input type="radio"/>			<input type="radio"/>			
<b>Select Employers</b>	<input type="radio"/>	<input type="radio"/>						
<b>Select University Students, Faculty or Staff</b>				<input type="radio"/>	<input type="radio"/>			<input checked="" type="radio"/>

<sup>1</sup>DASH will provide zero-fare rides on all buses starting September 5, 2021

<sup>2</sup>CUE remained zero-fare at the time of this white paper

<sup>3</sup>OmniRide remained zero-fare on local and Metro Express services at the time of this white paper

In 2020, WMATA initiated its multi-year Next Generation Bus Farebox System project that will replace the aging fleet of fareboxes and related garage equipment for Metrobus and participating regional bus systems. The new fareboxes will still offer SmarTrip and cash payments but will modernize the technology and support rear-door SmarTrip transactions. Not all regional bus systems will be required to replace fareboxes at the same time, and it is anticipated that transition will occur over time based on local needs, priorities, and available funding. Given that new fareboxes are a significant investment, the cost and timing of these replacements are important factors for Northern Virginia systems to consider as they evaluate future fare collection plans and programs. Capital costs of the new technology is estimated at approximately \$160,000 per garage and \$30,000 to \$45,000 per bus farebox depending on features and order timing. If all six Northern Virginia local bus operators replaced equipment for their entire systems, this would require \$35 million to \$45 million in capital investment. WMATA’s project is timely and important to the region because fareboxes will still be required for many zero- or reduced-fare implementation options and for bus systems that continue

Replacing all the bus fareboxes in Northern Virginia would cost \$35 million to \$45 million.



collecting fares. In addition to the farebox project, WMATA has plans for other SmarTrip and SmartBenefits upgrades in the future, including back-office upgrades that could enable acceptance of new forms of payment such as contactless bank cards.

In 2019, Northern Virginia local bus systems collected approximately \$21 million in fare revenue, approximately 23% of operating costs.

**Table 5** shows 2019 operating expenses, fare revenues, and farebox recovery of Northern Virginia transit systems as reported to the National Transit Database (NTD). Typical farebox recovery, or the amount of annual operating expenses covered by fare revenue, ranged from 4% to 27% for local bus services. This equates to approximately \$21 million in annual fare revenue excluding commuter bus and Metrobus. Commuter bus services of Loudoun County Transit and OmniRide had significantly higher recoveries of 73% and 60%, respectively. This data represents an order-of-magnitude of the revenue replacement needs if fares are eliminated not accounting for any potential increases in operating expenses. It is important to note that this latest-published NTD data is prior to cost and revenue impacts of COVID-19, and current farebox revenues and recoveries are lower than in 2019.

Table 5: 2019 Transit System Farebox Recovery

Transit System	Mode	Operating Expenses (2019)	Fare Revenue (2019)	Farebox Recovery (2019)
<b>Arlington Transit</b>	Bus	\$14,893,708	\$3,659,929	<b>25%</b>
<b>Alexandria DASH</b>	Bus	\$19,888,055	\$4,255,954	<b>21%</b>
<b>Fairfax County Connector</b>	Bus	\$85,469,022	\$10,908,090	<b>13%</b>
<b>Fairfax City CUE</b>	Bus	\$4,208,277	\$1,128,298 <sup>1</sup>	<b>27%</b>
<b>Loudoun County Transit</b>	Bus	\$4,524,862	\$197,254	<b>4%</b>
	Commuter Bus	\$12,894,969	\$9,395,270	<b>73%</b>
	All	\$17,419,831	\$9,592,524	<b>55%</b>
<b>OmniRide</b>	Bus	\$15,807,559	\$742,295	<b>5%</b>
	Commuter Bus	\$17,514,811	\$10,493,227	<b>60%</b>
	All	\$33,322,370	\$11,235,522	<b>34%</b>
<b>All Transit Systems Above (excluding Metrobus)</b>	Bus	\$144,791,483	\$20,891,820	<b>14%</b>
	Commuter Bus	\$30,409,780	\$19,888,497	<b>65%</b>
	All	\$175,201,263	\$40,780,317	<b>23%</b>
<b>Metrobus</b>	Bus	\$731,946,008	\$124,011,141	<b>17%</b>

<sup>1</sup>Inclusive of contribution from George Mason University

Source: 2019 National Transit Database

## State, Local and National Initiatives

This section provides an overview of several recent or ongoing initiatives related to zero or reduced transit fares in Virginia, the Washington D.C. region, and nationally.

### *Virginia Department of Rail and Public Transportation*

DRPT administers Transit Ridership Incentive Program (TRIP), a new statewide grant program created by the 2020 General Assembly session. The program dedicates funding to improving regional connectivity in urban areas and reducing barriers to transit use by supporting low-income and zero-fare programs. The latter portion of the program focus on the following eligible projects:

- The provision of subsidized or fully free passes to low-income populations
- The elimination of fares on high-capacity corridors, establishing zero-fare zones
- The deployment of an entirely zero-fare system

Project applications can be up to a maximum of three years, and it is anticipated that the state's contribution would decrease and the local share would increase as the project progresses. More information on the program is available from DRPT<sup>3</sup>.

### *City of Alexandria*

In April 2021, the City of Alexandria, in partnership with the Metropolitan Washington Council of Governments (MWCOCG), completed a study to understand options and impacts of making transit more affordable for low-income residents. The study found that zero fares for all DASH riders would be the most beneficial scenario compared with two other options that would either provide zero fares or half-price fares and passes for only low-income residents on DASH and WMATA services. The study led to Alexandria City Council approving its FY 2022 budget which funds the elimination of DASH bus system fares, starting September 5, 2021.

### *Washington, D.C.*

The Government of the District of Columbia started planning for a low-income fare pilot program in 2019, but the pilot was delayed due to the COVID-19 pandemic<sup>4</sup>. The pilot will be a collaborative effort between the Lab @ DC, District Department of Transportation (DDOT), WMATA, and DC Department of Human Services (DHS) to study how different levels of transit discounts impact mobility and well-being.

### *Federal Programs*

Nationally, momentum and interest has been building for zero- or reduced-fare transit after temporary fare elimination by most transit systems during the COVID-19 pandemic. The Federal government is active in reauthorization of transit funding and infrastructure programs, and these should be monitored.

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<sup>3</sup> <http://www.drpt.virginia.gov/transit/trip-transit-ridership-incentive-program/>

<sup>4</sup> <https://thelabprojects.dc.gov/fare-subsidy>

## 4. United States and International Examples

During the development of this white paper, research, literature, and case studies were reviewed. While each community and transit system is unique, these sources are informative and can be applied to considerations for Northern Virginia. A list of example transit systems and sources that were reviewed are included in the **Appendix**.

Overall, the key takeaways revealed by the examination of literary sources and case examples include the following:

- Aside from fare elimination during the COVID-19 pandemic, transit systems have most frequently considered zero-fare programs as temporary, often for the purpose of generating ridership in a promotional manner.
- Zero-fare and reduced fare programs have experienced the most success when applied by smaller transit systems, often operating in small urban, resort areas, or college towns; however, there are a growing number of larger transit systems considering these fare options to promote access and grow ridership.
- Concerns about lost revenue and financial sustainability have been the primary barriers preventing transit systems from implementing zero or reduced-fare programs long-term or reverting back to fare collection after a period of eliminating fares.

### Case Studies

Three peer transit systems with similar ridership or service to one or more NVTC transit systems were reviewed during the development of the white paper: Greater Richmond Transit Company (GRTC), Charlottesville Area Transit (CAT), and Chapel Hill Transit (CHT).

*Table 6. Characteristics of Case Study Transit Systems*

Bus System	Location	Zero-Fare Years	Population (Density, per sq. mi.)	Number of Routes	Farebox Recovery Rate
<b>GRTC</b>	Richmond, VA	2020-present; will extend if funded	449,572 (1,980)	44	20%
<b>CAT</b>	Charlottesville, VA	2020-present; will extend if funded	92,359 (2,431)	12	7%
<b>CHT</b>	Chapel Hill, NC	2002-Present	80,218 (1,294)	21	0%

#### *Greater Richmond Transit Company*

Given her passion and experience with zero-fare service, NVTC met with the CEO of GRTC, Julie Timm, to discuss GRTC's experience with planning and eliminating fares and the lessons learned along the way.



GRTC serves the City of Richmond as well as portions of the neighboring counties. Although fares were eliminated at the start of the COVID-19 pandemic like most other transit systems, GRTC started considering doing so in December 2019. COVID-19 enabled GRTC to experience zero-fare service directly without having to conduct a pilot program, which helped CEO Timm and her team advocate for and garner Board approval for at least one more year of zero-fare service (ending June 30, 2022). Now, GRTC is working to apply for DRPT's TRIP funding and search for alternate funding sources to continue zero-fare service indefinitely on local bus, Pulse (bus rapid transit), express bus, and Community Assisted Ride Enterprise (CARE)/standard paratransit. GRTC's premium on-demand service, CARE Plus, will still charge passengers a fare.

Prior to the pandemic, GRTC studied the costs and benefits of a means-tested fares program but found that it would result in increased costs for the agency and a need for more staff. Zero-fare service was initially considered because of the relatively high costs for fare collection—costing approximately \$2 million per year to collect \$7 million in fares largely from residents with the lowest incomes and from the most economically distressed areas. In the fall of 2019, GRTC conducted a passenger survey which found that 54% of passengers who were reached earned less than \$25,000 per year. Furthermore, in 2019 GRTC shifted focus away from implementing a costly account-based fare system, which would have resulted in fare increases. Fare elimination had large positive benefits to GRTC's customers. If fares had remained in place, customers may have lost jobs or homes, lost access to health care, had limited access to groceries, and more. GRTC views operating zero-fare service as putting \$7 million directly back into the local economy instead of having low-income passengers put that into a farebox.

Another point that CEO Timm raised is that only a small percentage of GRTC's service is express, which tends to have a higher farebox recovery rate than local service and may be more difficult for certain transit systems with more express service to justify dropping fares. One more factor that helped GRTC successfully push for extended zero-fare service is their historically reliable APC system for counting passengers—another feature that is not ubiquitous among transit systems that have historically used their fareboxes to count passengers.

GRTC instituted a policy that requires passengers to exit after one round-trip on a bus, which has helped to mitigate concerns over customers dwelling on buses. GRTC allows for one round-trip because certain fixed routes act as circulators that serve one roadway for the outbound leg and a different one for the inbound so passengers will ride a vehicle to the end of the route and remain on the vehicle to reach their final destination. Furthermore, zero-fare service required GRTC planners to adjust route timetables because of travel time savings from faster boarding.

Despite these new challenges, CEO Timm emphasized that these challenges should instead be viewed as opportunities. Facility and vehicle constraints should not be the reason to reinstitute fares, they should instead be used to justify the need for additional funding for service improvements. GRTC also increased the frequency of facility and vehicle cleaning and expects maintenance costs to also increase if ridership rebounds significantly after the

pandemic subsidies. GRTC is now focused on improving connectivity and benefiting the community as opposed to simply increasing ridership and maintaining the pre-COVID status quo.

### *Charlottesville Areas Transit*

NVTC gathered information on CAT's plans for zero-fare service from the study team conducting CAT's Fare-Free Service Feasibility Study. CAT provides transit service to the City of Charlottesville, VA, and has a partnership with the University of Virginia (UVA) to allow UVA students to ride CAT vehicles for free, similar to the partnership in Fairfax City between City of Fairfax City-University Energysaver (CUE) and George Mason University. CAT initially adopted a zero-fare policy as a safety measure during the COVID-19 pandemic, requiring passengers to board buses via the back doors to provide ample distance between passengers and operators. CAT was able to supplement their revenues and offset their losses in fare revenue using funding from the Coronavirus Aid, Relief, and Economic Security (CARES) Act. In 2021, CAT initiated a feasibility study to assess impacts associated with continuing zero-fare service for a pilot period.

CAT has been using CARES/American Rescue Plan Act (ARPA) funds to replace fare revenue and has a significant amount of these funds that will be used over the next three to five years to replace fare revenue. CAT is currently evaluating whether additional local funds will be necessary and whether it will be able to use DRPT's TRIP funding. As ridership returns to typical levels, CAT is hoping that increased ridership resulting from zero-fare service will put the agency in an advantageous position for accessing additional state and federal operating assistance funds, based on the ridership-dependent formulas that DRPT uses.

Future zero-fare policy is under study, which CAT will share with the City of Charlottesville, Albemarle County, and the Regional Transit Partnership to gather formal support for CAT's application to the TRIP grant program. A similar effort may soon get underway for CAT's sister agency, Jaunt, which will review the potential for zero-fare service for paratransit riders in the CAT service area. A second Jaunt effort may be beginning soon to study zero-fare service in the rural areas outside of CAT's service area, which would require the buy-in of additional county boards (Louisa, Greene, Buckingham, Fluvanna, and Nelson counties).

### *Chapel Hill Transit*

NVTC gathered information on Chapel Hill Transit's experience from public literature. CHT provides service to the Towns of Chapel Hill and Carrboro, North Carolina, as well as the University of North Carolina-Chapel Hill (UNC). Unlike CUE and CAT, however, CHT's partnership with UNC allows all passengers to ride CHT vehicles for free—not just UNC students. CHT stopped collecting fares in 2002, and the agency does not have capital or administrative systems in place to charge fares.

In 2001, UNC concluded that administering the fare subsidy program for UNC students and employees was too time intensive. Simultaneously, CHT determined that they were collecting \$250,000 annually in farebox revenue from passengers not travelling to or from the UNC campus (8% of operating total system costs), after removing university-related farebox

revenue from the equation. Given the low farebox recovery ratio, CHT decided to forego the farebox revenue to boost ridership.

CHT's costs are shared among the two towns and the university, with students prepaying UNC's share thus practically eliminating all administrative tasks for the university. A zero-fare system also eliminated the need for CHT to procure an expensive system for reading UNC identification cards. CHT and the three entities did not conduct a detailed cost-benefit analysis of eliminating fares; however, they presumed net costs would be very low given that they would likely be able to garner additional funding from both state and federal formula grants as CHT's ridership increased.

Given UNC's continuously increasing costs to administer the fare subsidy program, university administrators concluded that a zero-fare system was most the logical. With no capacity for more parking spaces on campus, it was also in the university's best interest to shift its focus to encourage motorists to use off-campus park-and-ride lots served by campus shuttles. Reducing demand for on-campus and downtown parking facilities has allowed for more residential and commercial development of those facilities while also enabling a safer pedestrian environment. The Town of Chapel Hill's Planning Department now plans new development to support transit ridership.

From January to September 2002, CHT's ridership increased 43% compared to the same period in 2001 (from 2,100,866 passengers in 2001 to 3,006,798 passengers in 2002). Although CHT's service hours also increased 11%, CHT concluded that implementing systemwide zero-fare service was the primary cause of the significant increase in ridership. Since 2002, CHT's ridership has continued to grow, and the system now carries 7.5 million passengers per year, making CHT one of the largest zero-fare systems in the world.

CHT's zero-fare operations has two exceptions: the Chatham Transit (CT) Express, which Chatham Transit Network jointly operates for service between the Town of Chapel Hill and the Town of Pittsboro; and the Tar Heel Express, which provides transit service to and from sporting events on the UNC-Chapel Hill campus.

## 5. Conclusion

There are a variety of opportunities, challenges, and other considerations to evaluate when determining zero-fare or reduced-fare options. **Figure 3** summarizes the continuum of options that could be implemented as zero fares or reduced fares. **Table 7** summarizes considerations included throughout the white paper.

*Figure 3: Continuum of Implementation Options*



*Table 7: Summary of Potential Opportunities, Challenges and Other Considerations for Zero-Fare and Reduced-Fare Transit*

Opportunities	Challenges	Other Considerations
<ul style="list-style-type: none"> <li>Improved access to transit</li> <li>Improved access to jobs and services</li> <li>Enhanced livability (quality of life and environmental benefits)</li> <li>Support for local economies</li> <li>Increased ridership and post-pandemic ridership recovery</li> <li>Improved performance—faster boarding and reliability</li> <li>Reduced cost of fare collection (capital and operations)</li> <li>Decrease in average subsidy per passenger with increased ridership</li> <li>Potential for additional funding with increased ridership</li> </ul>	<ul style="list-style-type: none"> <li>Need for new policies to promote customer safety and security</li> <li>Fare program eligibility limits</li> <li>Operational needs associated with increased ridership</li> <li>Service schedule revisions</li> <li>With zero fares, a lost revenue source</li> <li>With reduced fares, a potential cost increase</li> <li>Technology costs for alternative data sources</li> <li>Long-term financial sustainability of revenue replacement</li> </ul>	<ul style="list-style-type: none"> <li>Coordination with paratransit programs</li> <li>Regional cohesion</li> <li>Changes in mode share</li> <li>Scalability</li> <li>Experimental/pilot versus permanent program</li> <li>Transfers between zero-fare and fare-collecting transit systems</li> <li>Bus services from multiple providers in a shared corridor</li> <li>Revenue coming from SmartBenefits</li> </ul>



## Implementation Considerations

In addition to the various opportunities and challenges previously discussed, transit system decision makers should consider the following to optimize implementation success:

- Potential fare replacement funding sources and longevity of these sources
- Strategic timing of the transition based on operational needs and process, as well as customer communication and marketing needs
- Defining fare program duration as either temporary—for promotional or short-term testing purposes—or ongoing as a permanent departure from previous fare policy
- Defining how new policies will be measured and evaluated against intended goals and benefits
- Quantitative financial, operational, and sustainability data analysis for decisions on policy
- Communication and marketing with Northern Virginia communities on benefits and changes to how customers ride the bus
- Coordinating rollout across multiple transit systems in the region to maximize access, regional cohesion, and customer ease-of-use
- The potential need for ongoing fare collection equipment maintenance, based on temporary fare programs with uncertain timeframes, as well as performance data collection needs

## 6. Commissioner Questions and Feedback

At the July 2021 meeting, the Commission received three presentations from NVTC, DASH and DRPT as part of a roundtable discussion regarding zero-fare and reduced-fare programs. Several comments and questions were raised by Commissioners for consideration in the white paper, and these are summarized in this section.

### Data

#### **What are the first-order impacts of reducing or eliminating fares to costs and revenues (understanding that second or third-order impacts are challenging to quantify)?**

Potential changes to costs and revenues vary by transit system. The **Cost and Revenue** section provides an overview of cost and revenue areas that could be impacted. **Table 5** shows historical total operating costs, fare revenue, and farebox recovery by system for context. Further analysis and study of unique transit system fare collection cost and revenue data can be explored by NVTC or individual transit systems as a next step to this informational white paper.

#### **Can differentiated analysis of farebox recovery be conducted? For example, it is more feasible to eliminate fares for a transit system with 5% recovery than 50% recovery.**

Transit systems with lower farebox recovery may find it easier to eliminate fares because there is a lower share of total operating costs that needs to be funded through alternate revenue sources. **Table 5** shows 2019 total operating costs, fare revenue, and farebox recovery for Northern Virginia bus systems. Most of the U.S. transit systems that have or are considering eliminating fares range from 7% to 20% farebox recovery.

#### **How much revenue comes from the SmartBenefits program?**

The table below provides an example of monthly revenue received through the SmartBenefits program for May 2019. For context, 2019 total fare revenue for Northern Virginia operators (local bus and commuter bus) was approximately \$41 million (see **Table 5**). SmartBenefits made up approximately 40% of total fare revenue for Northern Virginia operators.

*Table 8: Monthly SmartBenefits Revenue*

Monthly SmartBenefits Revenue	Pre-COVID (May 2019)
Northern Virginia Operators	\$1,407,000
DC and Maryland Operators	\$248,000
WMATA	\$16,704,000
<b>Total</b>	<b>\$18,359,000</b>

*Source: WMATA; numbers rounded to nearest thousand*

Further analysis and study of unique transit system fare revenue data can be explored by NVTC or individual transit systems as a next step to this informational white paper.

## What is the impact to data collection—for example tracking transfer discounts and origin-destination data for planning purposes?

For zero-fare options, the farebox would serve a reduced function as a data collection method. For temporary or experimental zero-fare programs, transit systems may want to keep fareboxes in place until long-term fare policies are determined and for bus operators to manually track ridership counts. A source of origin-destination data would be lost if customers are not required to tap SmarTrip cards to the farebox. Transit systems could utilize alternate methods for collecting ridership data such as automatic passenger counters (APCs), manual sampling or surveys, or emerging forms of origin-destination information such as location-based services data from mobile devices. The **Cost and Revenue** section provides more information on technology cost considerations.

For transfers, customers would effectively receive a full fare credit when transferring between a zero-fare bus and a regional transit system charging fares. Since this is how bus-to-bus transfer credits currently work, transferring customers would not realize the same cost-savings of non-transferring customers. Customers transferring from a zero-fare bus to Metrorail would also not benefit from a lower cost overall trip because they would effectively get the same discount as they do today.

### *Equity and Access to Transit*

## What are examples of reduced-fare program for particular customer groups?

The **Zero-Fare or Reduced-Fare Implementation Options** section provides details and examples of reducing or eliminating fares for particular customer groups. Reduced-fare programs can result in less fare revenue in addition to increased program administration cost. These considerations are included in the **Cost and Revenue** section. Identifying eligible population groups can introduce risks of bias and stigmatizing beneficiaries. Other considerations are included in the **Community Benefits and Access to Transit** section.

## What are examples of “pay what you can” approaches such those in Europe?

Pay-what-you-can models can be found in a variety of non-profit organizations (performing arts, museums, restaurants) but there are few examples of public transit systems formally adopting this type of fare policy. *Lets Go Services* is an example of a non-profit organization in Richmond, VA, that provides donation-based transportation services for veterans, families in need, the elderly, and persons with disabilities.

Many European transit systems have adopted honor-based proof-of-payment fare systems. Fares are enforced through random spot checks by inspectors to ensure passengers have paid their fare, but fines can be issued for fare evasion.

## *Financial Sustainability*

### **How can long-term sustainability of fare programs be ensured?**

The **Cost and Revenue** section notes the challenge of relying on federal or state programs for lost fare revenue. These programs are valuable to established new fare programs but they can fluctuate year-to-year are not intended to be long-term funding sources. Long-term sustainability ultimately comes down to political and community will to identify alternatives to fare revenue.

Further analysis and study of unique transit system fare collection cost and revenue data can be explored by NVTC or individual transit systems as a next step to this informational white paper.

## *Other*

### **Goal setting is fundamental for Northern Virginia transit systems to consider, and these may be different from community to community.**

**Table 1** summarizes goal themes that appear among multiple transit systems. Many of these goals could be supported by zero or reduced fares, but goals of financial sustainability could be in conflict.

### **Does it matter if one system is zero-fare in the region and another is not?**

Mixed fare policies across the region could contribute to customer confusion and require careful program marketing. Bus routes of multiple transit operators that run in the same corridor could experience demand shift towards the zero-fare service, resulting in underutilized parallel routes. Transfers between zero-fare buses and fare-charging buses would not provide additional cost-saving benefits to customers compared to today, given current regional bus transfer agreements. The same is true for bus-to-rail transfers and rail-to-bus transfers (if regional bus systems also adopt the free transfer policy WMATA plans to implement in Fall 2021). Regional sharing of SmarTrip costs could also be impacted, with the remaining transit systems paying a greater share of the total SmarTrip operating cost.



## Appendix

### Examples, Sources, and References

*Table 9: Transit System Examples*

Transit System	Relevance	Location Characteristics	Location	Service Population
<a href="#">CATbus</a>	Zero-fare 1996 to present	Suburban	Clemson, NC	27,883
<a href="#">Advance Transit</a>	Zero-fare 2000 to present	Urban, Suburban, Exurban	Lebanon, NH	216,923
<a href="#">Chapel Hill Transit</a>	Zero-fare 2002 to present	Urban, Suburban	Chapel Hill, NC	80,218
<a href="#">Cache Valley Transit</a>	Zero-fare 2003 to present	Suburban, Exurban, Intercity	Logan, UT	95,500
<a href="#">SMART Transit</a>	Zero-fare 2004 to present	Suburban, Intercity	Moscow, ID	86,995
<a href="#">Corvallis Transit</a>	Zero-fare 2011 to present	Urban	Corvallis, OR	62,433
<a href="#">Mountain Line</a>	Zero-fare 2015 to present	Urban, Suburban	Missoula, MT	82,157
<a href="#">DC Circulator</a>	Zero-fare February - September 2019	Urban	Washington, D.C.	317,779
<a href="#">MVRTA</a>	Zero-fare on 3 routes September 2019 to present	Urban, Suburban, Intercity	Lawrence, MA	306,339
<a href="#">KCATA</a>	Hoping to become zero-fare systemwide, need funding	Urban, Suburban, Intercity	Kansas City, MO	788,748
<a href="#">Intercity Transit</a>	Zero-fare January 2020 to present	Urban, Suburban, Intercity	Olympia, WA	185,500
<a href="#">WRTA</a>	Studied becoming zero-fare, recently voted to do so	Urban, Suburban, Exurban	Worcester, MA	479,329
<a href="#">GRTC</a>	Zero-fare 2020 to present; evaluating funding	Urban, Suburban	Richmond, VA	449,572
<a href="#">CAT</a>	Zero-fare 2020 to present; evaluating long-term feasibility	Urban, Suburban	Charlottesville, VA	92,359

Transit System	Relevance	Location Characteristics	Location	Service Population
<a href="#">Ride On</a>	Currently studying becoming zero-fare; local	Urban, Suburban	Montgomery County, MD	971,777
<a href="#">TriMet</a>	Zero-fare zone 1975-2012; means-tested fares 2018 to present	Urban, Suburban	Portland, OR	1,565,010
<a href="#">King County Metro</a>	Means-tested fares February 2020 to present	Urban, Suburban	Seattle, WA	2,149,970
<a href="#">MBTA</a>	Studying both zero-fare and means-tested fares	Urban, Suburban	Boston, MA	3,109,308
<a href="#">LA Metro</a>	Low-income fare program 2018 to present Zero-fare pilot for low-income and students approved May 2021	Urban, Suburban, Intercity	Los Angeles, CA	8,621,928
<a href="#">CTransit</a>	Zero-fare weekend service during summer 2021	Urban, Suburban, Intercity	CT	Multiple Transit Systems

There are several international examples of transit systems eliminating fares. These include:

- **Luxembourg:** first county in the world to offer free public transit nationwide starting in 2020 to alleviate congestion and bring environmental benefits
- **Dunkirk, France:** made its local bus system zero-fare in September 2018 and previously offered zero-fare weekend and holiday service starting in 2015
- **Tallin, Estonia:** first European capital city to offer zero-fare transit service starting in 2013 and eliminated fares on intercity bus services across the county in 2018. Non-residents are required to still pay fares, and residents are required to use a personalized smart card.
- **Changning, Hunan, China:** fares were eliminated on bus services in 2008
- **Tokyo, Japan:** three zero-fare shuttle buses serving tourist locations
- **Kuala Lumpur:** Go KL City Bus service started in 2012 and now has four zero-fare bus routes in the Central Business District and four zero-fare feeder routes

Many international transit systems also have honor-based proof-of-payment fare systems. Customers do not pay fares at the time of boarding a transit vehicle, but fares are enforced through random spot checks by inspectors to ensure passengers have pre-paid their fare and fines can be issued for fare evasion.

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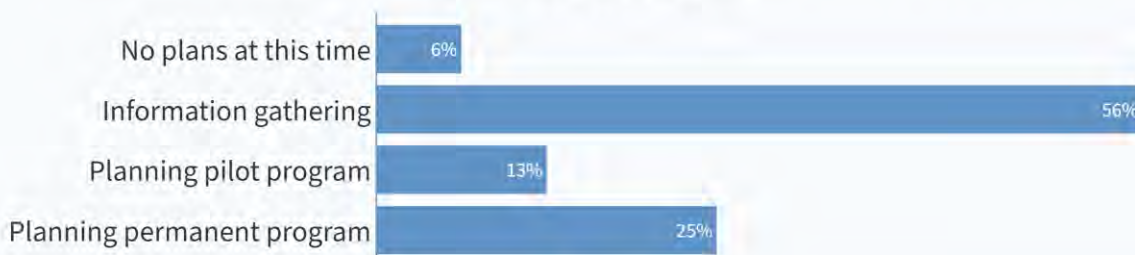
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## NVTC Workshop—June 8, 2021

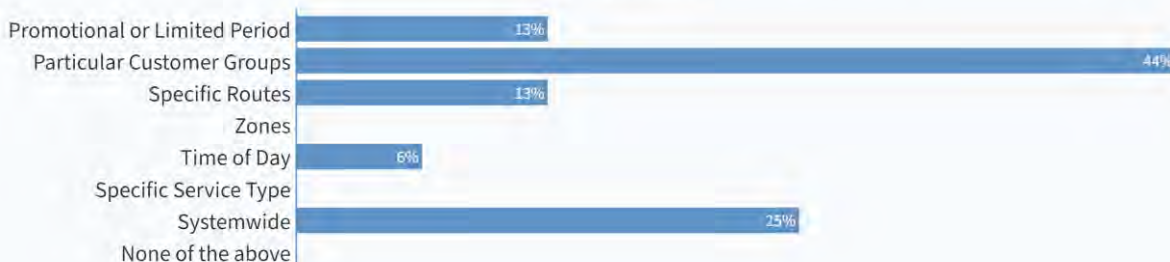
NVTC facilitated a workshop with local jurisdictions and transit operators on options for zero-fare/reduced-fare transit in Northern Virginia. NVTC shared findings from its initial research on considerations and implementation options. Workshop attendees provided input for NVTC's white paper on the subject, including interest/motivations, lessons learned from zero-fare operations during the pandemic, and opportunities/challenges for consideration. The following charts summarize the results of polling questions asked during the workshop.

### What stage of planning or implementation of zero-fare or a new reduced-fare program is your organization at right now?

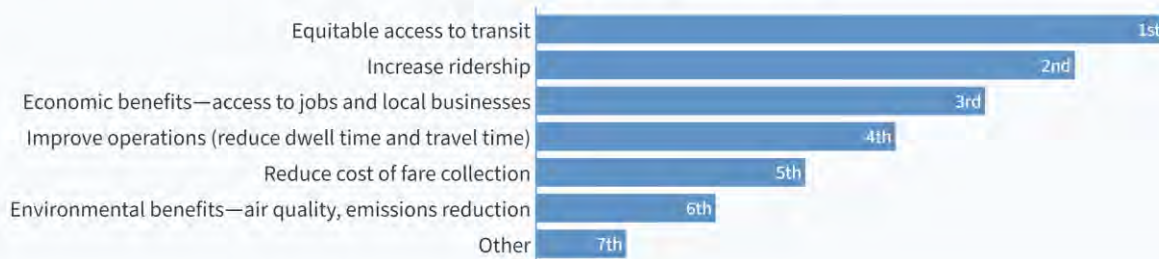


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### What potential implementation option do you see as most applicable or interesting for your organization?



### Rank the elements of a business case for zero-fare or reduced-fare transit in order of importance to your organization?



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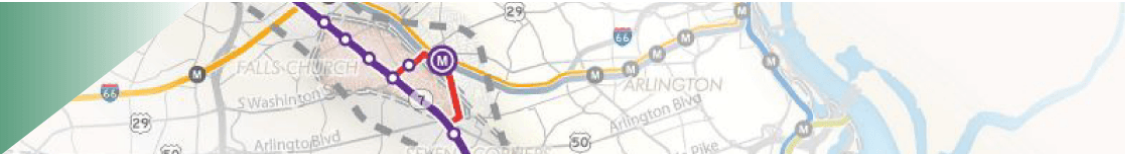
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## NVTC and VRE

The Northern Virginia Transportation Commission is co-owner of Virginia's only commuter rail system, the highly successful Virginia Railway Express. With the Potomac and Rappahannock Transportation Commission, NVTC provides governance and oversight of VRE directly and through its appointments to the VRE Operations Board. In 1989 the two Commissions, NVTC and PRTC, entered into the Virginia Railway Express Master Agreement which, among other things, established an Operations Board to coordinate the creation, development, and operation of the Virginia Railway Express. The Commissions' each perform management of state and federal assistance to VRE, the support of the VRE Operations Board, and the apportionment of local contributions. The Commissions also share responsibility for regional planning of the VRE commuter rail system. NVTC and PRTC approve VRE policies, fares, major investments and legislative initiatives, authorize expenditures greater than \$1,000,000 and approve the annual VRE budget and multi-year capital improvement program.

VRE operates 30 trains each weekday and provides up to 21,000 daily trips, offering significant relief in the highly congested I-66 and I-95/395 commuting corridors of Northern Virginia.

## NVTC and VRE Board Member Appointments

NVTC appoints five of the 14 members of the VRE Operations Board, one each from Alexandria and Arlington, three from Fairfax County, and three alternates. NVTC and PRTC members rotate responsibility for chairing the Operations Board. The VRE Operations Board, consisting of 14 Commissioners, oversees all operating aspects of the VRE under authority delegated by the two Commissions and consistent with the terms of the VRE Master Agreement.



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# VIRGINIA RAILWAY EXPRESS FACT SHEET

## SYSTEM QUICK FACTS

- Two Lines: Manassas and Fredericksburg
- Serves nine cities and counties in Central and Northern Virginia
- Connects with Metrorail at five locations
- Operates on 82 miles of track owned by CSX, Amtrak and Norfolk Southern
- Owns two maintenance facilities, 20 locomotives and 100 railcars



**VRE has saved \$1 billion in highway widening costs.**

*Fairfax County Highway Construction Estimates*

**VRE removes more than 100 million vehicle miles from our region's interstates annually.**



*VRE FY2015 Ridership Data, National Transit Database and U.S. Census Bureau's 2013 American Community Survey*



**45%**

**of current riders drove alone before using VRE.**

*VRE's 2018 Customer Opinion Survey*

## POSITIVE IMPACTS



### REGIONAL MOBILITY

- VRE service is equivalent to one lane of traffic on both I-95/I-395 and I-66 during peak periods
- Existing operation provides the equivalent capacity of 150 lane miles of freeways
- Current ridership reduces freeway delay by as much as 20 percent or up to 4.1 million hours annually in both interstate corridors

### REDUCED FOOTPRINT

- Improves air quality by reducing 50,000 metric tons of carbon dioxide and other emissions per year
- Removes more than 100 million vehicle miles from highways annually

### ECONOMIC STIMULUS

- VRE and Metrorail boost state sales and income tax revenues by \$600 million annually, according to a report by the Northern Virginia Transportation Commission

### Contact VRE

Joe Swartz – Chief of Staff, ☎ 703.838.5425, ✉ [jswartz@vre.org](mailto:jswartz@vre.org)

# The Future of VRE

Expanded capacity and increased reliability on both the Fredericksburg and Manassas lines are in the offing. Over the next decade, due primarily to infrastructure improvements that will separate freight and passenger trains, VRE will be able to run longer and more frequent trains and explore the possibility of weekend service.



## Second Rail Crossing Over Potomac River

The Commonwealth of Virginia recently announced plans to build a new bridge over the Potomac River primarily dedicated to passenger trains. The existing Long Bridge, which operates at 98 percent capacity during rush hour, is one of the most significant rail bottlenecks on the East Coast. The new bridge will go a long way toward eliminating train congestion in the region, thereby improving the on-time performance of VRE's service. The bridge, which is estimated to cost \$1.9 billion, is part of a \$3.9 billion package of infrastructure improvements to be completed by 2030.

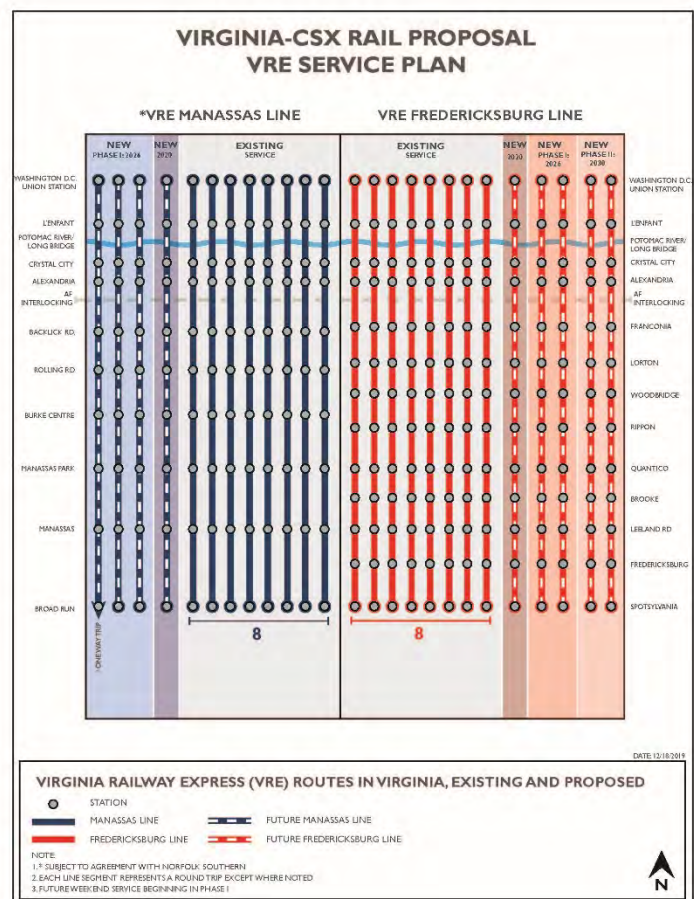
## Fredericksburg Line Improvements

Additional tracks in areas north of Lorton, a Franconia-to-Springfield bypass for passenger trains, and six sidings to allow trains to pass are among improvements planned for VRE's Fredericksburg Line, which provides service between Spotsylvania County and the District of Columbia. These improvements are made possible through an agreement reached between Virginia and CSX Transportation that will allow the commonwealth to acquire roughly half of the CSXT right-of-way in the I-95 corridor and construct 37 miles of track. The addition of a third and fourth track in certain areas opens the door to increased weekday and weekend service. When the agreement is finalized in late 2020, VRE will look at adding a new roundtrip train. Additional service could be phased in beginning in 2026, as infrastructure improvements are completed.

## Manassas Line Improvements

Rail infrastructure improvements in the I-95 corridor will allow for increased capacity and reliability on the Manassas Line, as all VRE trains provide service between Alexandria and the District. By the end of 2020, VRE may explore the addition of another weekday roundtrip train.

A \$128 million state grant from the I-66 outside the Beltway concessionaire payment will fund improvements to VRE's Broad Run station and yard and the addition of a third mainline track from the station to a location east of Manassas. The yard expansion is needed to accommodate longer train sets, as VRE moves toward all 10-car trains.



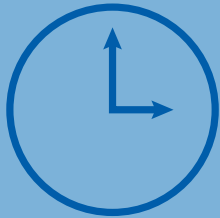
# THE BENEFITS OF VRE

VRE's motto of "A better way. A better life." holds true by providing economic and environmental benefits to our region.

# 40%

of VRE riders drove alone before using VRE.

*VRE's 2015 Customer Opinion Survey*



# 1.6 to 3.8 million

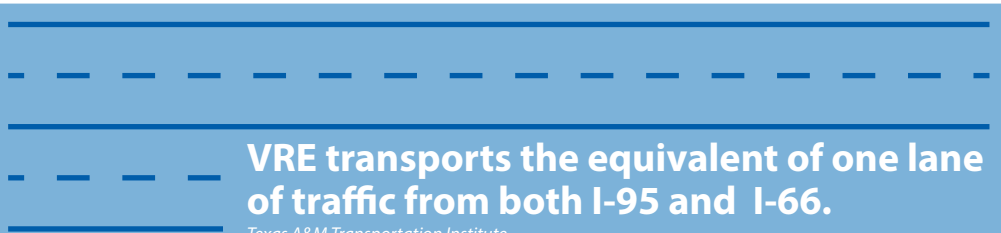
personal hours saved annually by riders using VRE.

*Texas A&M Transportation Institute*



Riding VRE removes more than 100 million vehicle miles from our region's Interstates annually.

*VRE FY2015 Ridership Data, National Transit Database and U.S. Census Bureau's 2013 American Community Survey*



VRE transports the equivalent of one lane of traffic from both I-95 and I-66.

*Texas A&M Transportation Institute*

# 87%

of VRE riders receive a transit subsidy or pre-tax payment for public transit.

*VRE's 2015 Customer Opinion Survey*



VRE's existence has saved \$1 billion in costs associated with highway widening

*Fairfax County Highway Construction Estimates*

## Fredericksburg to DC, cost per mile annually



# 49¢

Driver



# 14¢

VRE rider

*Small sedan driver commuting 28,000 miles per year, 2014 AAA Driving Costs Study*



# VRE System Map





# VRE Operations Board

The VRE Operations Board draws its members from each of the nine jurisdictions that fund the commuter rail service, and the Commonwealth of Virginia. Those jurisdictions are the counties of Stafford, Spotsylvania, Prince William, Fairfax and Arlington, and the cities of Manassas Park, Manassas, Fredericksburg and Alexandria.

Serving as an advisory body to the Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC), which co-own VRE, the Operations Board makes recommendations with respect to VRE's management, financing and acquisition of property. The Commissions have delegated certain authorities to the Operations Board (See *Delegation of Authority from Commissions to VRE Operations Board*). The VRE chair appointment alternates each year between the two Commissions.

The Operations Board generally meets at 9:00 a.m. on the third Friday of each month, except August, at PRTC's offices.

## 2022 VRE Officers

Chair: Margaret Franklin (PRTC)

Vice-Chair: James Walkinshaw (NVTC)

Treasurer: Preston Banks (PRTC)

Secretary: James Walkinshaw (interim) (NVTC)

### NVTC JURISDICTIONS

#### City of Alexandria

Sarah Bagley  
Canek Aguirre, Alternate

#### Arlington County

Libby Garvey  
Katie Cristol, Alternate

#### Fairfax County

Walter Alcorn  
Dan Storck  
James Walkinshaw  
Jeff McKay, Alternate

### PRTC JURISDICTIONS

#### City of Fredericksburg

Matthew Kelly  
Jason Graham, Alternate

#### City of Manassas

Ralph Smith  
Pamela Sebesky, Alternate

#### City of Manassas Park

Preston Banks  
Alanna Mensing, Alternate

#### Spotsylvania County

Lori Hayes  
Deborah Frazier, Alternate

#### Prince William County

Andrea Bailey  
Margaret Franklin  
Janine Lawson  
Victor S. Angry, Alternate  
Pete Candland, Alternate  
Ann Wheeler, Alternate

#### Stafford County

Meg Bohmke  
Pamela Yeung  
Monica Gary, Alternate  
\_\_\_\_\_, Alternate (vacant)

#### Commonwealth of Virginia

Jennifer Mitchell  
Michael McLaughlin, Alternate

Kate Mattice - Executive Director, NVTC  
Bob Schneider - Executive Director, PRTC

# 2022 VRE OPERATIONS BOARD CALENDAR

MEETING  
LOCATION:

PRTC Boardroom  
14700 Potomac Mills Road  
Woodbridge, VA 22192

- \*\* Executive Committee @ TBD
- ∞ Finance Committee follows Board meeting adjournment
- † CEO Evaluation Committee @ TBD
- †† Audit Committee @ 8:45 am
- ◆ Legislative Committee follows Board meeting adjournment

VRE OPS BOARD MEETING	DATE	TIME	VRE OPS BOARD MEETING	DATE	TIME
JANUARY	Jan. 21, 2022	9:00 am	JULY ◆	Jul. 15, 2022	9:00 am
FEBRUARY	Feb. 18, 2022	9:00 am	AUGUST	No Meeting	N/A
MARCH ∞	Mar. 18, 2022	9:00 am	SEPTEMBER ◆	Sep. 16, 2022	9:00 am
APRIL	Apr. 15, 2022	9:00 am	OCTOBER ∞	Oct. 21, 2022	9:00 am
MAY	May 20, 2022	9:00 am	NOVEMBER ††	Nov. 18, 2022	9:00 am
JUNE ∞ ††	Jun. 17, 2022	9:00 am	DECEMBER	Dec. 16, 2022	9:00 am

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**Excerpts from  
Northern Virginia Transportation Commission / Potomac and Rappahannock  
Transportation Commission / Virginia Railway Express**

**Management Audit Phase II Final Report  
January 9, 2015**

**VRE Organizational Structure and Practices (p.2)**

**Relationship Between Commissions and VRE:** VRE is a unique transit entity, existing as a transportation partnership of the Northern Virginia Transportation Commission (NVTC) and the Potomac and Rappahannock Transportation Commission (PRTC). The audit team recommends an annual training session for Commission members on their roles and responsibilities with respect to their oversight of VRE. The audit team recommends regular meetings between the Commission Executive Directors, VRE CEO, and Operations Board and Commission chairs to coordinate issues jointly concerning VRE and the two Commissions. In addition, the audit team recommends that the Commissions serve as lead planning agency when a mode has not been selected, and VRE serve as lead planning agency when commuter rail has been selected. The audit team recommends that the Commissions continue to serve as the locus for discussions of regional funding—balancing the needs of VRE with other agencies in their districts—while VRE advocate for funding for its particular capital projects and transit services, in coordination with the Commissions.

**Division of Responsibility Between Commissions and VRE (p.28)**

There are certain functions that are of concern to the Commissions as well as affecting VRE, such as planning and transportation funding.

Funding is a significant concern of the NVTC in particular, which serves a clearinghouse for regional fuel tax revenues and other transit funds to agencies throughout the NVTC District, and must balance the needs of VRE, the Washington Metropolitan Area Transit Authority (WMATA), and local transit agencies.

PRTC plays a similar role in its district. This includes decisions regarding the amount, type, and timing of funds that each agency's priorities will receive, and given resource limitations, often involve trade-offs and compromise. In these deliberations, VRE's status as an entity jointly-owned by each Commission should give it no greater priority than other transit providers in each district.

VRE advocates for funding for specific commuter rail projects, seeking the support of NVTC and PRTC for funding from the federal government, the Commonwealth, the Northern Virginia Transportation

Authority, and individual cities and counties. At times, it must make the persuasive case for funding alongside other transit agencies competing for the support of NVTC and PRTC. In some cases, however, there are funds for which VRE is eligible that other transit agencies in the region are not—particular state and federal rail funds. For these sources, the Commissions are free to join VRE in advocating for funding of its projects.

In the area of planning there is natural overlap in staff capabilities and responsibilities among VRE and the Commissions. In general, the Commissions' interests are long-range and strategic, and may focus on multiple modes of transit and multiple corridors across their entire territory. VRE's planning is focused on commuter rail in its specific corridors. A key consideration is the degree of involvement by VRE prior to and following decisions regarding selection of mode (or technology) for a particular corridor, and its role as lead or supporting agency for project implementation. In general, VRE, the Commissions, and other agencies engaged in transportation planning in the region have successfully worked this out for past planning studies, but it would help to have clear guidance that is understood by all.

The audit team believes that the Commissions play a key role coordinating regional issues, including transportation funding and general systems planning. The purview of VRE, meanwhile, is to plan, advocate and secure funding for commuter rail-specific projects and service. It is important that each entity play to its strengths in executing these missions. Clarifying roles and responsibilities will facilitate the allocation of responsibility when future issues arise.

Therefore, the audit team recommends that the Commissions—or other regional planning entities (when appropriate)—serve as the lead planning agency when a mode has not been selected, and that VRE only serve as a lead planning agency once the appropriate planning agencies have made a decision to invest in commuter rail in a particular corridor. However, as the sole commuter rail agency in Northern Virginia, VRE planning staff should provide technical support to any planning studies that could result in commuter rail being selected as a preferred mode. This ensures that planning studies benefit from the mode-specific expertise of VRE planning professionals.

For example, a corridor study or alternatives analysis in which commuter rail is one of several modal options under consideration (along with bus, bus rapid transit, and/or other types of rail) is best handled by an agency that does not have a modal focus (like VRE—or for that matter, other transit operators in the region). However, should a corridor study or alternatives analysis point to commuter rail as the appropriate mode, and the project is officially adopted into regional plans, VRE would be the appropriate agency to manage environmental clearance, permitting, development of grant applications, and similar project planning activities, with appropriate advice and approvals from the Commissions as concepts advance.

The 2040 System Plan was the product of planning efforts led by VRE staff and the Operations Board and endorsed by the Commissions. As the System Plan is focused squarely on regional commuter rail investments, the audit team believes VRE's leadership in producing this plan appropriate. However, the Commissions will play a significant role in deliberations regarding elements of the System Plan, especially the later phases which will require policy decisions regarding new service types and features.

With respect to transportation funding, the audit team recommends that the Commissions continue to serve as the locus for discussions of regional funding, including new broad-based funding sources for all transit modes, and will continue to balance the funding needs of VRE with other transit providers in each Commission's district. Meanwhile, VRE should continue to advocate for funding for its particular capital projects and transit services. To the extent that the VRE Operations Board wishes to weigh in on general, regional funding approaches, it should coordinate its activities with the Commissions. The audit team recommends that VRE and the Commissions actively identify opportunities for the Commissions to ally with VRE to secure new funding for VRE that does not compete with the needs of other transit agencies.

**DELEGATION OF AUTHORITY FROM COMMISSIONS  
TO THE VRE OPERATIONS BOARD**

Effective July 1, 2008

*(Updated with CEO spending authority limits effective September 2020)*

- Full authority of spending, provided the amount is included in the annual budget and six-year financial plan
- Approval of fare changes (tariffs)
- All contractual agreements, provided funding is included in the approved budget, with the exception of any operation agreements (including CSX and NS) and Insurance Agreements.
- Responsibilities not delegated:
  - a. Amendments to the Master Agreement
  - b. Hiring and termination of the Chief Executive Officer
  - c. Statewide and federal grant applications
  - d. Approval of legislative agendas
  - e. Approval of strategic plan
  - f. Sale or purchase of real property and equipment in the Commissions' name
  - g. Other major policies such as terms for new entrants
  - h. Other actions reserved for the Commissions by the Master Agreement, such as approving annual budgets/six-year financial plans.

VRE Operations Board approved spending authority delegated to VRE CEO:

- VRE CEO's authorization limit to award contracts up to \$200,000 and procurement authorizations up to \$1,000,000 (effective September 2020)



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# 2021 ANNUAL REPORT

Virginia Railway Express  
1500 King Street, Alexandria, VA 22314

 [www.vre.org](http://www.vre.org)

 @VARailXpress

 @RideVRE

VRE is a transportation partnership of the Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission.

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# JOINT MESSAGE FROM THE CEO AND CHAIR

While COVID-19 had not been completely derailed by year's end, VRE had returned to some semblance of "normal" in our service and operations. Trains were again running on a regular schedule, our Operations Board was back to in-person meetings, and staff in several departments began returning to the office.

Our service looked a little different in 2021 than the year prior. Gone were the social distancing decals on platforms and railcars, though masks remained a requirement onboard. A new schedule, which took effect in October, was designed to reduce track congestion – the major cause of VRE train delays – and allow for the future addition of a round-trip train on both the Fredericksburg and Manassas lines.

Many of the adjustments we made in 2020 continued to serve us well and a few even came with a silver lining. While monthly board meetings were no longer virtual, we continued to stream them to VRE's YouTube channel, providing greater access and transparency to those we serve. The creativity demanded of staff to effectively respond to the pandemic led to several industry awards. And the reduction in staff working at headquarters allowed us to expedite renovations.

2021 saw VRE break ground on several capital projects – at the Quantico and Rolling Road stations and our Crossroads yard – to enhance passenger convenience, comfort and safety. We reached planning milestones on our Crystal City and L'Enfant station improvement projects, as well as Long Bridge, a critical state rail project that VRE will help fund. Twenty-one new, state-of-the-art railcars will eventually join our fleet following approval of the purchase by VRE's board and parent commissions. Despite all the progress, a few challenges remained. Ridership was rebounding, but slowly; and our budget was balanced, in part due to federal assistance.

That said, there is light at the end of the pandemic tunnel and VRE is well situated to regain its status as the travel mode of choice for some 18,000+ daily commuters in Central and Northern Virginia. A long history of strong financial management and stewardship by the Operations Board and partnerships with a range of stakeholders have laid the foundation for future success. We have navigated 2021 with aplomb and look forward to greater accomplishments moving forward.



**Rich Dalton**  
VRE CEO



**Elizabeth Bennett-Parker**  
VRE Operations Board Chair

# VRE OPERATIONS BOARD

A new executive committee, with a fresh agenda, took the helm of the VRE Operations Board in January. The board, chaired by Alexandria Vice Mayor Elizabeth Bennett-Parker, navigated a return to in-person meetings and advanced numerous projects and initiatives, detailed in the pages that follow, to ensure VRE's sustainability and growth.



**Walter Alcorn**  
Fairfax County



**Andrea Bailey**  
Prince William County



**Preston Banks**  
Manassas Park



**Elizabeth Bennett-Parker**  
Alexandria



**Meg Bohmke**  
Stafford County



**Katie Cristol**  
Arlington County



**Margaret Franklin**  
Prince William County



**Matt Kelly**  
Fredericksburg



**Cindy Lamb**  
Stafford County



**Jeanine Lawson**  
Prince William County



**Jennifer Mitchell**  
Virginia DRPT



**Gary Skinner**  
Spotsylvania County



**Ralph Smith**  
Manassas



**Dan Storck**  
Fairfax County



**James Walkinshaw**  
Fairfax County

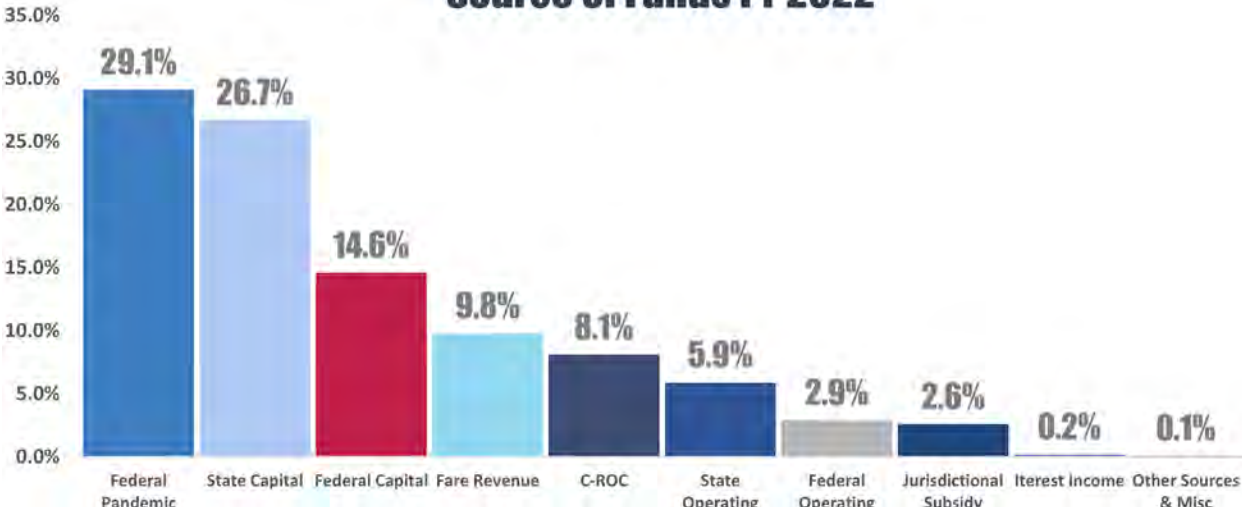


# COVID-19 RESPONSE

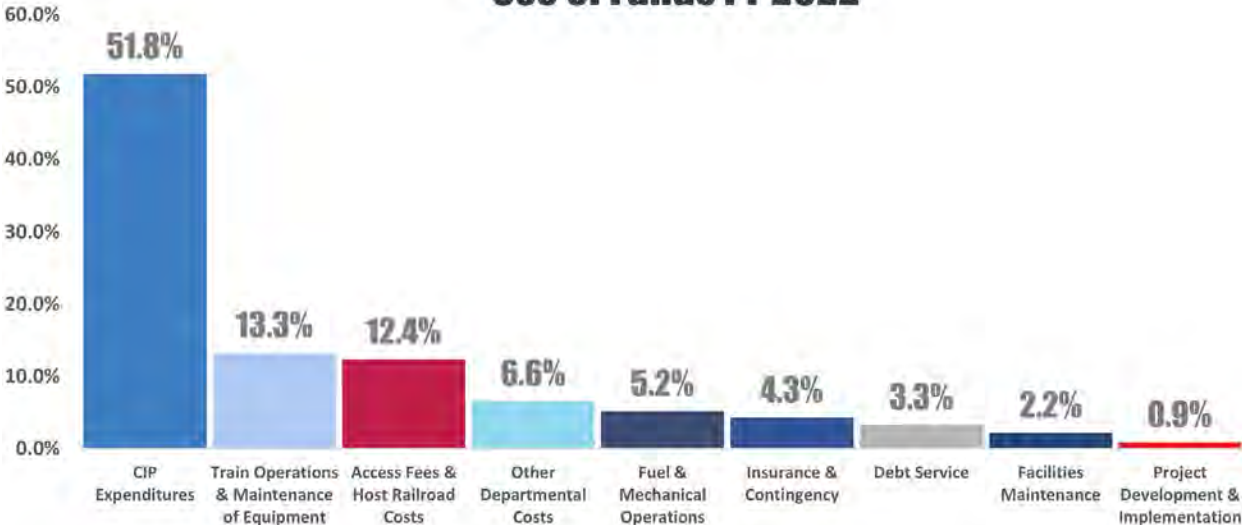
The allocation of federal pandemic relief funds has allowed VRE to achieve a balanced budget for fiscal year 2022, which began July 1, 2021. Within the \$185.9 operating and capital budget, as approved by VRE's parent commissions, those federal funds were being used in three ways:

- ✔ Providing relief to VRE member jurisdictions through a reduction of roughly \$13.5 million, or 74 percent, in their annual subsidies
- ✔ Replacing the 84 percent state track access fee reimbursement, totaling \$15.6 million
- ✔ Covering a 75-80 percent decline in farebox revenue over pre-pandemic times.

## Source of Funds FY 2022



## Use of Funds FY 2022



Despite the pandemic's challenges, VRE received an unmodified opinion for an audit of its fiscal year 2021 financial statements from PBMares LLP in December. The opinion letter states that VRE's statements, in all material respects, fairly and accurately present the financial position of the organization. This opinion is the best outcome of a financial audit.

## Federal pandemic recognition

In one of his first appearances as U.S. Secretary of Transportation, Pete Buttigieg invited leaders from VRE, Amtrak, Metro and MARC – as well as their frontline workers – to an event at Union Station where he expressed his gratitude to them for placing themselves at risk to ensure the safe and healthy travels of essential personnel.

Prior to the event, he met privately with transportation leaders from the four agencies to discuss their legislative priorities and reiterated the Biden Administration's support for a second COVID-19 relief package.



U.S. Secretary of Transportation Pete Buttigieg (front) thanks CEO Rich Dalton and Keolis conductors for keeping VRE trains moving during the pandemic.



## Additional federal COVID-19 relief funds

The need for additional federal public transportation funding brought together industry leaders, including CEO Rich Dalton and U.S. Sen. Mark Warner, who was involved in negotiating details of the second COVID-19 relief package. The senator shared details of the legislation, which ultimately passed, and spoke to the possibility of an additional bill focused exclusively on infrastructure.

VRE CEO Rich Dalton (left) joined U.S. Sen. Mark Warner (right) and other Northern Virginia transportation leaders to discuss the need for additional federal public transportation funding



CEO Rich Dalton (rear) and U.S. Rep. Rob Wittman (near) discussed COVID-19 protocols and future plans during a ride on train 309.

## COVID-19 protocols and future plans

U.S. Representative Rob Wittman, from Virginia's 1st Congressional District, joined CEO Rich Dalton aboard Fredericksburg train 309 in March to discuss COVID-19 protocols and future plans. He was impressed with the measures VRE had implemented, such as social distancing decals on railcars and platforms and deep cleaning measures, to protect passenger health and safety.

## COVID-19 vaccinations available March 2021

COVID-19 vaccinations were made available to staff in March through a partnership with the Health Department in the City of Alexandria, where VRE's headquarters is located. Staff received an invitation for the two-dose Pfizer or single-dose Johnson & Johnson and, later in the year, for a booster.



Christine Hoeffner, VRE's manager of project development, and Robert Hostelka, director of information technology, were among the first VRE staff members to receive a COVID-19 vaccination.



FULL SERVICE RETURNS



## VRE returned to a full-service schedule on June 1.

After running a reduced-service schedule for nearly 15 months, VRE resumed full-service operations - 32 daily trains on its two lines - on June 1, increasing commuting options as people slowly returned to offices. The more convenient schedule allowed passengers to maintain social distancing, even as ridership began to increase.



### FEDERAL MASK ORDERS



*"...must be followed by all passengers on public conveyances..."*

**LEARN MORE.**



## Capacity limits and social distancing relaxed. Onboard mask requirements remained in place.

Following changes to federal guidelines, VRE relaxed capacity limits on platforms and railcars in June. While social distancing was no longer required, it was easily observed as ridership remained low. None of VRE's trains operated above 35 percent capacity. VRE also relaxed facemask requirements outdoors on station platforms. Facemasks continued to be required inside stations and onboard VRE trains, as the federal government extended its mandate to March 2022.



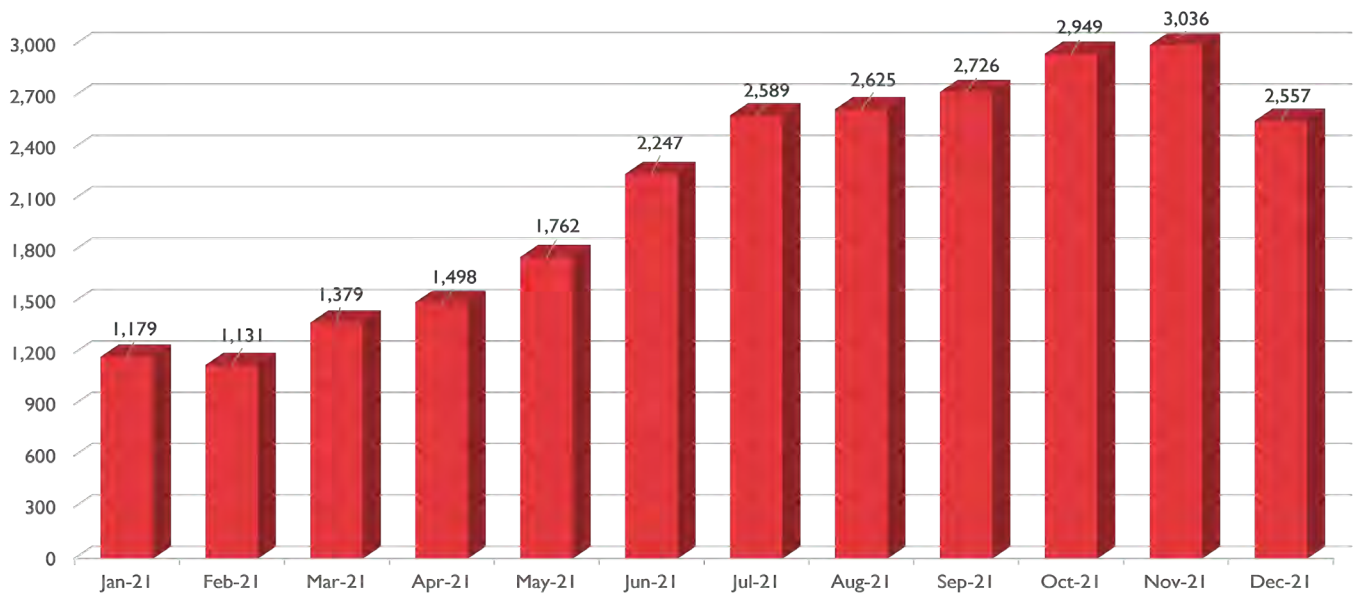


## OPERATIONS

Ridership began to recover, albeit slowly, in 2021. Average daily ridership (ADR) grew from 1,179 in January to a high of 3,036 in November. While far from the pre-pandemic ADR of +18,000, it was markedly better than April 2020's ADR of 460.

As the number of daily trains increased from 16 to 32 in June, track congestion worsened, reducing VRE's on-time performance to a low of 80 percent in August. A schedule change in October, designed to improve fluidity in the rail corridors, pushed reliability to 92 percent in December. It also laid the foundation for a future round-trip train on each line as part of the Transforming Rail in Virginia program.

### 2021 AVERAGE DAILY RIDERSHIP





# TRANSFORMING RAIL IN VIRGINIA

Operations Board Chair Elizabeth Bennett-Parker and CEO Rich Dalton joined a host of federal, state and industry leaders in March to celebrate the official launch of the Transforming Rail in Virginia (TRV) initiative. Governor Ralph Northam, the CEOs of Amtrak, CSX Transportation and VRE participated in a symbolic signing ceremony at Alexandria's Union Station.


As a major beneficiary of TRV, VRE's Operations Board had committed to provide significant financial support for the \$3.7 billion program. In March 2021, VRE executed both an operating/access and funding agreement with the commonwealth. Under the funding agreement, VRE committed to utilizing its dedicated Commuter Rail Operating and Capital (C-ROC) funds to support TRV infrastructure improvements.

Using C-ROC funds to support TRV through a bond issuance was the subject of an October Operations Board briefing. The bond issuance will be backed by half of the \$15 million in C-ROC funds received annually from the regional fuels tax. Based on market conditions at year's end, this planned issuance would allow for an upfront contribution of roughly \$130 million. The remaining \$7.5 million each year would go toward planned infrastructure improvements on a "pay-go" basis for 10 years, bringing the total contribution to \$205 million. That, combined with more than \$800 million in improvements spelled out in VRE's six-year Capital Improvement Program, would bring VRE's contribution to rail improvements in Virginia to over \$1 billion.

The Technical Advisory Committee for the commonwealth's \$1.9 billion Long Bridge project, a second crossing over the Potomac River dedicated primarily to passenger rail, launched in June with VRE at the table. The consultant shared an animated flyover with participants demonstrating the project's complexities.



CEO Rich Dalton (seated left) and Operations Board Chair Elizabeth Bennett-Parker (standing left) joined a host of dignitaries for a ceremonial signing of the Transforming Rail in Virginia agreement.



A bypass near Franconia that would separate passenger and freight trains is one of many planned state infrastructure investments to which VRE will contribute financially.



# ROLLING STOCK PURCHASES AND CAPITAL PROJECTS

VRE's parent commissions authorized the purchase of 21 state-of-the-art railcars in June for an amount not to exceed \$84.6 million. These multilevel 148-seat passenger railcars with restrooms are 100 percent compatible and interoperable with VRE's existing fleet and include enhanced passenger amenities.

Ground was broken on three major capital projects in 2021. Featuring 33,000 square feet of maintenance space, the Lifecycle Overhaul and Upgrade Facility will allow VRE to cost-effectively maintain rolling stock, as well as systems and components, in a state of good repair. It will optimize maintenance and reduce costs by allowing the in-house replacement of items before they fail. Construction should be complete by March 2023.

Service and safety will be enhanced through the construction of a new center platform, ADA-compliant pedestrian bridges, existing platform extension, and third track at VRE's Quantico station. These improvements will allow the station to accommodate additional passengers and more frequent and longer trains. Construction should be complete by December 2023.

A platform extension will accommodate eight-car trains at the Rolling Road station. Rehabilitation and repair of the existing platform, replacement of stairs and the existing canopy roof, and an upgrade of the lighting and communication systems should be complete by May 2022.

Four other capital projects reached milestones. In December VRE's Crystal City station replacement project received a class II categorical exclusion under the National Environmental Protection Act from the Federal Transit Administration, meaning the project appears to pose no significant social, economic, or environmental impacts and may move to the next stage in final design.

The L'Enfant station fourth track project alternatives analysis for VRE's busiest station, which serves 45 percent of passengers, launched in April. The end result will be a preferred alternative to enhance rail operations and increase capacity at the station.

A contract with TranSystems for final design at Broad Run was signed in September. The project, which will accommodate ridership growth and increase service reliability, includes improvements to the Maintenance and Storage Facility, station platform, parking lot, as well as the addition of a third main track.

VRE's Alexandria headquarters renovation wrapped up in December. The redesigned reception area is evocative of a VRE railcar. The rearrangement of office space and cubicles will accommodate existing staff and allow for growth.

A City of Manassas project that would complete a missing link for safe and direct bicycle and pedestrian access between the city and VRE's Broad Run station received a \$74,000 grant from the Metropolitan Washington Council of Governments' Transportation Planning Board in September.



VRE ordered 21 new state-of-the-art passenger railcars with enhanced passenger amenities.



Ground was broken and significant progress made on VRE's Lifecycle Overhaul and Upgrade Facility at Crossroads.



The platform extension at Rolling Road will accommodate eight-car trains when complete in mid-2022.

# GOVERNMENT AFFAIRS

A federally mandated adjustment to the excess insurance liability cap for commuter and passenger railroads left VRE and other rail systems scrambling to identify insurers to provide the additional \$28.6 million in annual coverage by the end of March. Due to a confluence of factors in the insurance marketplace, this type of liability protection can be expensive and difficult to secure. VRE partnered with several industry associations to provide federal policy makers with a foundational understanding of this complex issue and options to stem the crisis. CEO Rich Dalton joined colleagues from the Commuter Rail Coalition on Capitol Hill in December to urge Congress to resolve the matter.

With a federal infrastructure package languishing in Congress, Operations Board Chair Elizabeth Bennett-Parker, CEO Rich Dalton and Chief of Staff Joe Swartz joined U.S. Sens. Mark Warner and Tim Kaine for a September roundtable to draw attention to ways in which the legislation could improve the region's transportation network. The chair noted the additional funds for discretionary grant programs included in the bipartisan bill would give VRE an opportunity to advance the commonwealth's \$3.7 billion Transforming Rail in Virginia initiative, allowing VRE to eventually operate more frequent daily trains and weekend service. President Biden signed the \$1 trillion bill in November.

The General Assembly approved a two-year state budget in February that included significant funding for commuter rail. The HB1800 Conference Report contained a provision allowing for the transfer of up to \$83,500,000 to the Department of Rail and Public Transportation, acting on behalf of the Virginia Passenger Rail Authority, "to improve commuter rail service on the Virginia Railway Express Manassas Line."

VRE shared its legislative priorities with newly elected members of the General Assembly and others in the business community during a briefing hosted by its two parent commissions in December. CEO Rich Dalton stressed the success of the Transforming Rail in Virginia program is contingent on continued state funding for the Long Bridge expansion project and several dozen associated projects. He also noted the importance of safeguarding the Commuter Rail Operating and Capital Fund and diversifying its revenue sources.



CEO Rich Dalton (second from left) joined representatives from the Commuter Rail Coalition on Capitol Hill.



CEO Rich Dalton spoke to VRE's legislative priorities at a briefing for new state lawmakers.



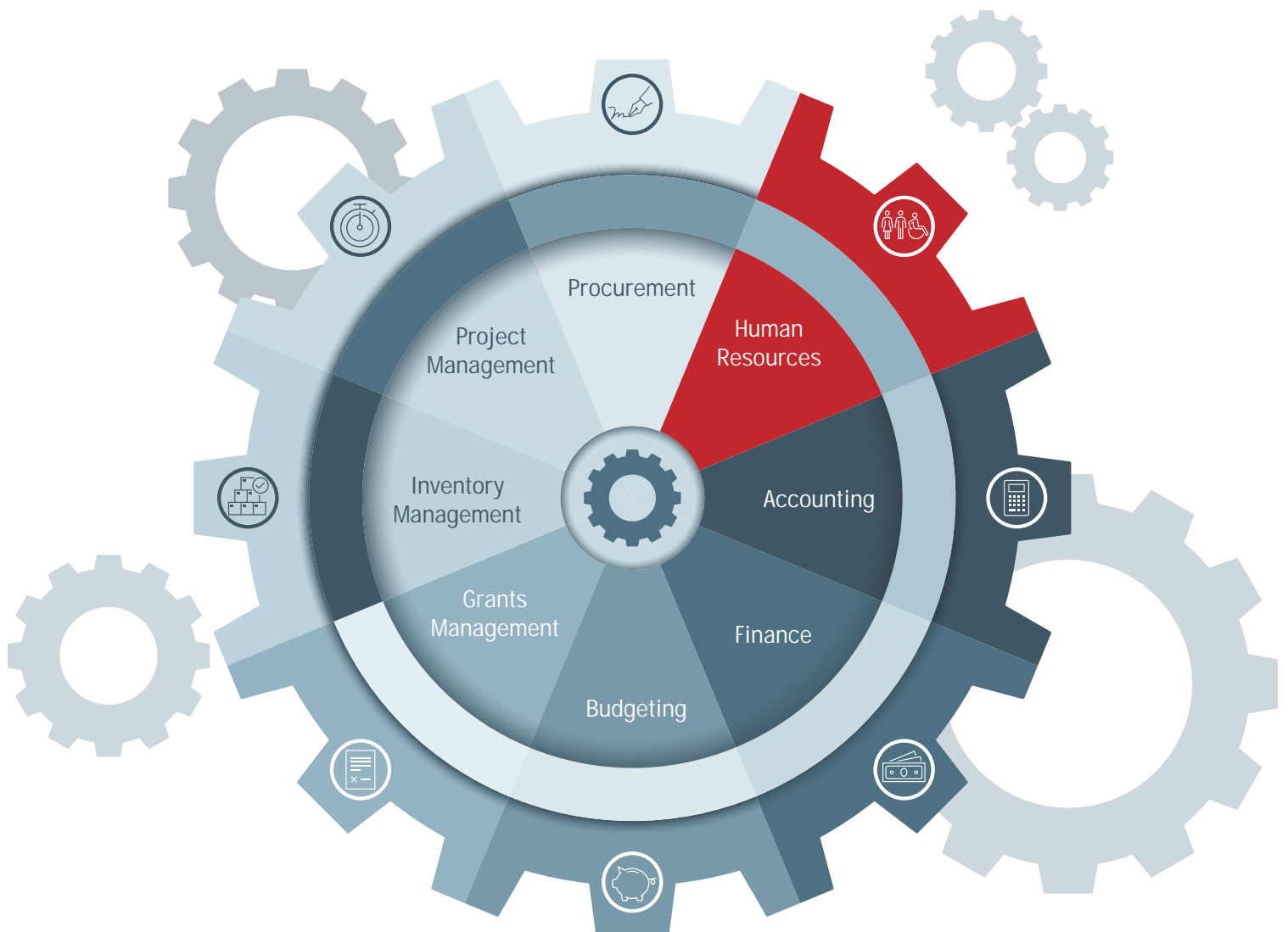
# INFORMATION TECHNOLOGY

VRE introduced a new version of VRE Mobile, a ticketing app, in January with AmericanEagle.com as the developer. Work on an updated website, which will launch in 2022, began in the fall. The intent is to integrate the app, website, and other technologies to provide more real-time information about VRE service and improve the passenger experience.

With installation of the new automatic passenger count system complete, VRE staff began exploring ways to make the data available internally and share it with passengers through VRE Mobile and platform monitors. As ridership returns, VRE will certify the system with the National Transit Database so the data can be used for ridership reporting.

Perhaps the most significant accomplishment of 2021 was the September launch of a new enterprise resource planning system, allowing VRE to better track and report expenditures, enhancing accountability and saving valuable staff resources. Once the financials went live, staff began work on the equipment asset management phase, to integrate inventory and warehouse into the system, with a targeted implementation date of spring 2022.

A new enterprise resource planning system, allowed VRE to better track and report expenditures, enhancing accountability and saving valuable staff resources.







VRE's Rail Safety Week video, aimed at teenagers, was viewed nearly 376,000 times on streaming services.



VRE System Safety & Security Administrator Charlotte Nourse shared rail safety tips with Boy Scout Troop 2016



SCAN ME



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Rail Safety Education

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#RAILSAFETY

## SAFETY

Rail safety was the topic of a May workshop with members of Boy Scout Troop 2016 from Chantilly. VRE staff helped scouts check off several requirements for the Railroading Merit Badge. The scouts observed the arrival and departure of train 335 at Burke Centre and a fire extinguisher demonstration before breaking for some pizza.

September's Rail Safety Week focus was teenagers. The message – the only thing that belongs on the tracks is a train – was communicated through 15- and 30-second public service announcements (PSA) created in partnership with Operation Lifesaver. The PSA, which was placed as a non-skippable ad on streaming services, received nearly 376,000 views. School districts within VRE's nine jurisdictions amplified the message on their social media platforms.





VRE works regularly with first responders in each of its jurisdictions to enhance their understanding of the rail system so they can effectively respond to an emergency. In September VRE partnered with the City of Manassas Fire Department, engaging them in a morning educational session and an afternoon hands-on practice session. In November VRE hosted Prince William County emergency dispatchers for a safety coordination event. Incident command protocols, communication practices, host railroad coordination, railroad terminology, and rescue tactics were among the topics covered.

VRE also works with law-enforcement partners to familiarize them with the most important elements of the railroad and rail equipment to perform their jobs safely should an emergency occur. More than 100 teams – dogs and handlers – from federal, state and local government agencies throughout the National Capital region participated in a K-9 training at Broad Run in October. The K-9 teams completed a simulated search for explosives onboard VRE locomotives and railcars and throughout the storage facility. A similar but smaller event occurred at the Crossroads Yard in December.

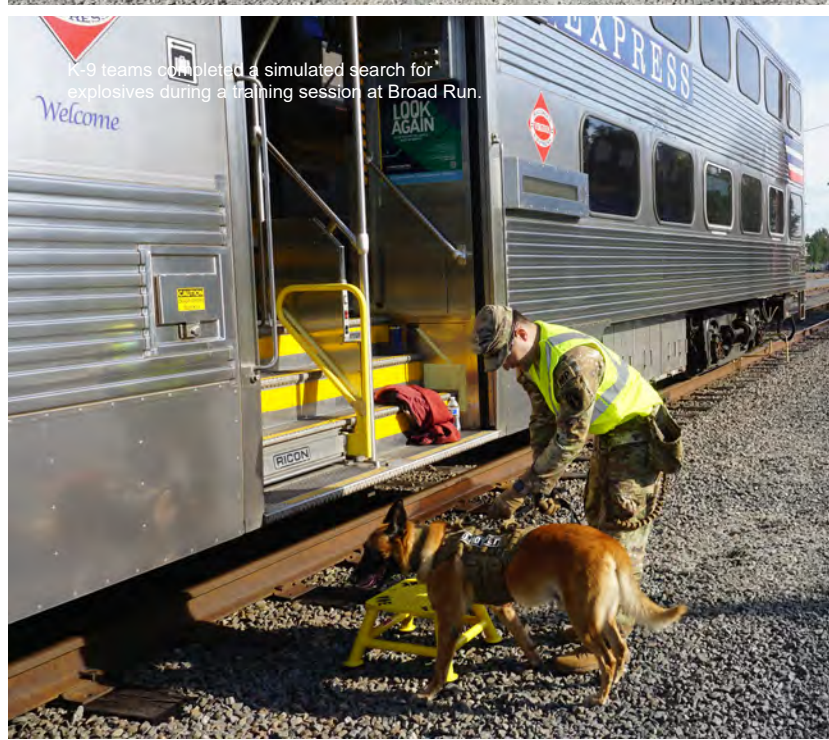
VRE's Keolis mechanical team celebrated a safety milestone, six injury-free years at Broad Run, in October. It was a significant accomplishment given that over the last decade an average of 4,250 U.S. railroad workers were injured on the job each year. VRE managers honored the accomplishment with an award ceremony and food-truck dinner at the yard.



VRE worked with first responders to enhance their understanding of the rail system.



K-9 teams completed a simulated search for explosives during a training session at Broad Run.



K-9 teams completed a simulated search for explosives during a training session at Broad Run.



# SUSTAINABILITY

VRE initiated several projects to help achieve its goal of identifying and incorporating opportunities to enhance sustainability. Analyses, launched in 2021, allowed staff to move ahead with projects resulting in the conservation and preservation of resources.

Upgrades to LED lighting at stations continued and, in December, the Operations Board approved the purchase of LED emergency lights for VRE's fleet of passenger railcars. The change from fluorescent to LED will improve lighting, promote longer tube life, and reduce energy consumption and carbon emissions. Plans were undertaken to make similar lighting changes at VRE's headquarters and Fredericksburg office, and in yard lights at the Broad Run and Crossroads maintenance and storage facilities.

Updates to a 2012 study, due next year, will incorporate current and emerging technologies and identify opportunities for converting to alternative energy sources to power stations and other facilities.





CEO Rich Dalton (second from right) accepts an award from the Virginia Green Travel Alliance for VRE's environmentally friendly railcar disinfectant system.



VRE's 3-D train tour received an AdWheel Award from APTA.

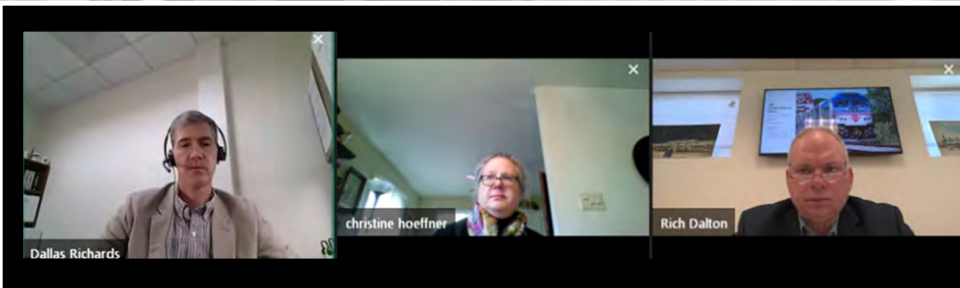
## AWARDS

VRE was honored with three prestigious awards, two related to the pandemic. The American Public Transportation Association recognized VRE for its 3-D Train Tour in the “Shoestring Tactic: Best Marketing and Communications on COVID-19” category. The idea was to increase the comfort level of former and prospective riders by letting them know what they can expect from the moment they arrive on the platform and then board the train.

VRE was the recipient of an award from the Virginia Green Travel Alliance for its environmentally friendly railcar disinfectant system. Acidic electrolyzed water, a potent yet nonirritating disinfectant, is now used to clean our railcars overnight. Produced on demand, this product uses only salt, tap water, and electricity and eliminates the environmental impact from the distribution and disposal of hazardous conventional chemicals.

For the 14th consecutive year, VRE earned a Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report. The certificate, awarded by the Government Finance Officers Association, is the highest form of recognition in governmental accounting and financial reporting and given to agencies whose reports demonstrate a spirit of transparency and full disclosure.





VRE staff answer questions from potential contractors and vendors during its annual Rail Industry Day.

# SPECIAL EVENTS

VRE and the Department of Rail and Public Transportation (DRPT) joined forces in February to present Rail Industry Day, an opportunity for members of the contracting community to learn more about upcoming projects and procurements. Nearly 350 potential contractors attended the virtual event. The webinar included projects such as the Long Bridge expansion, track projects, station improvements, parking expansion, and a general planning consultant procurement. It also addressed DRPT and VRE's procurement policies and subcontractor utilization goals for firms qualifying under the federal Disadvantaged Business Enterprises or state Small, Women-owned and Minority-owned programs.

After a year hiatus due to the pandemic, VRE participated in two popular special events. June's hot weather did not deter folks from attending the 26th Annual Manassas Heritage Railway Festival. While VRE did not operate excursion trains to Clifton, the locomotive and static display attracted many, including kids who knew a lot about locomotive generators and motors.

The return of the Clifton Day Festival, the first Saturday in October, saw VRE offer service to and from the event at stations between Manassas and Rolling Road. It is the only day of the year when trains stop in the historic town. Riding VRE has long been the best way to get to Clifton on festival day, as parking fills up quickly.

After much consideration, VRE opted not to run its Santa Trains in 2021, as the presence of yet another COVID-19 variant, omicron, and the lack of a vaccine for children under five, posed potential health risks. Santa Trains should resume in 2022.





# PARTNERSHIPS

VRE has a long history of successful partnerships with a variety of organizations and agencies, many of which have strengthened over the last year. CEO Rich Dalton continues to represent the commuter rail service on the Northeast Corridor Commission as a non-voting representation and the Virginia Passenger Rail Authority as an ex-officio board member. With a voice at the table, VRE has been able to contribute to solutions and help advance rail projects in the commonwealth and as far north as Boston, Massachusetts.

Close coordination with Virginia's DRPT, whose director represented the commonwealth on the VRE Operations Board, led to VRE's participation as a funder of the Long Bridge project, which is critical to VRE's sustainability and growth.

Because VRE operates service in corridors used by both passenger and freight trains, VRE management and its operations team continued to collaborate with colleagues at Amtrak, CSX Transportation and Norfolk Southern. Together these organizations worked through VRE's return to full service in June and schedule change in October.

With its conductors and engineers supplied by Keolis Rail Services Virginia, VRE touched base with Keolis multiple times a day. Daily meetings, following the conclusion of morning service, allowed for the resolution of issues. The new "What's Up Wednesday" newsletter provided service- and passenger-related reminders in a rapidly changing environment.

The VRE Coordinating Committee, comprised of staff from its parent commissions, nine member jurisdictions and the commonwealth, continued to meet virtually in 2021. These monthly meetings allowed staff to gain a better understanding of agenda items and prepare their Operations Board members for upcoming meetings.

At the Commuter Rail Coalition (CRC) annual meeting in June, CEO Rich Dalton was elected to the board of directors as an at-large member for a two-year term. CRC represents the interests, needs and benefits of the nation's commuter railroads, which deliver half a billion passenger trips each year.

VRE again participated in the annual Northern Virginia Joint Transportation Meeting, which allows the public to learn more about projects designed to improve mobility in the region. During the December virtual meeting, CEO Rich Dalton updated attendees about VRE's planned improvements and financial support of Transforming Rail in Virginia.

VRE staff partnered with the Virginia Transit Association (VTA) in the development of its legislative agenda and determination of recipients of various awards. Several VRE staff members, as part of their continuing education, participated in VTA's September conference, which included a keynote speech by Governor Ralph Northam.



An animated flyover was shared with members of the Long Bridge project's technical advisory committee, including VRE staff, demonstrating the project's complexities.



VRE staff at one of two health-and-wellness check-ins at the Fredericksburg station.



## VRE STAFF

An initiative to identify areas of opportunity and develop and execute informed strategies to enhance and sustain VRE as a diverse, equitable and inclusive employer launched in 2021. The project included an evaluation of current organizational policies, practices, and various aspects of the workforce, including employee experiences. Results and recommendations will be shared in 2022.

To help mitigate the pandemic's toll on connections between staff members, many of whom worked remotely, VRE held two health and wellness check-ins during 2021. The events gave new hires an opportunity to meet colleagues with whom they had only exchanged emails or spoken with via online platforms. Team-building exercises and tenure milestone recognitions were part of the events.

The inaugural Tour de VRE, a 75-mile bike ride to raise awareness and financial support for triple negative breast cancer, launched in October. The ride, which started at Washington, D.C. Union Station and concluded at VRE's Fredericksburg station, celebrated the life of Maria Bohigas Foster, the spouse of VRE Project Manager Kip Foster, who succumbed to the disease in August.



Efforts were undertaken to enhance and sustain VRE as a diverse, equitable and inclusive employer.



(Pictured here, right and below) The first annual Tour de VRE honored the spouse of a staff member who lost her battle against breast cancer.



VRE staff gathered twice at the Fredericksburg station for a health and wellness check in.





Virginia Railway Express

1500 King Street, Alexandria, VA 22314





# VIRGINIA RAILWAY EXPRESS SYSTEM PLAN 2040

## Goals of the VRE System Plan

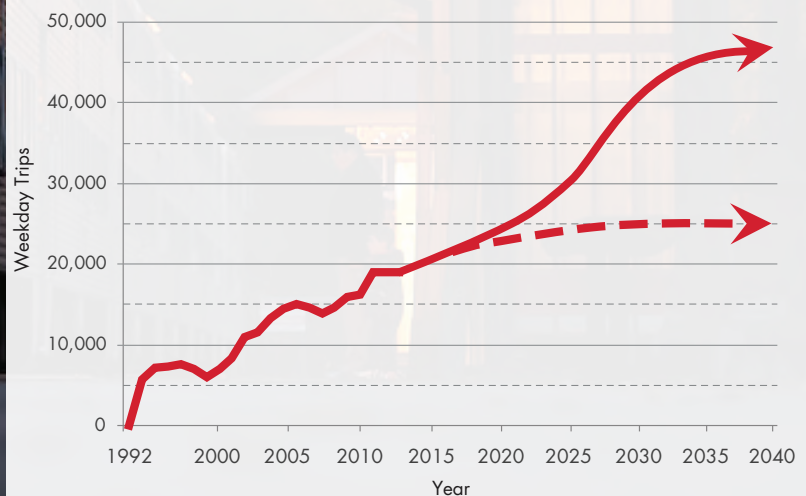
- Provide passengers with rolling stock, stations, and service maintained to the highest quality.
- Improve and expand service for current VRE passengers.
- Address emerging ridership markets.
- Advance VRE's role as part of a multimodal regional mobility network.
- Invest in partnerships to add capacity in multi-use rail corridors.



## VRE's Growth Potential

VRE ridership has doubled since 2000, reaching 19,000 weekday trips in 2013. Over the next 25 years, VRE can more than double its ridership again by offering more choices to travelers in the region and delivering substantial mobility improvements in the congested I-95 and I-66 corridors.

System investments proposed in Phase I of the System Plan will expand capacity to carry up to 25,000 weekday passengers. More major improvements are identified for Phases II and III to support VRE service expansion by relieving critical operational bottlenecks such as the Long Bridge over the Potomac River and other water crossings as well as adding more tracks throughout the corridor. With these and other investments, the long-term growth potential for VRE rises to 50,000 weekday passengers to keep pace with identified demands for service.



... Maximizing Regional Mobility

# System Plan Capital Investments

The VRE System Plan provides for the logical, incremental expansion of VRE infrastructure and service. The plan includes an initial set of recommendations linked to VRE’s six-year Capital Improvement Program, to address short-term growth needs. The System Plan also identifies a set of longer-term capacity improvements that offer wide-ranging VRE, intercity passenger rail and freight benefits including expansion of the Alexandria to L’Enfant railroad corridor, the Long Bridge over the Potomac River, and triple-tracking of the CSX-owned Fredericksburg Line. VRE will supplement these major efforts with investments in stations, rolling stock, storage yards, and maintenance facilities as well as extending service into new markets such as the Gainesville-Haymarket area.



System Investments	Estimated Capital Costs (millions of 2013 dollars)			
	Phase 1 2020	Phase 2 2030	Phase 3 2040	Total System Plan
Additional Coaches and Locomotives	\$35	\$125	\$125	<b>\$285</b>
Expand Platforms at Stations	\$50	\$80	\$35	<b>\$165</b>
Additional Parking at Stations	\$90	\$20	\$30	<b>\$140</b>
Central Core Station Improvements	\$20	\$20	\$0	<b>\$40</b>
Train Storage, DC & VA	\$40	\$10	\$60	<b>\$110</b>
Gainesville – Haymarket Extension	\$0	\$295	\$0	<b>\$295</b>
Long Bridge Corridor Expansion	\$0	\$1,100	\$0	<b>\$1,100</b>
Fredericksburg Line Third Track	\$50	\$100	\$440	<b>\$590</b>
<b>Total Capital Cost</b>	<b>\$285</b>	<b>\$1,750</b>	<b>\$690</b>	<b>\$2,725</b>
Estimated VRE/Local/Regional Share of the Capital Cost		\$700	\$300	<b>\$1,000</b>

## System Plan Service Improvements

As the planned system investments are completed and new railroad agreements put in place, VRE will gradually increase the number of weekday peak period trains, initiate reverse-peak service, and expand off-peak service. Full bi-directional service will enable VRE to provide greater travel options for riders, more efficiently use equipment, crews, and yard facilities, and maximize the overall cost effectiveness of its operations.

## System Plan Timeline

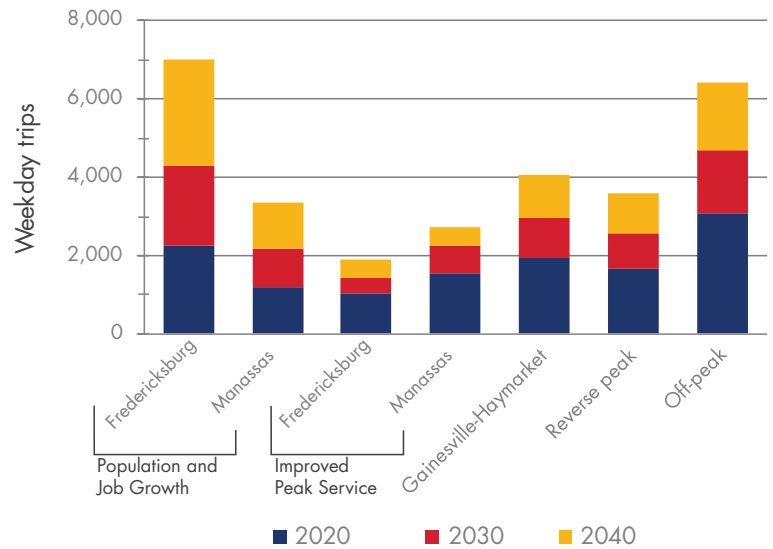
	PROPOSED SERVICE IMPROVEMENTS		
	Phase I 2014 to 2020	Phase II 2021 to 2030	Phase III 2030 to 2040
	- More trains - Longer trains	- 20-minute peak service - Reverse-peak service - More off-peak service - Gainesville-Haymarket service	- 15-minute peak service - 30-minute reverse-peak service - Hourly off-peak service
<b>SYSTEM INVESTMENTS</b>			
Station and Parking Expansion	[Yellow bar spanning all phases]		
Rolling Stock and Yard Expansion	[Yellow bar spanning all phases]		
Gainesville-Haymarket Extension	[Yellow bar spanning Phase I and II]		
Long Bridge Corridor Expansion DC-Alexandria Fourth Track	[Yellow bar spanning Phase I and II]		
Fredericksburg Line Third Track	[Yellow bar spanning all phases]		



## VRE's Future Travel Market

Projected population growth in the VRE service area will continue to increase demand for commuter travel in the corridors served by VRE. The System Plan investments will enable VRE to serve a higher percentage of these work trips to Washington, DC and northern Virginia activity centers, and also tap several significant new markets, including reverse commute, off-peak travel, and the Gainesville-Haymarket corridor. Without the railroad capacity to allow VRE service expansion, increasing travel demand would result in worsening highway congestion and deteriorating VRE service levels, while other prospective travel markets in the region would remain unserved by VRE.

POTENTIAL VRE GROWTH MARKETS



## Railroad Capacity Challenges

VRE is poised for continued ridership growth, but achieving that growth is dependent upon partnerships to expand capacity with our host railroads: CSX Transportation, Norfolk Southern, and Amtrak. VRE trains run on tracks owned and operated by the host railroads. Phase I of the System Plan will maximize the number of trains VRE can operate under our existing agreements, which effectively limits VRE capacity to about 25,000 weekday passengers. Railroad capacity investments proposed for Phases II and III will provide the additional capacity needed to enable VRE to carry up to 50,000 weekday passenger trips by 2040, which is consistent with identified demand.





# VIRGINIA RAILWAY EXPRESS SYSTEM PLAN 2040

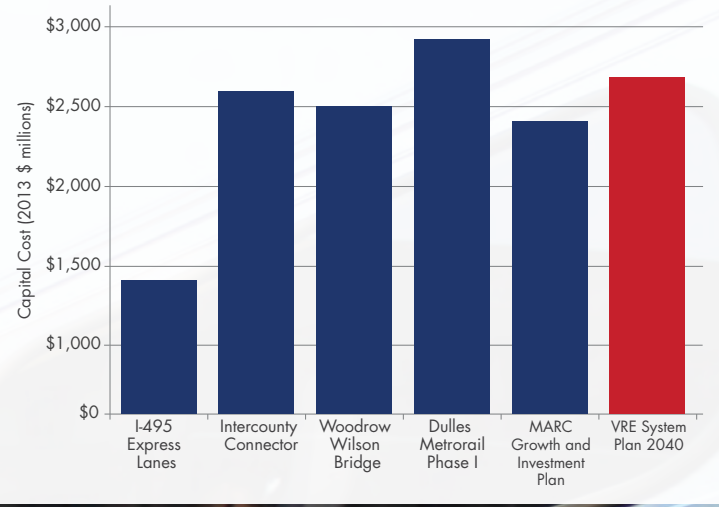
## VRE's Role in the Regional Rail Network

With the service improvements realized through VRE System Plan investments, VRE becomes a critical link in the regional rail travel network centered on Washington DC. Better integration of VRE with MARC and Amtrak services will enhance travel for longer-distance commuters as well as for business and leisure travelers, offering more attractive and varied alternatives to travel by car. Enhanced connectivity to Metrorail and other high-capacity public transit services improve the reach of rail throughout the region.



## VRE is a Cost-Effective Investment

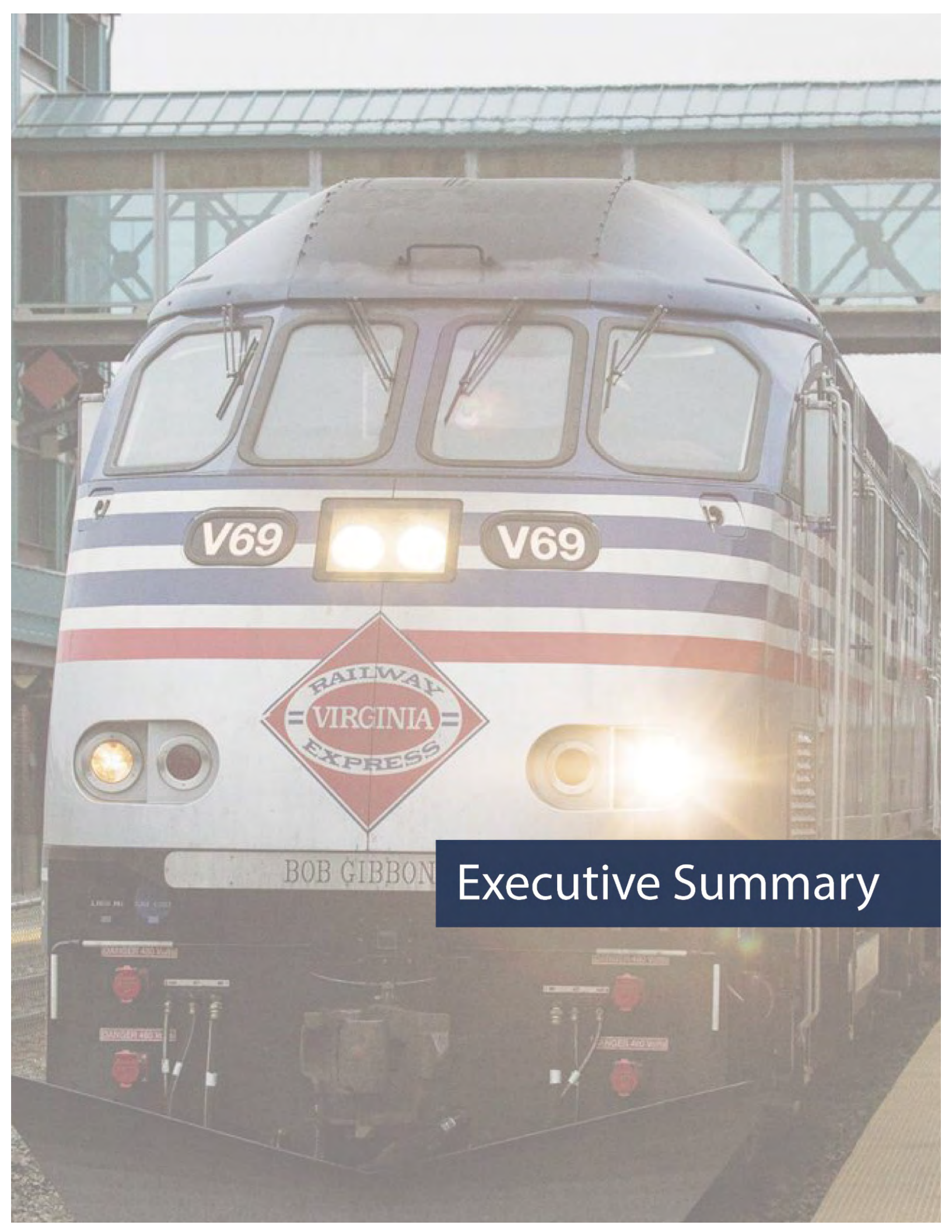
Improvements in VRE capacity can be achieved in less time and at a comparable cost to other highway and rapid transit projects constructed in the region. Investment in the railroad corridors will enable VRE to provide a rush hour passenger-carrying capacity equivalent to two traffic lanes in the I-95 and I-66 corridors while also augmenting freight railroad capacity and supporting future expansion of intercity passenger rail services.



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# Executive Summary

# Executive Summary

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The Transit Development Plan (TDP) provides an overview of VRE's major projects and initiatives and outlines short-term priorities as well as constraints and aspirations for the longer term. It also helps to coordinate activities and initiatives carried out by VRE staff or other agencies, and tracks progress towards the achievement of VRE's long range vision identified in the System Plan 2040. VRE is required to periodically update its TDP in accordance with the Virginia Department of Rail and Public Transportation (DRPT) Transit Development Plan Minimum Requirements, dated February 2017, as a condition of receiving state funding.

This TDP encompasses two timeframes:

- A six-year (FY2020 - FY2025) fiscally-constrained plan that documents the funded projects and programmed initiatives; and
- A ten-year minimum (FY2020 - FY2029) fiscally-unconstrained plan identifying proposed projects as well as current and longer-term capital and operating unmet needs. The fiscally-unconstrained plan affords an opportunity to connect ongoing and planned improvements to the aspirations outlined in the System Plan 2040.

The document is organized per DRPT's requirements as follows:

- *Chapter 1: Overview of the Transit System* – describes the existing service, facilities, organization, and regional context.
- *Chapter 2: Goals, Objectives, and Service Design Standards* – identifies goals, objectives, and performance measures that can help VRE demonstrate progress towards achieving the VRE mission.
- *Chapter 3: Service and System Evaluation* – presents the demographics of the station catchment areas and identifies how well the service needs are being met by analyzing performance data, customer opinions expressed in surveys, etc.
- *Chapter 4: Service and Capital Improvement Plan* – identifies projected population and employment growth throughout the service area, and the priorities for the service plan and capital improvement projects for the TDP timeframes described above.
- *Chapter 5: Implementation Plan* – summarizes the Fleet Management Plan, Transit Asset Management Plan, and other plans, projects, and policies related to maintenance and upgrades of facilities and operations.
- *Chapter 6: Financial Plan* – outlines the operating and capital program for the six-year timeframe, including options to close funding gaps, while demonstrating the ability to meet current commitments.



## FY2020 – FY2025 Transit Development Plan

- *Chapter 7: TDP Monitoring and Evaluation* – summarizes the update and evaluation processes in practice or proposed to be put into place to ensure successful execution of the plans and projects outlined in the TDP in future years.

The first TDP was adopted by the VRE Operations Board in January 2012. This TDP update reflects the changes in the VRE organization and long-range vision since then. While VRE's overall mission remains unchanged, updated goals, objectives, and performance measures were developed to better align with three areas of focus: Service Delivery, Business Practices, and Service Enhancement. These measures will help VRE evaluate success in the achievement of the VRE mission and longer-term outcomes as a result of the daily activities by VRE staff.

The rapid ridership growth VRE had seen for over a decade slowed down in FY2012. Average daily ridership has hovered around 19,000 passengers in recent years in large part due to peak period trains being at or near capacity. Meanwhile, the region continues to grow and the demand for VRE is expected to increase as well. Most recently, Amazon announced their decision to locate a new second headquarters, housing 25,000+ new jobs near the VRE Crystal City station.

The TDP outlines four types of service needs that exist today and are expected to increase in the future. The needs are to: expand seat capacity, adjust train timings, improve frequency of service, and start tapping new markets in accordance with the long-range vision for the system. These needs are addressed to the extent possible by lengthening trains in the near term, while funding is being sought for capital projects and operations to allow VRE to add new trains in the future.

### ***FY2020 – FY2025 Fiscally Constrained Plan***

In this timeframe, VRE addresses the need for additional seats by adding cars to existing trains. VRE's short-term service goal is to extend Fredericksburg Line trains to 8-car trains. Funding to acquire the requisite 11 coaches, including spares, has been awarded from the Commonwealth of Virginia's SmartScale program. On the Manassas Line, trains will be extended to 10 cars with funding for 10 coaches awarded through the I-66 Outside the Beltway Concessionaire Payment. Yard expansions to accommodate the additional coaches are funded through the same sources.

The FY2020 – FY2025 Capital Improvement Program (CIP) also includes station, parking, and storage yard expansion projects as well as the acquisition of rolling stock mentioned above. Given current cost estimates, full funding of the projects in the FY2020 – FY2025 CIP will require approximately \$813.5 million, of which \$703.7 million (86.5%) is already committed.

### ***FY2026 – FY2029 Fiscally Unconstrained Plan***

A capacity analysis indicates that anticipated demand in FY2030 for the Fredericksburg Line is expected to exceed seat capacity even if trains are lengthened to ten cars. On the Manassas Line, the busiest trains already have eight cars. The analysis showed that extending these consists to ten cars would be adequate to meet forecasted demand in FY2030.



The VRE Operations Board has decided to limit capacity expansion to lengthening existing trains until sufficient sources of operating and capital funding are in place. In 2018, the Commonwealth of Virginia established the Commuter Rail Operating and Capital (C-ROC) fund, a dedicated funding source for VRE, that begins to address the financial need. Additional revenue sources will be pursued, informed by the financial analysis currently underway. A number of capital improvements including expansion of stations, parking, storage yards, track infrastructure, and other facilities required to run longer, and ultimately new, trains have also been fully or substantially funded. Other expansion requirements such as additional operating budget, unfunded capital projects, and coordination with partner agencies and host railroads are summarized in the TDP. The expansion of the Long Bridge across the Potomac River is a key project being advanced jointly by public and private agencies.

VRE plans to update the System Plan 2040 and develop a long-term service plan and companion financial component that identifies enough operating support and funding for capital infrastructure requirements. This TDP identifies potential incremental service plan modifications that can help to achieve the desired outcomes of the long-term plan.

DRPT requires a major update of the TDP document every six years with an annual update letter submitted in January of each interim year. The letter provides VRE an opportunity to update DRPT on the adopted budget, capital and operating priorities for the upcoming year, and financial projections for the following nine years. The letter highlights progress made on funding and completing capital improvement projects. Performance data for the past year and goals for the upcoming year are also provided annually. The letter may also summarize significant operating trends and challenges, changes in the organization or service area demographics, or updates to long-term plans for the system.

This TDP update has helped VRE to coordinate and communicate current practices and work plans internally, and better align them with the priorities of our stakeholders. The monitoring and evaluation process outlined in this TDP will help VRE maintain that effort in subsequent years.

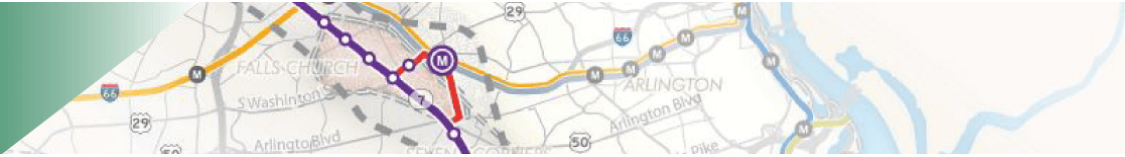




**Partners:**

**Washington Metropolitan  
Area Transit Authority  
(WMATA)**

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## NVTC and WMATA

NVTC enjoys a special relationship with the Washington Metropolitan Area Transit Authority (WMATA), as it is charged with the funding and stewardship of Metro. Founded in 1964, in part to represent the interests of the Commonwealth during the creation of Metrorail, NVTC continues to serve as Virginia's voice on the WMATA Board of Directors through its appointments to the panel. The WMATA Board — established through an interstate compact between Virginia, Maryland and the District of Columbia — determines agency policy and provides oversight for funding, operations and the expansion of transit facilities.

In addition to its appointments to the WMATA Board, NVTC has a wide array of roles and responsibilities that pertain to WMATA. The Commission manages regional and state funding for WMATA on behalf of NVTC's local jurisdictions and reports WMATA's ridership data. NVTC also provides a forum for regional dialogue on WMATA-related issues, coordinates with WMATA and local jurisdictions on the Commission's regional fare collection program and facilitates a Northern Virginia transit response coordination group to assist in planning efforts in the event of Metrorail service disruptions.

Virginia's 2018 transit omnibus legislation expands NVTC's role and relationship with WMATA by adding specific oversight and reporting responsibilities. They include the requirements that NVTC certify receipt of certain documents and reports from WMATA and provide an annual report to the Governor and General Assembly on the performance and condition of WMATA.

## NVTC and WMATA Board Member Appointments

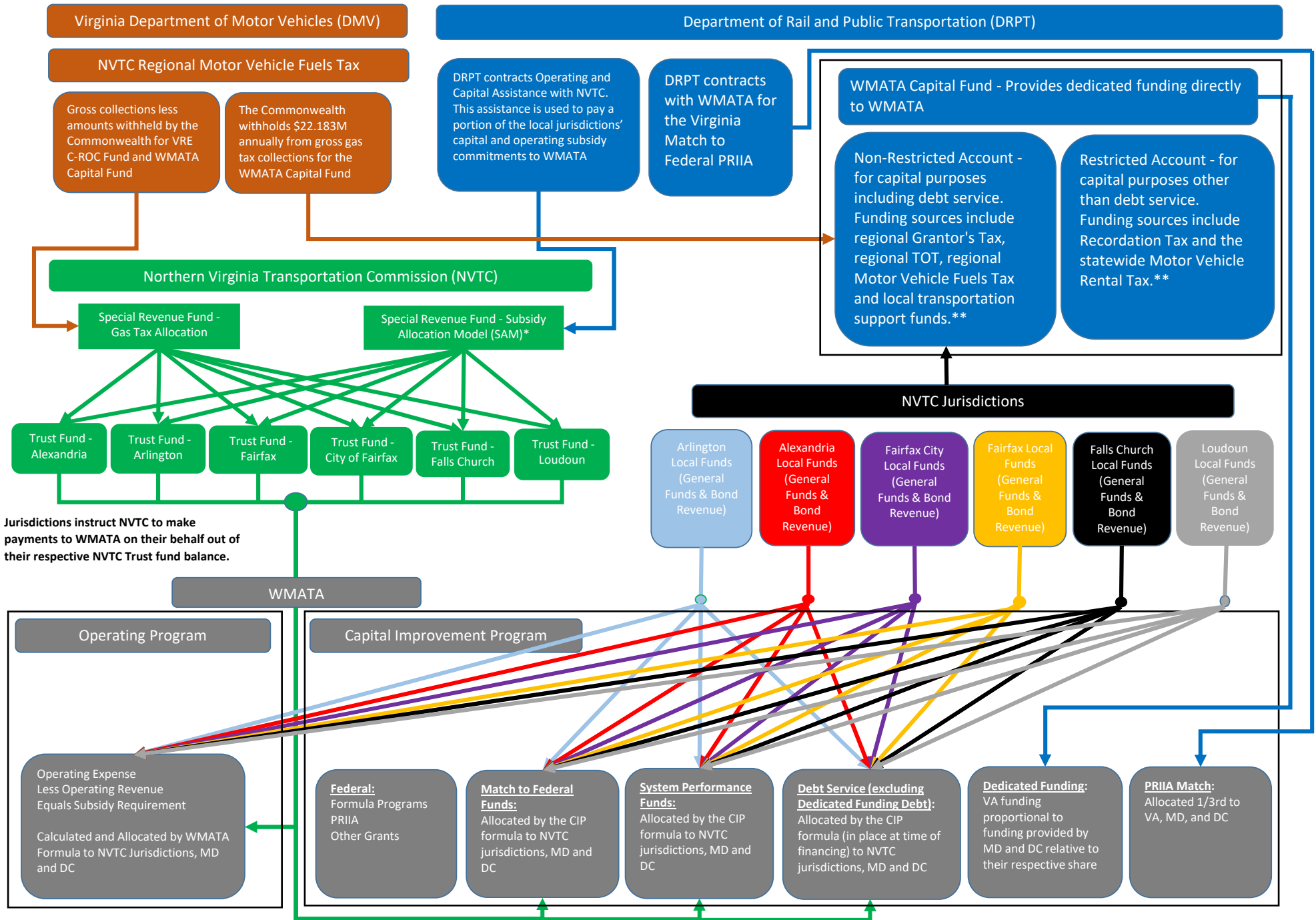
NVTC is empowered through the Code of Virginia (§ 33.2-1907.B.) and the WMATA Compact to make appointments to the WMATA Board of Directors. NVTC appoints two principal directors and two alternate directors to the WMATA Board. One of the appointments must include the Transportation Secretary of Virginia or his/her designee as a principal director. Board members serve a term of four years with a maximum of two consecutive terms.

Recent transit omnibus legislation restricts the role of alternate directors on the WMATA board, and recent changes to WMATA Bylaws clarify that alternate directors may participate at WMATA board meetings only in the absence of the director for whom he/she has been appointed as an alternate. So that NVTC's appointments to the WMATA Board can speak on behalf of all Virginia funding partners, NVTC provides staff support to the Virginia WMATA board members and provides a venue for discussion of WMATA-related issues that affect NVTC jurisdictions.

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# HOW WMATA IS FUNDED IN VIRGINIA - FISCAL YEAR 2022



\* Loudoun County participation in the SAM formula is effective with the start of revenue operations on the Silver Line Phase 2

\*\*The Virginia General Assembly has directed additional funding in FY2022 to shore up the WMATA Capital Fund

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**Appointments to WMATA Board and Board Member Requirements –  
Excerpt from Code of Virginia 33.2 -1907**

B. The Secretary or his designee and any appointed member of the Northern Virginia Transportation Commission are authorized to serve as members of the board of directors of the Washington Metropolitan Area Transit Authority (§ 33.2-3100 et seq.) and while so serving the provisions of § [2.2-2800](#) shall not apply to such member. In appointing Virginia members of the board of directors of the Washington Metropolitan Area Transit Authority (WMATA), the Northern Virginia Transportation Commission shall include the Secretary or his designee as a principal member on the board of directors of WMATA. Any designee serving as the principal member must reside in a locality served by WMATA.

In selecting from its membership those members to serve on the board of directors of WMATA, the Northern Virginia Transportation Commission shall comply with the following requirements:

1. A board member shall not have been an employee of WMATA within one year of appointment to serve on the board of directors.
2. A board member shall have (i) experience in at least one of the fields of transit planning, transportation planning, or land use planning; transit or transportation management or other public sector management; engineering; finance; public safety; homeland security; human resources; or the law or (ii) knowledge of the region's transportation issues derived from working on regional transportation issue resolution.
3. A board member shall be a regular patron of the services provided by WMATA.
4. Board members shall serve a term of four years with a maximum of two consecutive terms. A board member's term or terms must coincide with his term on the body that appointed him to the Northern Virginia Transportation Commission. Any vacancy created if a board member cannot fulfill his term because his term on the appointing body has ended shall be filled for the unexpired term in the same manner as the member being replaced was appointed within 60 days of the vacancy. The initial appointments to a four-year term will be as follows: the Secretary, or his designee, for a term of four years; the second principal member for a term of three years; one alternate for a term of two years; and the remaining alternate for a term of one year. Thereafter, board members shall be appointed for terms of four years. Service on the WMATA board of directors prior to July 1, 2012, shall not be considered in determining length of service. Any person appointed to an initial one-year or two-year term, or appointed to an unexpired term in which two years or less is remaining, shall be eligible to serve two consecutive four-year terms after serving the initial or unexpired term.

5. Members may be removed from the board of directors of WMATA if they attend fewer than three-fourths of the meetings in a calendar year; if they are conflicted due to employment at WMATA; or if they are found to be in violation of the State and Local Government Conflict of Interests Act (§ [2.2-3100](#) et seq.). If a board member is removed during a term, the vacancy shall be filled pursuant to the provisions of subdivision 4.

6. Each member of the Northern Virginia Transportation Commission appointed to the board of directors of WMATA shall file semiannual reports with the Secretary's office beginning July 1, 2012. The reports shall include (i) the dates of attendance at WMATA board meetings, (ii) any reasons for not attending a specific meeting, and (iii) dates and attendance at other WMATA-related public events.

7. Each nonelected member of the Northern Virginia Transportation Commission appointed to the board of directors of WMATA shall be eligible to receive reasonable and necessary expenses and compensation pursuant to §§ [2.2-2813](#) and [2.2-2825](#) from the Northern Virginia Transportation Commission for attending meetings and for the performance of his official duties as a board member on that day.

Any entity that provides compensation to a WMATA board member for his service on the WMATA board shall be required to submit on July 1 of each year to the Secretary the amount of that compensation. Such letter will remain on file with the Secretary's office and be available for public review.



Code of Virginia

Title 33.2. Highways and Other Surface Transportation Systems

Subtitle IV. Local and Regional Transportation

## Chapter 34. Washington Metropolitan Area Transit Authority Capital Fund

### § 33.2-3400. Definitions

As used in this chapter:

"Fund" means the Washington Metropolitan Area Transit Authority Capital Fund.

"NVTC" means the Northern Virginia Transportation Commission.

"WMATA" means the Washington Metropolitan Area Transit Authority.

2018, cc. [854](#), [856](#).

### § 33.2-3401. Washington Metropolitan Area Transit Authority Capital Fund

A. There is hereby created in the state treasury a special nonreverting fund for the benefit of the Northern Virginia Transportation District to be known as the Washington Metropolitan Area Transit Authority Capital Fund. The Fund shall be established on the books of the Comptroller. All revenues dedicated to the Fund pursuant to §§ [33.2-2400](#), [33.2-3404](#), [58.1-802.3](#), [58.1-1741](#), [58.1-1743](#), and [58.1-2299.20](#) shall be paid into the state treasury and credited to the Fund as set forth in subsection B and shall be used for the payment of capital purposes incurred, or to be incurred, by WMATA. Interest on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. The Comptroller shall disburse funds to WMATA on a monthly basis if NVTC has provided the certification required by subsection B of § [33.2-3402](#).

B. 1. Within the Fund, there shall be established a separate, segregated account into which revenues dedicated to the Fund pursuant to §§ [33.2-2400](#) and [58.1-1741](#) shall be deposited (the Restricted Account). Revenues deposited into the Restricted Account shall be available for use by WMATA for capital purposes other than for the payment of, or security for, debt service on bonds or other indebtedness of WMATA.

2. Within the Fund, there shall be established a separate, segregated account into which revenues dedicated to the Fund pursuant to §§ [33.2-3404](#), [58.1-802.3](#), [58.1-1743](#), and [58.1-2299.20](#) shall be deposited (the Non-Restricted Account). Revenues deposited into the Non-Restricted Account shall be available for use by WMATA for capital purposes, including for the payment of, or security for, debt service on bonds or other indebtedness of WMATA, or for any other WMATA capital purposes.

C. The amounts deposited into the Fund and the distribution and expenditure of such amounts shall not be used to calculate or reduce the share of federal, state, or local revenues otherwise available to participating jurisdictions. Further, such revenues and moneys shall not be included in any computation of, or formula for, a locality's ability to pay for public education, upon which appropriations of state revenues to local governments for public education are determined.

2018, cc. [854](#), [856](#).

### **§ 33.2-3402. NVTC oversight**

A. In any year that funds are deposited into the Fund, the NVTC shall request certain documents and reports from WMATA to confirm the benefits of the WMATA system to persons living, traveling, commuting, and working in the localities that the NVTC comprises. Such documents and reports shall include:

1. WMATA's annual capital budget;
2. WMATA's annual independent financial audit;
3. WMATA's National Transit Data annual profile; and
4. Single audit reports issued in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 C.F.R. Part 200).

B. NVTC shall be responsible for coordinating the delivery of such documents and reports with WMATA. Funding of the Commonwealth to support WMATA pursuant to § 33.2-1526.1 shall be contingent on WMATA providing the documents and reports described in subsection A, and NVTC shall provide annual certification to the Comptroller that such documents and reports have been received.

2018, cc. [854](#), [856](#).

### **§ 33.2-3403. NVTC report**

By December 15 of each year that funds are deposited into the Fund, NVTC shall report to the Governor and the General Assembly on the performance and condition of WMATA. Such report shall contain, at a minimum, documentation of the following:

1. The safety and reliability of the rapid heavy rail mass transportation system and bus network;
2. The financial performance of WMATA related to the operations of the rapid heavy rail mass transportation system, including farebox recovery, service per rider, and cost per service hour;
3. The financial performance of WMATA related to the operations of the bus mass transportation system, including farebox recovery, service per rider, and cost per service hour;
4. Potential strategies to reduce the growth in such costs and to improve the efficiency of WMATA operations;
5. Use of the funds provided from the Fund to improve the safety and condition of the rapid heavy rail mass transportation system; and
6. Ridership of the rapid heavy rail mass transportation system and the bus mass transportation system.

2018, cc. [854](#), [856](#); 2020, c. [792](#).

### **§ 33.2-3404. Local transportation support for WMATA**

A. Each county or city that (i) is located in a transportation district that as of January 1, 2018, meets the criteria established in § [33.2-1936](#) and (ii) has financial obligations to a transit system that operates a rapid heavy rail mass transit system operating on an exclusive right-of-way that is funded and controlled in part by such transportation district shall annually pay to the Fund an amount as determined by subsection B.

B. The amount to be paid by each local government pursuant to subsection A shall be determined by multiplying \$27.12 million by a fraction the numerator of which shall be such local government's share of capital funding for WMATA and the denominator of which shall be the total share of capital funding for WMATA for all local governments in the Commonwealth.

C. A locality subject to subsection A shall pay the amount determined by subsection B by transferring a portion of the revenues received pursuant to subsection B of § 33.2-2510 to the Fund. However, in any fiscal year in which a locality subject to subsection A has adopted a budget and a corresponding resolution to provide the amount of funds determined pursuant to subsection B from a source other than the revenues received pursuant to subsection B of § 33.2-2510, such locality may provide the funds for that fiscal year from such other source, and shall not be required to transfer funds received pursuant to subdivision B of § 33.2-2510.

2018, cc. 854, 856.

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## Overview of WMATA-Related Provisions of HB1539/SB856

### Programmatic Restructuring for WMATA; funding conditions

1. Restructures the state transit funding to set WMATA funding as separate allocation, annually set at 53.5 percent of available State transit capital and operating funds. The 2020 Transportation omnibus bill (HB1414) lowers this to 46.6% in FY 2024 but is projected to result in an increase in this funding due to additional overall revenues in the 2020 bill.\*
2. Funds to be allocated to NVTC on behalf of NVTC WMATA jurisdictions and credited to each jurisdiction in accordance with the subsidy allocation model.
3. NVTC has flexibility to use these state funds for WMATA operating and/or capital costs as it deems appropriate.
4. These funds may be withheld based upon certain conditions:
  - **20 percent of these funds would be withheld** if an alternate member participates or take action at an official WMATA Board or committee meeting when both principle members are present OR WMATA Board does not adopt bylaws that would prohibit the limited participation of alternate members.
  - **20 percent of these funds would be withheld** if WMATA does not adopt a detailed capital improvement program covering the current fiscal year, and at a minimum, the next five fiscal years, and hold at least one public hearing in the NVTC district.
  - **20 percent of these funds would be withheld** if WMATA does not adopt or update a strategic plan within the preceding 36 months, and hold at least one public hearing in the NVTC district. The first strategic plan of this requirement (due by July 1, 2019) must include a plan to align services with demand and to satisfy other requirements included in the LaHood study.
  - **35 percent of these funds would be withheld** if the total Virginia portion of annual operating assistance increases in the WMATA Budget by more than 3 percent over the previous year, with certain conditions
  - **All of these funds would be withheld** without annual certification from NVTC to the Comptroller of the receipt of certain WMATA documents (see reporting requirements below).

### NVTC WMATA Reporting Requirements

**§33.2-3402** - In any year that funds are deposited into the Washington Metropolitan Area Transit Authority Capital Fund (§33.2-3401), the NVTC shall request certain documents and reports from WMATA to confirm the benefits of the WMATA system to persons living, traveling, commuting, and working in the localities that the NVTC comprises. Table 1 summarizes documents and reports to be included in the submission.

**Table 1. NVTC Oversight Requirements of WMATA (§33.2-3402)**

Report	Source	Release
Annual Budget	WMATA	Annually
Annual Independent Financial Audit	WMATA	Annually, October
National Transit Database (NTD) Annual Profile	FTA	Annually, October
Audit Report in Accordance with the <i>Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards</i>	WMATA	Annually, October

**§33.2-3403** - By November 1 of each year that funds are deposited into the Washington Metropolitan Area Transit Authority Capital Fund (§33.2-3401), NVTC shall report to the Governor and the General Assembly on the performance and condition of WMATA, at a minimum, containing documentation of Table 2.

**Table 2. NVTC Reporting Requirement of WMATA (§33.2-3403)**

Report	Source	Availability
Safety and reliability of Metrorail and Metrobus	Metro Performance Report	Quarterly, 2-month lag (Year to Date)
Financial performance re. Metrorail operation: Farebox recovery Service per rider Cost per service hour	NTD	Annually, October
Financial performance re. Metrobus operation: Farebox recovery Service per rider Cost per service hour	NTD	Annually, October
Potential strategies to reduce the growth in such costs and to improve the efficiency of WMATA operations	WMATA Annual Budget (?)	Annually, Spring
Use of the funds from the Fund to improve the safety and condition of Metrorail	WMATA	NEW
Metrorail and Metrobus ridership	WMATA	Monthly, prior to JCC



## COMMONWEALTH of VIRGINIA

### *Commonwealth Transportation Board*

Shannon Valentine  
Chairperson

1401 East Broad Street  
Richmond, Virginia 23219

(804) 786-2701  
Fax: (804) 786-2940

*Agenda item # 9*

### **RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD**

**January 19, 2021**

#### **MOTION**

**Made By: Ms. Hynes, Seconded By: Mr. Kasprovicz**  
**Action: Motion Carried, Unanimously**

**Title: Approval of Policy and Guidelines for Implementation of Governance and Funding Reforms for the Washington Metropolitan Area Transit Authority (WMATA)**

**WHEREAS**, the Commonwealth Transportation Board (CTB), the Northern Virginia Transportation Commission (NVTC), and the jurisdictions that comprise the NVTC, who provide local funding and receive transit service from the Washington Metropolitan Area Transit Authority (WMATA), are mutually interested in the success of the WMATA; and

**WHEREAS**, WMATA was established pursuant to an interstate compact between Virginia, Maryland, and the District of Columbia to operate a regional mass transit system in the Washington, D.C. metropolitan area; and

**WHEREAS**, NVTC was founded in part to represent the interests of the Commonwealth of Virginia during the establishment of WMATA; and

**WHEREAS**, NVTC's member jurisdictions – the cities of Alexandria, Falls Church and Fairfax and the counties of Arlington and Fairfax – are the current WMATA Compact funding partners, with Loudoun County to become a funding partner in advance of the start of operations on Phase 2 of the Silver Line; and

**WHEREAS**, Section 33.2-1936 of the *Code of Virginia* establishes that the Northern Virginia Transportation District has unique needs and that the operation of the rapid heavy rail mass transportation system and the bus mass transportation system by WMATA provides particular and substantial benefit to the persons living, traveling, commuting, and working in the localities embraced by the NVTC; and

**WHEREAS**, Section 33.2-3401 of the *Code of Virginia*, pursuant to Chapter 854 of the 2018 Virginia Acts of Assembly, establishes a WMATA Capital Fund to provide Virginia's agreed upon share of regional dedicated capital funding to WMATA; and

**WHEREAS**, Section 33.2-1526.1 of the *Code of Virginia*, pursuant to Chapter 854 of the 2018 Virginia Acts of Assembly, restructures the Commonwealth Mass Transit Fund so that 53.5 percent of its funds shall be annually allocated to NVTC for distribution to WMATA on behalf of its local jurisdictions for capital purposes and operating assistance ("Commonwealth Mass Transit Fund WMATA Allocation"), as determined by NVTC; and

**WHEREAS**, the enactment clauses of Chapter 854 of the 2018 Virginia Acts of Assembly requires the Commonwealth Transportation Board to withhold funding available to WMATA pursuant to Section 33.2-1526.1(C)(3) of the *Code of Virginia* Allocation under the following conditions:

1. The seventh enactment requires the CTB shall withhold 20 percent of the funds available if (i) any alternate directors participate or take action at an official WMATA Board meeting or committee meeting as Board directors for a WMATA compact member when both directors appointed by that same WMATA Compact member are present at the WMATA Board meeting or committee meeting or (ii) the WMATA Board of Directors has not adopted bylaws that would prohibit such participation by alternate directors.
2. The eighth enactment requires that, beginning July 1, 2019, the CTB shall withhold 20 percent of the funds available each year unless (i) WMATA has adopted a detailed capital improvement program covering the current fiscal year and, at a minimum, the next five fiscal years, and at least one public hearing on such capital improvement program has been held in a locality embraced by the NVTC; and (ii) WMATA has adopted or updated a strategic plan within the preceding 36 months, and at least one public hearing on such plan or updated plan has been held in a locality embraced by the NVTC. The first strategic plan adopted to comply with such requirements shall include a plan to align services with demand and to satisfy the other recommendations included in the report submitted pursuant to Item 436 R of Chapter 836 of the Acts of Assembly of 2017.
3. The first enactment requires that, in any year that the total Virginia operating assistance in the approved WMATA budget increases by more than 3 percent from the total operating assistance in the prior year's approved WMATA budget, the Board shall withhold an amount equal to 35 percent of the funds available. The following items shall not be included in the calculation of any WMATA budget increase: (i) any service, equipment, or facility that is required by any applicable law, rule, or regulation; (ii) any capital project approved by the WMATA Board before or after the effective date of this provision; and (iii) any payments or obligations of any kind arising from or related to legal disputes or proceedings between or among WMATA and any other person or entity.



**WHEREAS**, it is in the best interest of the CTB, NVTC, and the jurisdictions that are WMATA Compact funding partners to ensure that WMATA receives the full allocation of funding from the Commonwealth Mass Transit Fund that is distributed by the NVTC on behalf of its jurisdictions; and

**NOW THEREFORE, BE IT RESOLVED** that the Board hereby adopts the following policy and guidelines to govern future Board decisions related to the Governance and Funding Reforms for the Washington Metropolitan Area Transit Authority enacted by the General Assembly of Virginia in 2018:

**Participation by Alternate Directors of the WMATA Board (Enactment Clause 7 of Chapter 854 of the 2018 Virginia Acts of Assembly)**

1. The CTB shall withhold funding if the WMATA Board of Directors has not adopted bylaws that prohibit the participation of alternate directors specified in clause (ii) of Enactment Clause 7.
2. When determining whether to withhold funding in response to an action taken by an alternate director that is prohibited by clause (i) of Enactment Clause 7, the CTB shall consider the following as prohibited activities by alternate directors at an official WMATA Board or committee meeting (unless the alternate director is acting in the absence of a Board director who serves on the committee): (i) participating in the discussion among Board directors; (ii) making or seconding a motion; (iii) voting on motions, resolutions or other Board actions; (iv) being counted toward the required quorum; (v) attendance or participation in any Executive Session of the WMATA Board or its committees; (vi) any action in violation of WMATA Bylaws in regards to the activities of alternate directors. Attendance by alternate directors at official WMATA Board or committee meetings, excluding Executive Sessions, shall not be a basis for withholding funding, nor shall the provision of information or reports to directors at a WMATA committee meeting in response to a request to do so by the director chairing the committee meeting.
3. WMATA shall provide a written notification to the CTB by July 1 of each year that it has adopted bylaws that prohibit the participation of alternate directors specified in clause (ii) of Enactment Clause 7 and that no violations of the bylaws by alternate directors have occurred during the previous year.
4. WMATA shall immediately notify the CTB in writing if a violation of its bylaws by an alternate director or some other action prohibited by this CTB policy occurs.

**Adoption of a Detailed Capital Improvement Program (Enactment Clause 8(i) of Chapter 854 of the 2018 Virginia Acts of Assembly)**

1. The CTB shall withhold funding if:
  - a. Beginning July 1, 2019, WMATA has not annually adopted or updated by July 1 of each year a detailed capital improvement program covering the current fiscal year and the next five fiscal years, including projections of funding sources and uses for the six-year period.
  - b. Beginning July 1, 2019, WMATA has not annually held by July 1 of each year at least one public hearing on such capital improvement program held in a locality embraced by the NVTC.
2. WMATA shall provide a written notification to the CTB by July 1 of each year that it has: (i) adopted a capital improvement program that complies with the above requirements; and (ii) held a public hearing on the capital improvement program in a locality embraced by the NVTC.

**Adoption or Update of a Strategic Plan (Enactment Clause 8(ii) of Chapter 854 of the 2018 Virginia Acts of Assembly)**

1. The CTB shall withhold funding if:
  - a. Beginning July 1, 2019, the WMATA Board has not adopted or updated a strategic plan within the preceding 36 months. After submission of the first strategic plan, WMATA must submit updated plans every 3 years thereafter.
  - b. Beginning July 1, 2019, WMATA has not held at least one public hearing on such strategic plan held in a locality embraced by the NVTC.
2. The first strategic plan adopted to comply with such requirements shall include a plan to align services with demand and to satisfy the other recommendations included in the report submitted pursuant to Item 436 R of Chapter 836 of the Acts of Assembly of 2017.
3. WMATA shall provide a written notification to the CTB by July 1 of the year of any strategic plan update that it has: (i) adopted or updated a strategic plan that complies with the above requirements; and (ii) held a public hearing on the strategic plan or strategic plan update in a locality embraced by the NVTC.

**3% Cap on Growth in Total Virginia Operating Assistance (Enactment Clause 1 of Chapter 854 of the 2018 Virginia Acts of Assembly)**

1. The CTB shall withhold funding if:
  - a. The total operating subsidy for Virginia in the current year approved WMATA budget increases (effective July 1) by more than 3 percent over the prior year approved WMATA budget (as of June 30).

2. The following items shall not be included in the calculation of any WMATA budget increase:
  - a. Any service, equipment, or facility that is required by any applicable law, rule, or regulation.
    - i. Includes, but is not limited to, compliance with any safety directives to WMATA issued by the Metrorail Safety Commission (MSC), the Federal Transit Administration (FTA), the National Transportation Safety Board (NTSB) or any other relevant safety oversight agency; actions taken to comply with the Americans with Disabilities Act (ADA); and actions taken to comply with Title VI requirements.
  - b. Any major capital project approved by the WMATA Board before or after the effective date of this provision.
    - i. Includes operating subsidy increases related to major capital projects that improve WMATA's state of good repair, support a major system expansion project (such as the planned Potomac Yard Metrorail Station in Alexandria and the Silver Line Metrorail Phase 2 project in Fairfax and Loudoun Counties), and respond to service disruptions caused by implementation of approved capital projects to address state of good repair needs or from emergency system shutdowns.
  - c. Any payments or obligations of any kind arising from or related to legal disputes or proceedings between or among WMATA and any other person or entity.
    - i. This exclusion is not intended for expenses related to the day to day operations of WMATA's legal department.
  - d. Any service increases approved by the WMATA Board pursuant to Section 33.2-1526.1(J) of the *Code of Virginia*.
  - e. Operating subsidies for specific WMATA transit services that are funded in whole by one or more WMATA member jurisdictions and/or from other non-WMATA funding sources.
  - f. Regularly scheduled adjustments of the inputs to the regional subsidy allocation formulas by WMATA.
3. WMATA shall provide a written notification to the CTB no later than July 1 of each year of the annual growth in total Virginia operating assistance, including a detailed description of the costs contributing to the increased operating subsidy and a year over year comparison of such costs. WMATA shall also provide a detailed description and justification of costs considered exempt from the calculation of the annual growth rate in operating subsidy. The written notification shall include sufficient documentation to allow the CTB to perform its own verification of the annual growth rate and amount of

total Virginia operating assistance.

4. By July 1 of each year, WMATA shall notify the CTB if it is scheduled or plans to adjust the regional subsidy allocation formulas in the budget to be proposed for the next fiscal year.

#### **Resolution of Withholding of Funds**

1. The CTB will release any withheld funding upon approval or implementation of an approved mitigation action.
  - a. The CTB will determine what constitutes an approved mitigation action, except that approval by the WMATA Board of a budget amendment reducing the amount of annual operating assistance required by Virginia to no more than 3 percent greater than the prior year shall be considered an approved mitigation action for a violation of the restriction related to the 3% cap on growth in Virginia operating assistance.
2. The CTB shall retain as a penalty any funding withheld during a fiscal year in response to a violation for which there is no mitigation.

#### **Additional Considerations**

1. The CTB, the Virginia Department of Rail and Public Transportation (DRPT), WMATA, the NVTC, and NVTC's member jurisdictions shall proactively collaborate to avoid activities that would require the CTB to withhold funding.
2. WMATA shall submit the documents required to demonstrate compliance to DRPT by the deadlines specified. DRPT will analyze the information received from WMATA and present to the CTB, in September of each year (beginning in 2019), a recommendation on enforcement actions, if any, that are required to be taken by this policy.
3. DRPT will provide regular reports to the CTB on observations related to compliance with this policy throughout the year.
4. After December 15 of each year, the NVTC shall present to the CTB the findings included in its report on the performance and condition of WMATA required under Section 33.2- 3403 of the *Code of Virginia*.
5. The CTB reserves the right to approve exceptions to this policy at any time in response to special or extraordinary circumstances.
6. Given that the condition of the WMATA system may change over time, the CTB will consider revisions and/or updates to these guidelines at least every two years.

#####



## CTB Decision Brief

### **Title: Update to Policy and Guidelines for Implementation of Governance and Funding Reforms for the Washington Metropolitan Area Transit Authority (WMATA)**

**Issue:** The enactment clauses of Chapter 854 of the 2018 Virginia Acts of Assembly require the CTB to withhold funding available to WMATA pursuant to Section 33.2-1526.1(C)(3) under certain conditions. The CTB approved the Policy and Guidelines for Implementation of Governance and Funding Reforms for the Washington Metropolitan Area Transit Authority (WMATA) CTB on September 18, 2018. The policy requires CTB review every two years. DRPT's recommendations for changes to the policy were reviewed with the CTB at its Workshop on December 11, 2020

**Facts:** DRPT recommends two changes to the policy resulting from legislation approved during the 2020 General Assembly as well as other minor clarifications resulting from consultation with the Northern Virginia Transportation Commission (NVTC). The 2020 General Assembly approved HB 1586 adding a legislative exclusion for service increases approved by the WMATA Board and SB848 changing the due date of the annual report on the performance and conditions of WMATA from November 1 to December 15. Additionally the 2020 General Assembly approved a budget amendment, HB 30, directing the NVTC to convene a working group on the effectiveness of the three percent cap on WMATA operating assistance increases. NVTC approved the working group report in November 2020 and submitted it to the chairs of the Virginia House Appropriations and Senate Finance and Appropriations Committees. The DRPT Director participated in the working group, and DRPT worked collaboratively with NVTC on the proposed changes to the policy. DRPT and NVTC are recommending two additional clarifications, including addition of language clarifying that the exclusion for legal expenses does not include day-to-day operations of the WMATA legal department and adding language clarifying that the policy will be reviewed *at least* every two years.

**Recommendation:** DRPT recommends that the CTB approve the updated Policy and Guidelines for Implementation of Governance and Funding Reforms for WMATA.

**Action Required by CTB:** Approval of the attached resolution updating the Policy and Guidelines for Implementation of Governance and Funding Reforms for WMATA.

**Options:** Approve, Deny or Defer.

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# 2021 Annual Report on the Performance and Condition of WMATA

NVTC's 2021 Annual Report includes strategies for Metro to improve operational efficiency and reduce the growth in costs, the uses of Virginia's dedicated capital funding for safety, reliability, ridership, and financial performance data on Metro.



## Highlights of NVTC's 2021 recommendations to Metro:

**Leverage federal coronavirus relief aid** to prevent layoffs, sustain and improve service levels throughout a multi-year recovery period and position Metro for a sustainable long-term ridership and revenue recovery.

**Communicate and encourage a safe return to transit** by highlighting and promoting enhanced safety efforts during the COVID-19 pandemic and developing a long-term, post-pandemic marketing and communications strategy to rebuild ridership.

**Implement fare and parking policy changes** that improve revenue and ridership, remove barriers to access and retain newly returning riders.

**Adapt rail service to anticipate demand** during the COVID-19 pandemic and the region's subsequent recovery period while maintaining an equitable, baseline level of service across all Metrorail lines.

**Continue focus on ongoing initiatives to reduce the growth in operating costs and improve operational efficiencies** using NVTC's previously recommended strategies in past annual reports on the performance and condition of Metro.



Read full report here:  
<https://novatransit.org/metro>



# Metro 2021 Capital Accomplishments

Metro's FY 2021 Capital program was the largest in Metro history, investing over \$1.8 billion which is more than double the annual capital expenditures in FY 2015. Dedicated capital funding has allowed Metro to continue its aggressive ramp up and delivery of capital projects to address long overdue state of good repair needs.



Read full report here:  
<https://novatransit.org/metro>

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## Platform rehabilitation program nearly complete

The four year project to rebuild 20 outdoor Metrorail station platforms is nearly complete. Major construction work at Arlington Cemetery and Addison Road stations concluded in the summer with 17 stations completed in total by the fall of 2021.



## Metrorail and Metrobus fleet reliability at an all-time high

Prior to the October 2021 Blue Line derailment, Metrorail and Metrobus saw their highest fleet reliability performance in FY 2021 mainly due to the state of good repair program.



## Mobile App and new fare technology introduced across the system

In FY 2021, Metro expanded its mobile app to include Android and began installing new faregates at rail stations.



## Cellular data service available in all Metrorail tunnels

By installing fiber and upgrading radio communications throughout the rail system, Metro made cellular and data service available for riders in all 100 miles of Metrorail tunnel track.





# 2021 Report on the Performance & Condition of the Washington Metropolitan Area Transit Authority



Submitted to  
the Governor and  
General Assembly  
December 2021





December 15, 2021

**Chair**

Hon. Katie Cristol

**Vice Chair**

Hon. Canek Aguirre

**Secretary-Treasurer**

Hon. Dalia A. Palchik

**City of Alexandria**

Hon. Canek Aguirre

Hon. Elizabeth B. Bennett-Parker

**Arlington County**

Hon. Katie Cristol

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**Executive Director**

Katherine A. Mattice

On behalf of the Northern Virginia Transportation Commission (NVTC), I am pleased to submit the *2021 Report on the Performance and Condition of the Washington Metropolitan Area Transit Authority (WMATA)* as directed by state code.

This year's report focuses on strategies to rebuild ridership: leveraging federal aid to sustain service levels; implementing attractive fare and parking policy changes; and encouraging and communicating a safe return to transit. The report outlines the expenditures of the Commonwealth's WMATA Capital Fund, which provided \$154 million in dedicated capital funding to WMATA in FY 2021 and contributed to its \$1.8 billion capital budget to support system safety and state of good repair improvements.

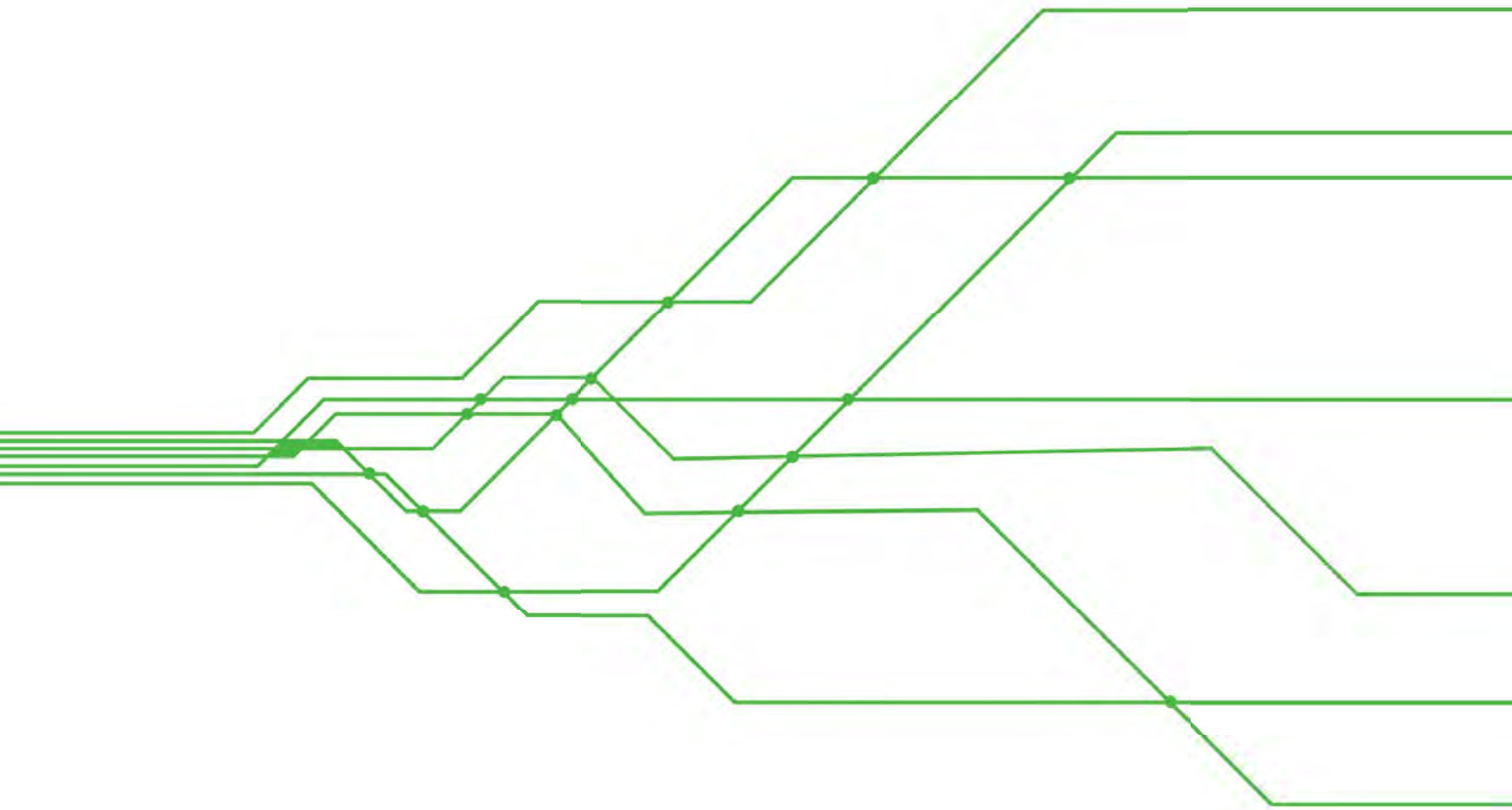
The October derailment and subsequent removal of the 7000-series trains from service - which had previously brought Metrorail reliability to an all-time high - shows that WMATA still has work to do to foster and sustain a safety culture within the organization. NVTC urges WMATA to continuously examine its internal maintenance and communication practices and to improve safety oversight efforts to restore rider confidence and provide safe and reliable service to the Commonwealth.

As this report outlines, the onset of the COVID-19 pandemic and the additional delays in returns to the office posed by the delta variant upended the ridership gains WMATA made in 2019 and early 2020. WMATA faces an uncertain future when its federal coronavirus aid is exhausted in FY 2024, but NVTC and its jurisdictions are committed to ensuring WMATA's success.

We look forward to working with our partners in the Commonwealth to help WMATA navigate a path toward post-pandemic financial and ridership recovery.

Sincerely,

Katie Cristol  
Chair





## Acknowledgements and Credits

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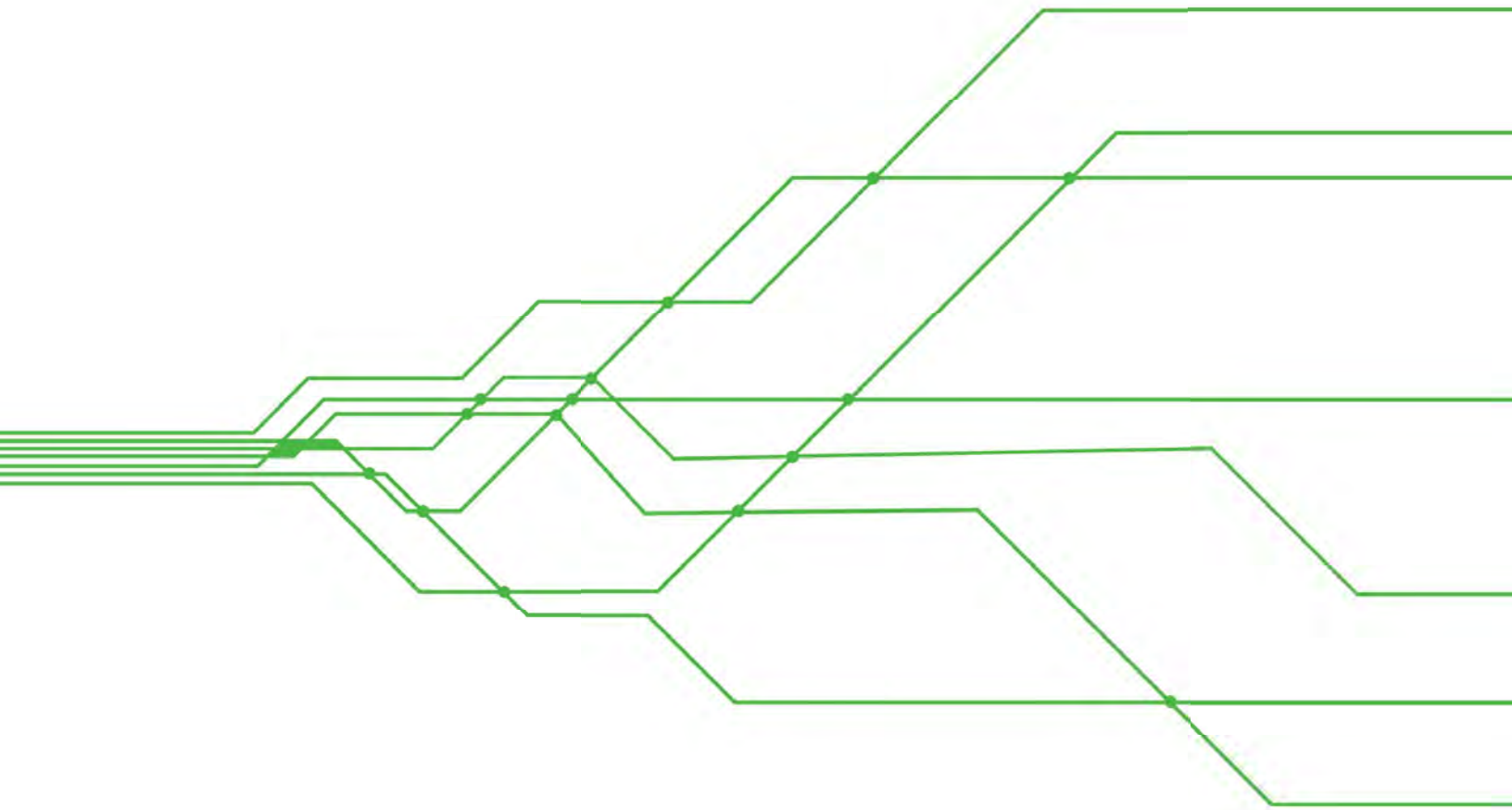
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Special thanks to staff of our jurisdictional and state partners and WMATA for their comments and technical feedback.





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## Executive Summary

In its *2021 Report on the Performance and Condition of the Washington Metropolitan Area Transit Authority (WMATA)*, the Northern Virginia Transportation Commission (NVTC) recommends 18 strategies for WMATA to reduce the growth in operating costs and to improve the efficiency of operations. Each of these strategies are framed through the lens of the COVID-19 pandemic, with an understanding that altered travel patterns will likely linger in the years ahead. The report also presents annual performance, safety, reliability and financial performance data for fiscal year 2021 and calendar year 2020, both of which were impacted by the COVID-19 pandemic.

### NVTC’s Strategies for WMATA to Reduce Costs and Become More Efficient

NVTC’s 2021 Annual Report includes 18 recommended strategies for WMATA to become more financially sustainable and a more effective transit system and mobility provider, the most important of which is to rebuild ridership.

#### Highlights of NVTC’s 2021 recommendations to WMATA:



- **Leverage federal coronavirus relief aid** to prevent layoffs, sustain and improve service levels throughout a multi-year recovery period and position WMATA for a sustainable long-term ridership and revenue recovery.



- **Communicate and encourage a safe return to transit** by highlighting and promoting enhanced safety efforts during the COVID-19 pandemic and developing a long-term, post-pandemic marketing and communications strategy to rebuild ridership.



- **Implement fare and parking policy changes** that improve revenue and ridership, remove barriers to access and retain newly returning riders.

- **Adapt rail service to anticipate demand** during the COVID-19 pandemic and the region’s subsequent recovery period while maintaining an equitable, baseline level of service across all Metrorail lines.

- **Continue focus on ongoing initiatives to reduce the growth in operating costs and improve operational efficiencies** using NVTC’s previously recommended strategies in past annual reports on the performance and condition of WMATA.

## Major Capital Accomplishments

WMATA's FY 2021 Capital program was the largest in WMATA history. Dedicated capital funding has allowed WMATA to continue its aggressive ramp up and delivery of capital projects to address long overdue state of good repair needs.

- Platform rehabilitation program nearly complete.** The four-year project to rebuild 20 outdoor Metrorail station platforms is nearly complete. Major construction work at Arlington Cemetery and Addison Road stations concluded in the summer with 17 stations completed in total by the fall of 2021.
- Metrorail and Metrobus fleet reliability were at an all-time high.** Prior to the October 2021 Blue Line derailment, Metrorail and Metrobus saw their highest fleet reliability performance in FY 2021 mainly due to the state of good repair program.
- Mobile App and new fare technology introduced across the system.** WMATA expanded its mobile app to include Android and began installing new faregates at rail stations in FY 2021.
- Cellular data service available in all Metrorail tunnels.** By installing fiber and upgrading radio communications throughout the rail system, WMATA made cellular and data service available for riders in all 100 miles of Metrorail tunnel track.
- Track rehabilitation work yields dividends.** Using planned shutdowns and other forms of track availability, WMATA rehabilitated and maintained track structural components, replaced third-rail insulators and cleaned track beds, resulting in a steep reduction in the number of fires.



## An uncertain post-pandemic recovery will exhaust federal aid

Prior to the COVID-19 pandemic, WMATA implemented several of NVTC's past recommendations and had seen promising signs that improvements in system reliability were rebuilding customer confidence and that rail and bus ridership were not just stable but growing. Changing travel patterns and increased telework suggest that WMATA's ridership recovery from the pandemic will be gradual over the years.

While federal aid is expected to sustain operations through FY 2023, it will be exhausted by FY 2024. With only a partial ridership recovery predicted at that time, WMATA anticipates an operating budget gap of over \$500 million in the FY 2024 budget year. NVTC will continue to work with our local, Commonwealth and federal partners to support WMATA as it evolves to meet the Northern Virginia transit needs of a post-pandemic transit world.



## Introduction

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On March 11, 2020 the World Health Organization declared the COVID-19 virus a universal pandemic, setting in motion a series of actions at all levels of government that have impacted transit systems and riders in a way not experienced in generations. The executive actions imposed in the Commonwealth of Virginia, the State of Maryland and the District of Columbia – such as stay-at-home orders, mandatory business closures, social distancing requirements and office closures – resulted in a precipitous drop-off in both transit demand and ridership. Ridership for Northern Virginia’s two rail systems – WMATA and Virginia Railway Express (VRE) – declined as much as 95% within weeks of the first orders. Metrobus and the six local transit providers across Northern Virginia, which complement the heavy rail systems, also saw significant drops in ridership.

With the sudden and significant loss of fare revenue, the additional and unplanned expenses to ensure the safety and cleanliness of transit and the abrupt loss of revenue to local jurisdictions that support transit in Northern Virginia, transit systems face significant financial shortfalls that will likely last for years. Thanks to Congress’ passage of the Coronavirus Aid, Relief and Economic Security (CARES) Act in March 2020, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) in December 2020 and the American Rescue Plan Act (ARPA) in March 2021, WMATA and other transit agencies received funding to maintain operations and offset revenue losses associated with the loss of ridership during the pandemic. This relief funding is anticipated to last through the FY 2022 and FY 2023 budgets, providing WMATA with the ability to maintain employees and services while positioning itself for recovery.

As safe and effective vaccines became widely available to the public in 2021, vaccination rates increased and the region moved into a recovery period. As restrictions lifted and businesses planned for a greater return of employees to the office, WMATA implemented service and fare improvements to attract and retain riders. With the rise of the COVID-19 delta and omicron variants, however, return to office plans have been postponed and WMATA has not seen the ridership recovery it previously anticipated. Uncertainty remains as WMATA and other transit agencies look to the future of how to maintain operations after federal aid is exhausted. Due to increasing telework and still evolving travel patterns, the impact of the COVID-19 pandemic will be felt in the transit industry for several years to come. NVTC will continue to work with WMATA, as well as local transit operators and VRE, to safely get riders back on transit.

## Safety, Reliability, Financial and Ridership Performance Data

A large portion of this report is dedicated to tracking the key safety, reliability, financial and ridership metrics shown in chapters 3-5. Data included in the report (Table 1) come from the National Transit Database (NTD) and WMATA Metro Performance Reports (MPR). Some data points have a lag of 12 to 18 months, meaning that for this report all current data sources will cover some time period that reflects the impacts of the COVID-19 pandemic, with some data sources covering more than others. The pandemic has impacted each metric in different ways which will be further discussed in chapters 3-5.

**Table 1: Data Sources and Years Presented in this Report**

Report Category	Latest Year for which Data is Publicly Available	Data Source
Safety	Calendar Year 2020 <i>(January 1, 2020 to December 30, 2020)</i>	NTD
Reliability	Fiscal Year 2021 <i>(July 1, 2020 to June 30, 2021)</i>	MPR
Financial Performance	Fiscal Year 2020 <i>(July 1, 2019 to June 30, 2020)</i>	NTD
Ridership	Fiscal Year 2020 <i>(July 1, 2019 to June 30, 2020)</i>	NTD

## Legislative Requirement for this Report

This report fulfills the requirements of §33.2-3402 of the Code of Virginia, pursuant to Chapter 854 of the 2018 Virginia Acts of Assembly, specifying that NVTC report annually on the performance and condition of WMATA, for both Metrorail and Metrobus. Per statute, the report addresses six elements:

- Potential strategies to reduce the growth in costs and to improve the efficiency of WMATA operations
- Use of the dedicated capital funds authorized by the legislation to improve the safety and condition of the rapid heavy rail mass transportation system
- The safety and reliability of the rapid heavy rail mass transportation system and bus network
- The financial performance of WMATA related to the operations of the rapid heavy rail mass transportation system, including farebox recovery, service per rider and cost per service hour
- The financial performance of WMATA related to the operations of the bus mass transportation system, including farebox recovery, service per rider and cost per service hour
- Ridership of the rapid heavy rail mass transportation system and the bus mass transportation system

# 1. Strategies to Reduce the Growth in Costs and Improve Operational Efficiencies

State code requires NVTC to recommend potential strategies to WMATA to reduce the growth in operating costs and improve operational efficiency. This annual report updates the previous year’s recommendations in light of the ever-evolving COVID-19 pandemic and WMATA’s response and recovery. The COVID-19 pandemic has dramatically lowered WMATA’s ridership on bus and rail, causing significant declines in farebox revenues. This revenue decline has been offset by COVID-19 related federal aid and has allowed WMATA to restore services and avoid layoffs. The exact long-term impacts of the pandemic on ridership and WMATA’s farebox recovery are uncertain and pose significant challenges to WMATA’s long-term financial sustainability as federal aid is anticipated to be exhausted in FY 2024.

In previous reports, the Commission made policy and program recommendations that should help WMATA improve efficiency, increase ridership and increase revenue. These recommendations are still relevant and WMATA has taken several service and fare policy actions consistent with previous NVTC recommendations as part of their pandemic recovery efforts to rebuild ridership. This chapter describes NVTC’s recommendations that would help to reduce the growth in operating costs and improve operational efficiency and highlights recent major accomplishments by WMATA in those areas.

## Strategy 1: Rebuild Metrorail and Metrobus Ridership

Rebuilding Metrorail and Metrobus ridership is critical to improving the efficiency of the system, controlling subsidy growth and increasing farebox revenues. WMATA has actively pursued several initiatives to rebuild ridership that align with NVTC recommendations.

### Recommended Strategies

***Leverage federal aid to prevent layoffs, sustain and improve service levels throughout a multi-year recovery period and position WMATA for a sustainable long-term ridership and revenue recovery***



From the Coronavirus Aid, Relief, and Economic Security (CARES) Act to the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) and American Rescue Plan Act (ARPA) of 2021, WMATA has received over \$2.8 billion in federal aid for transit to help improve safety, sustain operations and avoid layoffs. \$349 million of the aid from all three bills was provided as a credit of non-federal funding to the jurisdictions to maintain local transit service. The latest aid bill, the ARPA, provided WMATA with the ability to sustain operations through FY 2023 but the aid would be exhausted in FY 2024 with a projected operating budget gap of at least \$500 million. This aid provides WMATA with the ability to improve service, navigate uncertainty and sustain a multi-year recovery period that can help position WMATA for post pandemic recovery.

***Communicate and encourage a safe return to transit***



As the region enters a recovery period, WMATA should improve its safety culture and promote ongoing enhanced safety efforts by developing a long-term, post-pandemic marketing and communications strategy to help rebuild ridership and restore customer confidence. While WMATA expects a gradual recovery, the long-term impacts of the pandemic on riders’ perceptions are unknown. Bringing back and retaining riders who did not ride during the pandemic or after the October 2021 Blue Line Derailment is critical to rebuilding ridership and fare revenue.

***Implement fare and parking policy changes that improve revenue and ridership, remove barriers to access and retain newly returning riders***



The post pandemic recovery period offers an opportunity to revisit WMATA’s fare and parking fee structure. Offering pass products and other fare policy changes will remove barriers to access and retain newly returning riders, increasing both revenue and ridership. With fewer riders due to the pandemic, WMATA should consider reducing parking rates at underutilized parking facilities. Fare pass products generally encourage ridership with the potential to increase revenue, therefore changes to passes should be considered to drive and retain riders and appeal to unmet market demand in a post-pandemic environment.

***Better balance the weekend customer experience with service disruptions for weekend track work***



Preventative maintenance and capital project work during operating hours on Metrorail are often accompanied by service disruptions and increased wait times for trains or additional transfers, all of which have a negative impact on service and weekend ridership. WMATA should improve weekend rail service by developing customer-focused service standards and operating procedures for planned weekend track service disruptions to minimize the impacts on riders.

***Develop the next generation of fare collection technology and support strategic fare collection initiatives***



WMATA’s fare collection systems have aged beyond their lifespan and are being replaced and modernized. Modern and reliable fare collection technology provides new methods for customers to pay fares, improves convenience and reliability and decreases repair costs.<sup>1</sup> NVTC supports fare collection modernization efforts and coordination with WMATA through the Northern Virginia Fare Collection Strategic Plan.<sup>2</sup>



**Pursue partnerships with the business community and other stakeholders to provide easier access to transit for employees and visitors**



Employers, universities and other businesses offer opportunities to drive ridership by providing fare media and other fare products to students, visitors and employees. WMATA offers unlimited Metrobus and Metrorail rides to full time college students through the University Pass program. WMATA has also entered into discounted fare agreements with several jurisdictions, including Fairfax County, where eligible students can ride Metrobus for free with the costs reimbursed by the sponsoring jurisdictions. WMATA should continue to pursue partnerships with the business community and other stakeholders.



**Implement efforts on bus and rail to decrease fare evasion**

WMATA estimates that, pre-pandemic, fare evasion on bus and rail costs the agency approximately \$40 million on an annual basis.<sup>3</sup> Each state or local government, not WMATA, makes the applicable laws surrounding fare evasion within their respective jurisdictions. WMATA has taken several steps to better measure fare evasion and is working to install electronic gate sensors and other technology to provide better data on occurrences. WMATA should work with local jurisdictions to decrease fare evasion on rail and bus.

**Major Recent Accomplishments**

*Metrorail and Metrobus provide all day frequent service*

In anticipation of new travel patterns as the region reopens, WMATA provided increased off-peak Metrorail service on weekdays starting in September 2021. During off-peak hours, trains operated every 6 minutes on the Red Line and every 12 minutes on all other lines. During peak hours trains operated every 5 minutes on the Red Line and every 10 minutes on all other lines. In addition, 20 Metrobus lines operated every 12 minutes or better and 16 bus lines operated every 20 minutes or better, for most of the day all week.<sup>4</sup>

*NVTC's Recommendation: Leverage federal aid to prevent layoffs, sustain and improve service levels throughout a multi-year recovery period and position WMATA for a sustainable long-term ridership and revenue recovery*

*Post-pandemic marketing campaign*

In August 2021 WMATA debuted a marketing campaign, "Doing Our Part," to advertise its COVID safety precautions and assure the public and business community that Metrorail and Metrobus are safe and ready for riders as the region reopens.

*NVTC's Recommendation: Communicate and encourage a safe return to transit.*

### *Mobile fare payment launched for Apple and Android*

In 2020 and 2021 WMATA launched a mobile app allowing both Apple and Android users to pay their fares with their phones. Mobile fare payments are now accepted anywhere SmarTrip is used, including on all regional bus providers.

*NVTC's Recommendation: Develop the next generation of fare collection technology and advance strategic fare collection initiatives*

### *WMATA partners with Capital Bikeshare*

In August 2021 WMATA announced a partnership with Capital Bikeshare, the DC region's bikeshare system, to offer free bike rides to eligible WMATA customers.<sup>5</sup> By creating a mobile SmarTrip card and signing up for the offer through the end of the year, one could earn 10 free bike rides.

*NVTC's Recommendation: Pursue partnerships to improve access to transit*

### *WMATA installs new faregates at Metrorail stations*

In 2021 WMATA began the systemwide replacement of faregates at all 91 Metrorail stations.<sup>6</sup> The old faregates were more than 25 years old and at the end of their lifespan. The new, modern faregates make it quicker and easier to ride; are upgradable for future technology; and include enhanced safety features, larger displays and faster processing.

*NVTC's Recommendation: Implement efforts on bus and rail to decrease fare evasion*

### *WMATA implements free transfers between Metrobus and Metrorail*

In the fall of 2021, WMATA increased the discount provided to customers when they transfer to/from Metrobus and Metrorail - effectively providing free transfers between most Metrobus rides and Metrorail. The changes also included a free transfer between most trips taken on local buses to Metrorail. These changes help move the region towards a more seamless and efficient transit system by reducing the need to run bus service that is wholly redundant to Metrorail.

*NVTC's Recommendation: Implement fare policy changes that improve revenue and ridership, remove barriers to access and retain newly returning riders*

### *Better weekend rail service*

In June 2021 the WMATA Board of Directors approved improvements to weekend rail service. On weekends the Blue, Orange, Green, Yellow and Silver Line headways would be improved to 12 minutes (from 15) and Red Line headways would be improved to 6 minutes (from 12). These improvements are anticipated to be implemented in FY 2022.

*NVTC's Recommendation: Utilize federal aid to prevent layoffs, sustain and improve service levels throughout a multi-year recovery period and position WMATA for a sustainable long-term ridership and revenue recovery*

## Strategy 2: Improve the Operational Efficiency of Metrorail and Metrobus

While rebuilding ridership improves farebox recovery, several areas remain where WMATA can deliver service more efficiently. Some of these efforts are within WMATA's control, while many efforts - especially with Metrobus - require extensive coordination and support from local and state agencies. Improving operational efficiency yields costs savings for the agency and can also benefit customers. Since labor costs are approximately 70% of WMATA's total operating costs, these recommendations focus on strategies that impact the non-labor portion of the operating budget (approximately 30%) to yield the most productivity and capacity out of existing service.<sup>7</sup>

### Recommended Strategies

#### ***Adapt rail service to anticipate demand during the pandemic and subsequent recovery period***



With the rapid decline in ridership due to the pandemic and limited labor availability due to COVID safety measures, WMATA reduced the level of Metrorail service when compared to pre-pandemic levels. At different phases of recovery during the pandemic, services were adjusted to reflect and anticipate demand and provide enough capacity for social distancing.

#### ***Pursue capital investments that increase the reliability and efficiency of the system***



Continuing state of good repair investments is critical to maintain system reliability, retain current riders and attract new riders. WMATA is rebuilding and modernizing Metrorail and Metrobus facilities as it addresses state of good repair needs. This modernization includes opportunities to pursue energy efficiency strategies and reduce future maintenance costs. Projects like rail traction power upgrades and reconstruction of bus garages will enable WMATA to accommodate additional demand and improve operational efficiency. As the technology continues to evolve, WMATA should explore and evaluate opportunities to improve bus efficiency through low or zero-emissions technology, monitoring energy consumption with smart meters and the implementation of facility maintenance best practices.<sup>8</sup>



**Leverage the expertise of local and regional partners to improve the efficiency of the bus network**

Increasing the speed and efficiency of Metrobus operations requires partnerships with local and regional partners who manage local roadways and traffic patterns. WMATA’s Bus Priority Program plans and implements new initiatives to advance bus priority strategies in partnership with local jurisdictions.<sup>9</sup> WMATA should continue to work with local and state partners to improve the efficiency of the bus network, implement bus priority projects and explore pilot programs and other efforts to increase the reliability of Metrobus operations.

**Major Recent Accomplishments**

*Railcar reliability at an all-time high in FY 2021*

Since the acquisition and deployment of the 7000-series railcars, railcar reliability has increased 239% percent between FY 2018 and FY 2021. This was the highest level of railcar reliability on record prior to the October 2021 Blue Line derailment and subsequent removal from service of the 7000-series. In March 2021 WMATA selected Hitachi Rail to build the system’s 8000- series railcars, which will replace the aging 2000 and 3000-series railcars which have been in service since the early 1980s.<sup>10</sup>

*NVTC’s Recommendation: Pursue capital investments that increase the reliability and efficiency of the system*

*17 Metrorail station platforms rebuilt and refurbished*

WMATA has nearly completed its Platform Improvement Project, an initiative to reconstruct 20 outdoor station platforms that were deteriorating and in need of major repair. Over the last three years, 12 station platforms have been reconstructed in Virginia and this year WMATA completed reconstruction at the Cheverly, Landover and New Carrollton stations in Maryland.<sup>11</sup>

*NVTC’s Recommendation: Pursue capital investments that increase the reliability and efficiency of the system*

*WMATA Board adopts updated Metrobus Service Guidelines*

In December 2020 the WMATA Board adopted new Metrobus Service Guidelines, which provide the building blocks for service planning and budget decisions and include targets for productivity and efficiency.<sup>12</sup> These service guidelines are the first update in over 20 years and provide a framework for the Metrobus Network Redesign effort.

*NVTC’s Recommendation: Leverage the expertise of local and regional partners to improve the efficiency of the bus network*

*Metrorail runs all eight-car train during the pandemic and recovery period*

As part of its pandemic response, WMATA ran all eight-car 7000-series trains between April and mid-August of 2020 to ensure service reliability and social distancing on railcars. The rail service plan in the FY 2022 adopted budget supports all eight-car train operations throughout the day.

*NVTC’s Recommendation: Adapt rail service to anticipate demand during the pandemic and subsequent recovery period*



## Strategy 3: Increase Non-Fare Revenues

Non-fare revenues are derived by WMATA from sources other than fares, such as parking, joint development, advertising and other sources. Strategies to generate non-fare revenue leverage existing assets to help mitigate the challenges of having reduced ridership revenue. However, the pandemic has dramatically reduced fare revenue and traditional sources of non-fare revenue. While this immediate revenue shortfall is outside of WMATA’s control, strong non-fare revenue policies take time to yield results and will help with the post-pandemic recovery by providing additional resources to maintain service, diversify funding sources and control subsidy growth.

### Recommended Strategies



***Leverage the value of WMATA’s existing assets by maximizing advertising revenues and optimizing parking revenues***

With 91 rail stations and nearly 60,000 parking spaces, WMATA has a large physical footprint across the region and actively leverages the value of these facilities through advertising revenues and parking revenues.



***Pursue joint development opportunities on underutilized assets***

Joint development is a type of public-private partnership in which real estate developers co-locate private real estate near transit. WMATA has an active joint development program, completing more than 30 projects since 1975 that generate revenue and ridership for the system.<sup>13</sup>



***Pursue a real estate and sustainability strategy for WMATA facilities that generates operating efficiencies***

WMATA is pursuing other real estate investment strategies, including selling surplus property, to generate revenue and improve efficiencies. In 2018 the WMATA Board approved an office consolidation strategy to save on capital and operating expenses by strategically locating its facilities and reducing the number of office buildings it owns.<sup>14</sup>

## Major Recent Accomplishments

### *Agreement signed for Joint Development project at West Falls Church*

In August 2021 WMATA signed an agreement to redevelop the West Falls Church Metro Station site to create a vibrant, mixed-use community with over one million square feet of office, retail and residential space. The project is the result of a multi-year effort between WMATA, the development team and Fairfax County. The development will generate long-term revenue through 99-year ground leases as well as additional fare revenue.<sup>15</sup>

*NVTC's Recommendation: Pursue joint development opportunities on underutilized assets*

### *WMATA to add solar panels at four Metrorail stations*

In 2020 WMATA reached an agreement to install solar paneled carports or canopies over surface lots and parking garages at the Anacostia, Cheverly, Naylor Road and Southern Avenue Metrorail Stations in Washington, DC and Maryland. The solar installation will generate power and provide annual payments to WMATA.<sup>16 17</sup>

*NVTC's Recommendation: Pursue a real estate and sustainability strategy for WMATA facilities that generates operating efficiencies*

### *WMATA approved a joint development for its headquarters site*

In 2020 the WMATA Board approved a joint development for its existing headquarters building. WMATA will move office staff to three new buildings in Virginia, Washington DC and Maryland and decrease the number of office buildings from 10 to four.<sup>18</sup> The DC office building is anticipated to be completed in FY 2022 and the VA and MD office buildings in FY 2023. This strategy will result in an estimated \$130 million in savings over the next 20 years.<sup>19</sup>

*NVTC's Recommendation: Pursue a real estate and sustainability strategy for WMATA facilities that generates operating efficiencies*

## Strategy 4: Control Cost Escalation and Enhance Efficiency of the Workforce and Contracted Services

Implementing cost and work efficiencies is only part of the solution to controlling cost escalation in WMATA’s operating subsidy growth. The 2019 “Keeping Metro Safe, Reliable and Affordable” strategic plan identified labor costs as nearly 70% of WMATA’s total operating expenditures.<sup>20</sup> As most employees at WMATA are covered by multi-year collective bargaining agreements, there are opportunities to control cost escalation in these negotiations. For strategies that are outside of WMATA’s direct control, this report recommends that WMATA seek certain actions or conditions by external parties that would result in labor cost savings.

### Recommended Strategies



#### ***Adequately fund WMATA’s Office of the Inspector General (OIG)***

The WMATA OIG is an independent office that conducts and supervises audits, program evaluations and investigations; promotes economy, efficiency and effectiveness; and prevents fraud and abuse in WMATA related activities.



#### ***Encourage and enable innovative solutions that improve productivity***

In 2017 the WMATA General Manager increased accountability by introducing new controls on absenteeism to improve oversight and reduce the use of overtime.<sup>21</sup>



#### ***Use the 3% cap on annual growth in operating subsidies as a tool during labor negotiations and annual budget development***

Enacted in the landmark transit funding legislation in 2018, Virginia’s legislative cap on the growth in WMATA’s operating subsidy provides WMATA with a tool to examine spending and controls costs during labor negotiations and the annual budget development process.<sup>22</sup>



***Seek amendments to the federal Wolf Act to require arbitrators in WMATA contract mediations to consider WMATA’s fiscal condition in all cases***

The National Capital Area Interest Arbitration Standards Act (Wolf Act) of 1995 governs the actions of arbitrators in the arbitration of labor disputes involving transit agencies operating in the national capital area.<sup>23</sup> WMATA’s adopted strategic plan calls for reforming this act to reflect WMATA’s true financial capacity and to drive decisions that are in line with the jurisdiction’s ability to pay.<sup>24</sup>



***Identify and evaluate options to address unfunded OPEB liabilities***

Other Post-Employment Benefits (OPEB) include non-pension costs for retiree medical and prescription drug coverage and life insurance. In FY 2020 WMATA had a \$2.3 billion unfunded OPEB liability.<sup>25</sup>

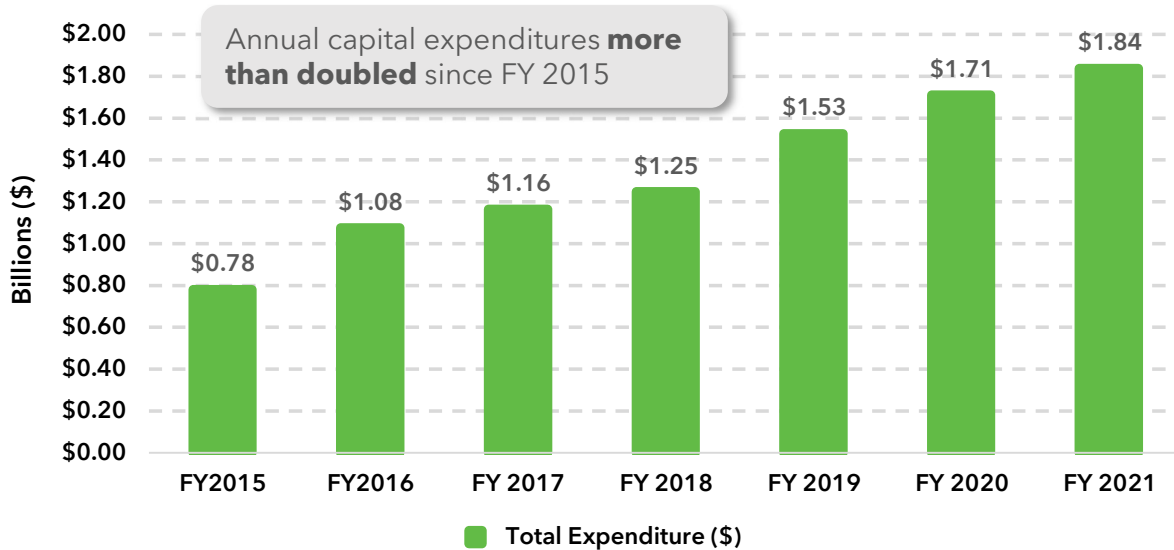


## 2. Use of Dedicated Capital Funds

In 2018 the Commonwealth of Virginia, the State of Maryland and the District of Columbia came together to bring \$500 million a year in dedicated capital funding for WMATA. Virginia’s annual portion of regional dedicated funding is approximately \$154 million, with the District of Columbia and State of Maryland providing the remaining portion. Dedicated funding strengthens WMATA’s ability to embark on large, multi-year capital investments designed to address significant state of good repair needs. Virginia’s dedicated funding supports WMATA’s capital investments and project delivery across the system and can be used for any capital purpose.

WMATA’s capital needs show a state of good repair backlog of approximately \$5 billion in FY 2019. Over the last seven years, WMATA has ramped up its annual capital expenditures in order to address this backlog and other modernization needs. In FY 2015 WMATA spent \$780 million on its capital program. With a sustained focus on capital renewal, WMATA has more than doubled its capital expenditures to \$1.835 billion in FY 2021. The ability to issue bonds backed by the dedicated capital funding has given WMATA the financial footing to ramp up its annual capital expenditures to address the backlog of state of good repair efforts. Since the funding’s inception, WMATA has authorized over \$1.4 billion in dedicated capital funding bonds, which will be paid for with future dedicated capital funding revenues.

**Figure 1: WMATA Annual Capital Expenditures from FY 2015 to FY 2021**



Source: WMATA FY 2015-2021 Financial Reports

WMATA uses several sources to fund its capital program including federal funding, regional dedicated funding, state and local contributions and other sources. As required by law, NVTC must include the uses of funds from the WMATA Capital Fund (Virginia’s dedicated capital funding) from the prior fiscal year in this report. Table 2 shows the actual expenditures of the fund for FY 2021 by Capital Improvement Plan (CIP) Program Area. WMATA provides additional information on progress made in the overall capital program during FY 2021 in WMATA’s Quarter 4 FY 2021 Financial Report.<sup>26</sup>

**Table 2: FY 2021 Expenditures from the Virginia WMATA Capital Fund by CIP Program**

CIP Category	CIP Program	FY 2021 Actual Expenditures (millions) <sup>27</sup>
<b>Railcar Investments</b>	Railcar Acquisition	\$1.5
	Railcar Maintenance/Overhaul	\$1.15
	Railcar Maintenance facilities	\$7.9
	<b>Total</b>	<b>\$10.6</b>
<b>Rail Systems Investments</b>	Propulsion	\$13.3
	Signals & Communication	\$4.9
	<b>Total</b>	<b>\$18.2</b>
<b>Track and Structures Rehabilitation Improvements</b>	Fixed Rail	\$10.6
	Structures	\$6.71
	<b>Total</b>	<b>\$17.4</b>
<b>Stations and Passenger Facilities Investments</b>	Platforms & Structures	\$21.4
	Vertical Transportation	\$2.6
	Station Systems	\$25.6
	<b>Total</b>	<b>\$49.6</b>
<b>Bus and Paratransit Investments</b>	Bus and Paratransit Acquisition	\$1.8
	Bus Maintenance/Overhaul	\$1.2
	Bus Maintenance Facilities	\$2.9
	Bus Passenger Facilities/Investments	\$2.8
	<b>Total</b>	<b>\$8.7</b>
<b>Business Support Investments</b>	Information Technology	\$19.2
	Metro Transit Police Department	\$0.2
	Support Equipment/Services	\$30.8
	<b>Total</b>	<b>\$50.3</b>
<b>Total Capital Programs</b>		<b>\$154.9</b>

Source: WMATA<sup>28</sup>

Note: Totals may not add due to rounding.

In FY 2021 WMATA invested \$1.8 billion in capital projects. The capital budget's major priority is investing in state of good repair projects. Significant FY 2021 capital accomplishments included:

**Platform Rehabilitation Program nearly complete**

The four-year Platform Improvement Project continued with its goals to address station system improvements. The major construction work at Arlington Cemetery and Addison Road concluded in Q4 and both stations reopened to the public. As of Q1 of FY 2022, 17 of 20 outdoor stations have been reconstructed, 12 of which were in Virginia.



CIP program category: Stations and Passenger Facilities Investments

**Metrobus fleet reliability at an all-time high**

In FY 2021 Metrobus fleet reliability was at an all-time high, mostly due to the state of good repair program. WMATA acquired 121 new clean diesel buses, 12 new compressed natural gas buses and 177 hybrid sedans for paratransit service. WMATA also completed 100 bus rehabilitations and rebuilt 272 fareboxes, 138 transmission assemblies and 89 engine assemblies.



CIP program category: Bus and Paratransit Investments

**Updates in station system technology**

WMATA debuted an expanded mobile app and new modernized faregates in FY 2021. Mobile fare payments using the SmarTrip mobile application now include Android as well as Apple devices, available anywhere SmarTrip is accepted. Installation of new faregates has begun across the system and bus farebox replacements are scheduled to begin in FY 2022.



CIP program category: Stations and Passenger Facilities Investments

**Bus garage modernization program advances at Bladensburg**

WMATA is aggressively reconstructing bus facilities. The Bladensburg bus maintenance and operations facility has concluded pre-construction activities and will begin demolition and construction in FY 2022. When completed, the new LEED-designed building will accommodate up to 300 buses and support future electric vehicle charging infrastructure.



CIP program category: Bus and Paratransit Investments

**Cellular data service available in all Metrorail tunnels**

In FY 2021 WMATA spent \$212 million on rail system investments, including advancements to the Automatic Train Control (ATC) State of Good Repair Program, the Low Voltage Power State of Good Repair program and the Radio Infrastructure Replacement project. By installing fiber and upgrading radio communications, WMATA made cellular and data service available for riders in all 100 miles of Metrorail tunnel track.



*CIP program category: Rail Systems Investments*

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**Track rehabilitation work yields dividends**

Using planned shutdowns and other forms of track availability, WMATA rehabilitated structural components, deck joints, concrete and grout pads that support the track structure, as well as replaced illegible roadway track signs, repaired leaks, rehabilitated drains and cleaned track beds. These efforts are integral to bringing and maintaining the system at a state of good repair and contributed to a reduction in fire incidents of 50% in FY 2021.<sup>29</sup>



*CIP program category: Track and Structures Rehabilitation Investments*

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**New office buildings continue construction**

WMATA continued construction on its new headquarters in DC and anticipates a completion date in FY 2022. The additional Virginia and Maryland office locations are expected to be completed by FY 2023. This Office Consolidation Strategy will enable Metro to consolidate from 10 office buildings to four.



*CIP program category: Business and Operations Support Investments*

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**Railcar fleet reliability at an all-time high in FY 2021**

Prior to the October 2021 Blue Line derailment, WMATA saw significant improvements in railcar fleet reliability in FY 2021.<sup>30</sup> To continue this trend in strong fleet reliability, 68 2000 and 3000-series cars and 62 6000-series cars were rehabilitated in FY 2021. The 7000-series will begin rehabilitations in FY 2022. WMATA has begun conceptual designs for the 8000-series, which will replace the aging 2000 and 3000-series railcars.



*CIP program category: Railcar and Railcar Facilities Investments*

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## 3. Safety and Reliability

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WMATA consistently communicates that passenger and employee safety and security is its highest priority with a focus on minimizing the risk of death, injury, illness and property damage. The American Public Transportation Association (APTA) reported that public transit is one of the safest modes of transportation, with 134 times fewer fatalities occurring on transit than on highways.<sup>31</sup> For Metrorail, oversight for safety and security concerns are provided by the Washington Metrorail Safety Commission (WMSC), the state safety oversight organization required by federal law. The WMSC supports the WMATA Board of Directors' and General Manager's emphasis on system safety.<sup>32</sup> Reliability can be measured in terms of a transit service's on-time performance, as well as the frequency of equipment break downs.

### 3.1 Safety

Transit systems seek to minimize the frequency of all safety events. The Safety & Security (S&S) Time Series present safety and security data reported to the National Transit Database (NTD), through the S&S-40 form (Major events) and the S&S-50 form (Non-Major monthly summary form). NTD measures transit safety by summarizing the total occurrences, Major and Non-Major, of certain safety events for rail and bus operations that include collisions, derailments (for rail only), fatalities,<sup>33</sup> fire, injuries and security events.<sup>34</sup>

The NTD provides safety data on a calendar year basis, unlike all other data presented in this report which is reported on a fiscal year basis. The counts represented in Table 3 and Table 4 are total counts for each category from when they were accessed from NTD. This time series data is subject to a validation process and current and previous years' data may be revised by transit agencies based upon additional data on its operations or upon request by NTD analysts.<sup>35</sup> The following tables show the data as it was accessed in October 2021 and may show slightly different results for past calendar years as shown in previous NVTC reports. The official NTD definitions for each term are provided in the Appendix.

Data provided in this section is from CY 2020 (January 1, 2020 to December 31, 2020) and reflects ridership impacts due to the COVID-19 pandemic and implementation of safety protocols by WMATA beginning in March 2020.

Table 3 summarizes the total count of each type of Metrorail safety event for calendar years 2017, 2018, 2019 and 2020.

**Table 3: Metrorail Safety**

NTD Category	Safety Event	Count, CY 2017	Count, CY 2018	Count, CY 2019	Count, CY 2020
<b>Events</b>	Collision	8	14	12	10
	Derailment	5	6	2	2
	Security Event	46	52	78	49
	Fire	101	65	71	39
<b>Fatalities</b>	Fatality	2	6	8	6
<b>Injuries</b>	Injury	323	350	389	188

Source: WMATA NTD Report, Form S&S-40 (Collision, Derailment and Security Event) and S&S-50 (Fire, Fatality and Injury).<sup>36</sup> Accessed October 5, 2021.

Table 4 summarizes the total count of each Metrobus safety event for calendar years 2017, 2018, 2019 and 2020.

**Table 4: Metrobus Safety**

NTD Category	Safety Event	Count, CY 2017	Count, CY 2018	Count, CY 2019	Count, CY 2020
<b>Events</b>	Collision	166	210	203	98
	Derailment	N/A	N/A	N/A	N/A
	Security Event	38	51	59	31
	Fire	8	1	4	1
<b>Fatalities</b>	Fatality	0	0	0	1
<b>Injuries</b>	Injury	505	538	535	238

Source: WMATA NTD Report, Form S&S-40 (Collision, Derailment and Security Event) and S&S-50 (Fire, Fatality and Injury).<sup>37</sup> Accessed October 5, 2021.

## 3.2 Reliability

The reliability of a transit system may be measured by its punctuality and equipment dependability. Reliability metrics used by WMATA include:

1. **On-time performance (OTP)** is the rate at which a transit system carries passengers to their destination on time and is used to evaluate the timeliness of travel for both rail and bus operations.
2. **Mean distance between delays (MDBD)** is the average number of miles that are traveled between failures that delay rail service. MDBD indicates the reliability of the railcar used to transport passengers.<sup>38</sup>

3. **Mean distance between failures (MDBF)** is the average number of miles that are traveled before a mechanical breakdown causes the bus to be removed from service or results in delays from schedule.<sup>39</sup>

Reliability data is obtained from the annual Metro Performance Reports, produced by WMATA, which reports data on a fiscal year basis. The data included in this report is for fiscal years 2018, 2019, 2020 and 2021 and covers the entire relevant fiscal year (from July 1 to June 30 of that respective fiscal year) unless otherwise noted.

### 3.2.1 On-Time Performance

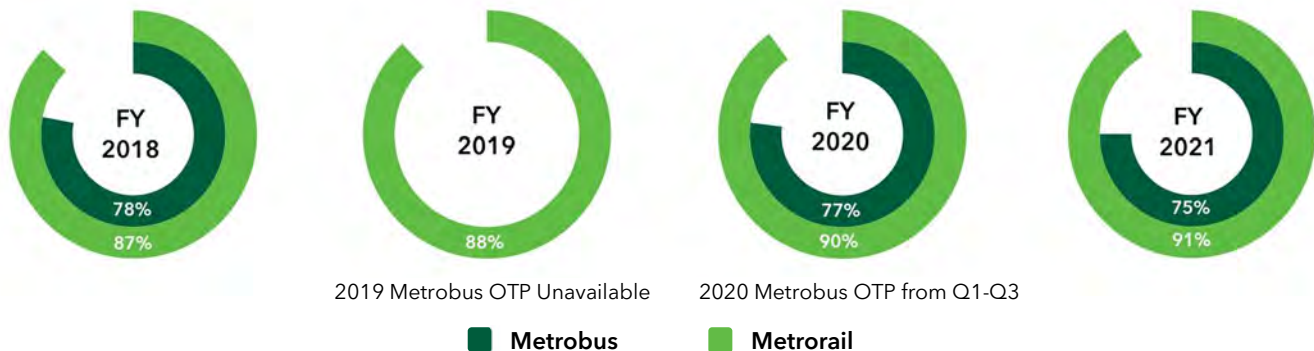
On-time performance (OTP) is reported for fiscal years 2018, 2019, 2020 and 2021. OTP is measured differently for Metrorail and Metrobus.

Metrorail customer OTP measures the percentage of customers who complete their journey within the maximum amount of time it should take per WMATA service standards. These standards vary by line, time of day and day of the week, and is informed by a customer’s entry and exit from the system. Reference Appendix for the standard WMATA definition.<sup>40</sup>

Metrobus OTP data is schedule-based for FY 2018 and schedule and headway-based for FY 2020 (pre-pandemic) and FY 2021. FY 2019 Metrobus OTP was not available due to data quality errors. FY 2020 Metrobus data are for a pre-pandemic period of July 1, 2019 to March 15, 2020. All other data are reported for the full fiscal year. Reference Appendix for detailed methodology and data availability for each fiscal year.

Figure 2 summarizes Metrorail and Metrobus OTP in FY 2018, FY 2019, FY 2020 and FY 2021. As previously noted, Metrobus OTP data for FY 2020 is provided for a pre-pandemic period of July 1, 2019 to March 15, 2020, while previous fiscal year’s data are provided for the full fiscal year.

**Figure 2: On-Time Performance by Mode**



Note: FY 2020 Metrobus data are for a pre-pandemic period of July 1, 2019 to March 15, 2020. All other data are reported for the full fiscal year. Metrobus on-time performance data is schedule based for FY 2018 and schedule and headway based for FY 2020 (pre-pandemic) and FY 2021.

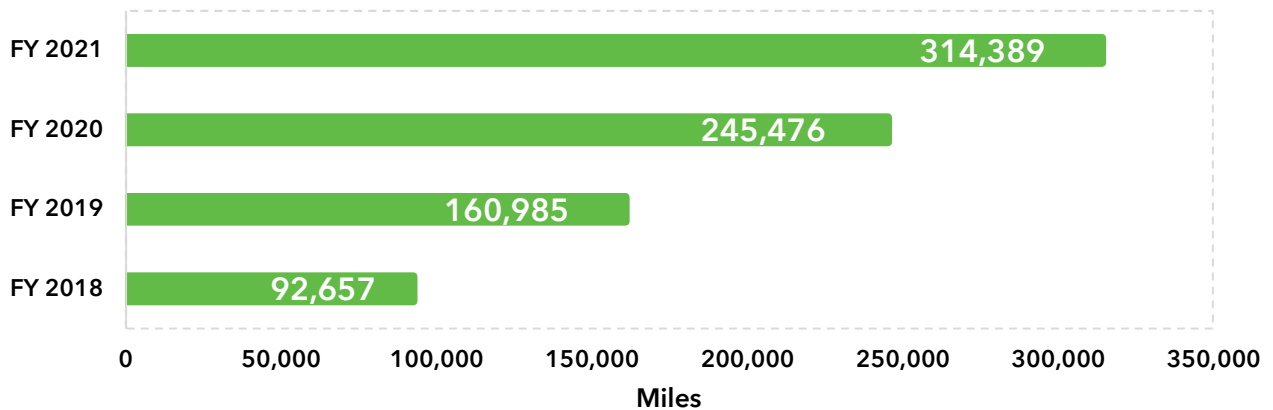
Source: Metro Performance Report FY 2021

### 3.2.2 Mean Distance between Delays/Failures

Mean distance between delays (MDBD) indicates the average number of miles traveled between vehicle failures that delay rail or bus service. The Metro Performance Report presents MDBD only for Metrorail and the equivalent metric for Metrobus reliability is mean distance between failures (MDBF). Higher MDBD/MDBF indicates greater reliability of Metro railcar and bus equipment.

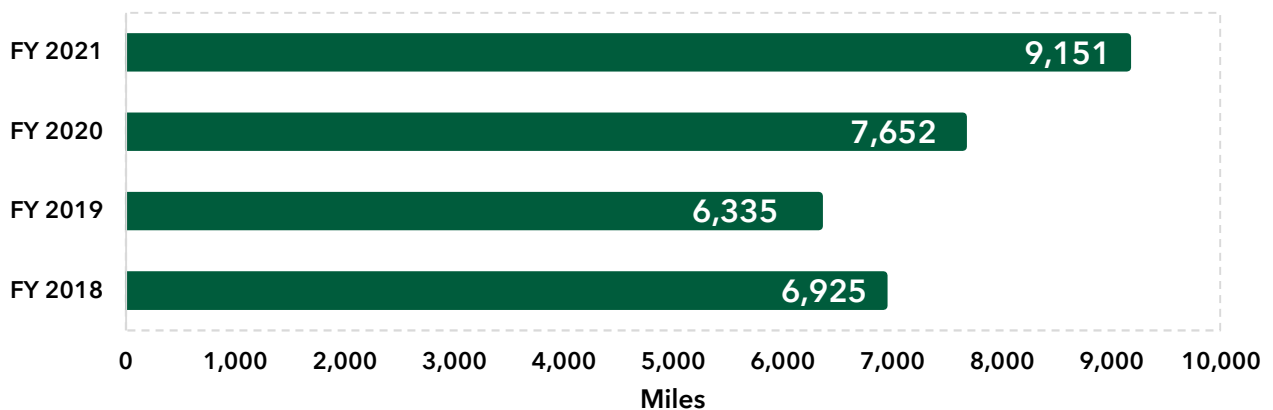
Figure 3 and Figure 4 summarize the Metrorail and Metrobus reliability figures for FY 2018, FY 2019, FY 2020 and FY 2021.

**Figure 3: Metrorail Equipment Reliability, MDBD**



Source: Metro Performance Report FY 2021

**Figure 4: Metrobus Equipment Reliability, MDBF**



Source: Metro Performance Report FY 2021



## 4. Metrorail and Metrobus Financial Performance

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Metrorail financial performance measures are required by §33.2-3401 of the Code of Virginia, pursuant to Chapter 854 of the 2018 Virginia Acts of Assembly. Transit agencies, as a public service, aim to minimize cost and deliver service as efficiently as possible, using the following three measures:

1. Metrorail Farebox Recovery and Metrobus Farebox Recovery
2. Metrorail Service per Rider and Metrobus Service per Rider
3. Cost per Metrorail Service Hour and Cost per Metrobus Service Hour

NTD FY 2020 data is reported for each of the above measures and includes calculations for both Metrorail and Metrobus. For Metrobus, data presented includes both services that are directly operated by WMATA and those which are operated by a contracted provider.<sup>41</sup> It is also important to note that due to robust auditing and review processes, NTD data is typically released at least one or more years after the fiscal year it represents. Data provided in this section is from the full FY 2020 (July 1, 2019 to June 30, 2020) and reflects impacts on ridership due to the COVID-19 pandemic and implementation of safety protocols by WMATA beginning in March 2020.

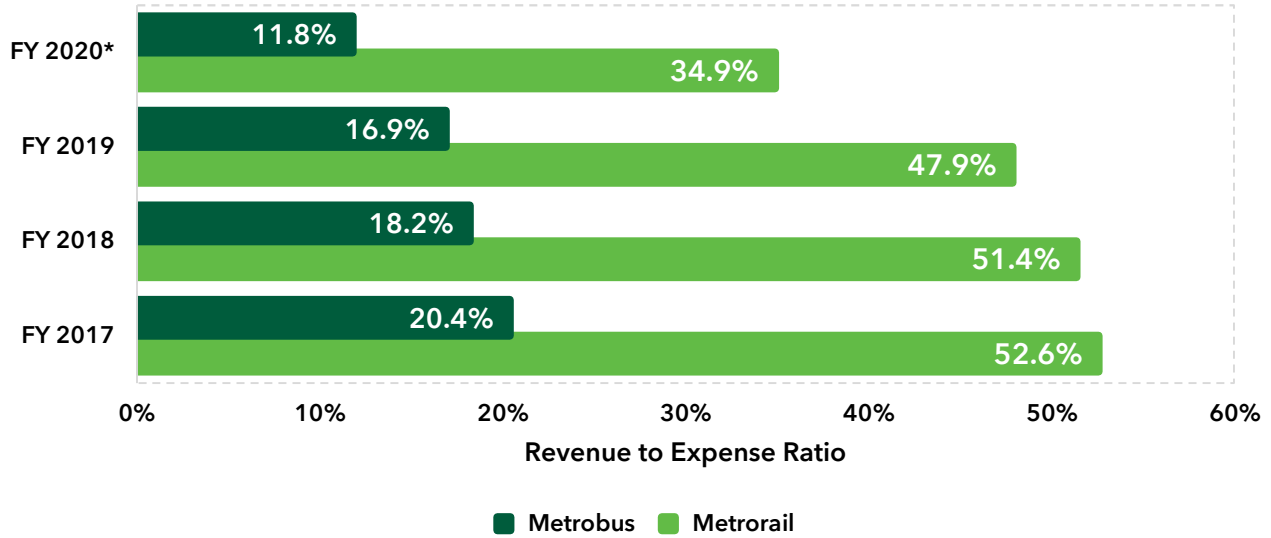
### 4.1 Metrorail and Metrobus Farebox Recovery

Farebox recovery indicates how much of an agency's operating costs are recovered through passenger fare revenues. This measure is used to identify how effectively an agency funds its operating costs. A higher recovery ratio indicates that the transit agency recoups a larger share of its operating costs through passenger revenue.

Farebox recovery ratios differ across transit modes. According to the APTA 2020 Public Transportation Fact Book, rail services generally have higher farebox recovery rates than bus services in the United States, where the highest level of average revenue per unlinked passenger trip is generated by commuter rail and commuter bus, the modes that represent the longer trip lengths for passengers.<sup>42</sup> Because rail systems generally have higher fares and higher ridership than bus systems, farebox recovery tends to be higher for rail systems than for bus systems.

Per Figure 5, Metrorail farebox recovery was 34.9% in FY 2020 and Metrobus farebox recovery was 11.8% in FY 2020.

**Figure 5: Metrorail and Metrobus Farebox Recovery**



\*In FY 2020 Metrorail and Metrobus ridership, service and revenue were significantly impacted by the COVID-19 pandemic.

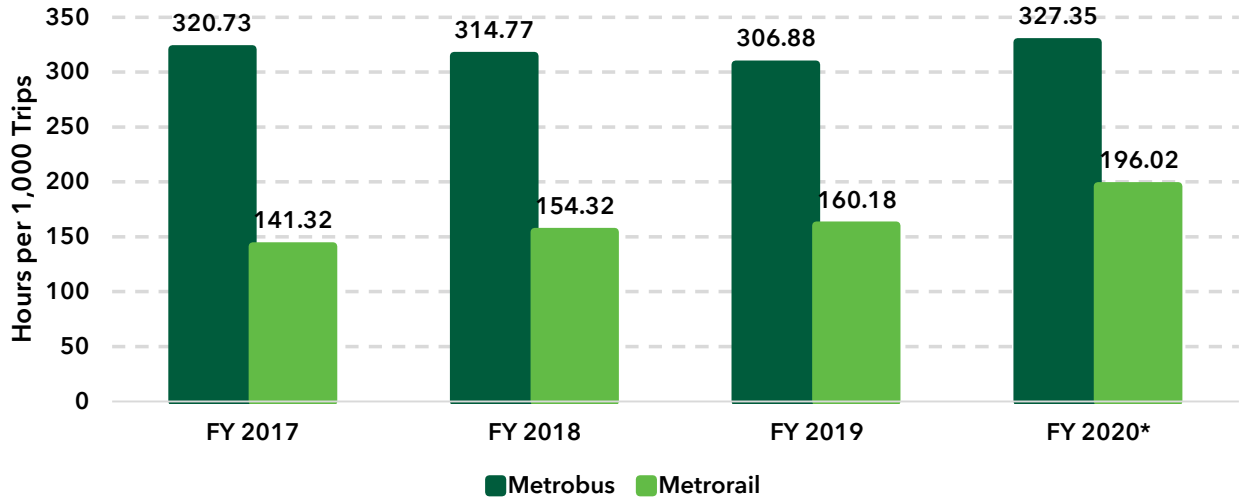
Source: WMATA NTD<sup>43</sup>

## 4.2 Metrorail and Metrobus Service Per Rider

Service per rider indicates the number of railcar or bus service hours offered per 10,000 passenger trips. This number summarizes how efficiently an agency is transporting passengers. Agencies strive to strike a balance between serving as many passengers as possible while providing service at a reasonable cost. A low service per rider number indicates that relatively few hours of service are required to serve 10,000 passengers, which indicates higher efficiency.

Per Figure 6, Metrorail service per rider was 196.02 hours per 10,000 trips in FY 2020 and Metrobus service per rider was 327.35 hours per 10,000 in FY 2020.

**Figure 6: Metrorail and Metrobus Service per Rider**



\*In FY 2020 Metrorail and Metrobus ridership, service and revenue were significantly impacted by the COVID-19 pandemic.

Source: WMATA NTD<sup>44</sup>

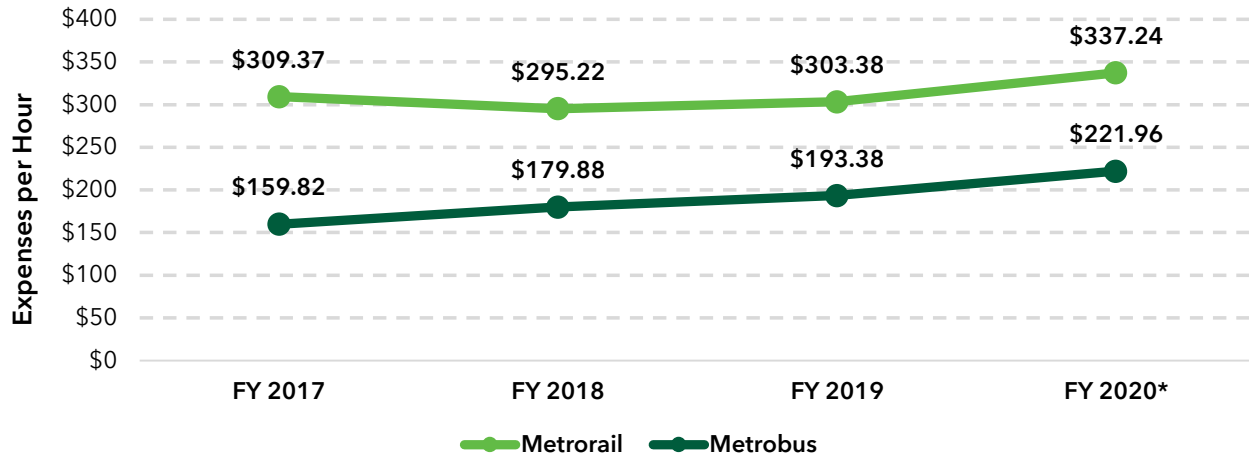
### 4.3 Cost Per Metrorail and Metrobus Service Hour

The cost per Metrorail service hour is the average cost associated with the operation and maintenance of one railcar for each hour of passenger revenue service. A lower number indicates a lower hourly cost to operate each railcar. Heavy rail services in the U.S. generally have a substantially higher cost per service hour than bus services because they use larger vehicles over shorter service miles.<sup>45</sup>

The cost per Metrobus service hour is the approximate cost associated with the operation and maintenance of a vehicle for each hour of revenue service. A lower number indicates a lower average hourly cost to operate each bus.

Per Figure 7, the cost per Metrorail service hour was \$337.24 in FY 2020 and Metrobus service hour was \$221.96 in FY 2020.

**Figure 7: Metrorail and Metrobus Cost per Service Hour**



\*In FY 2020 Metrorail and Metrobus ridership, service and revenue were significantly impacted by the COVID-19 pandemic.

Source: WMATA NTD<sup>46</sup>



## 5. Metrorail and Metrobus Ridership

Because public transit services exist to transport passengers, transit systems seek to maximize patronage, measured in passengers. This section summarizes Metrorail and Metrobus ridership, which is measured by the NTD using:

1. Unlinked Passenger Trips (UPT)
2. Passenger Miles Traveled (PMT)

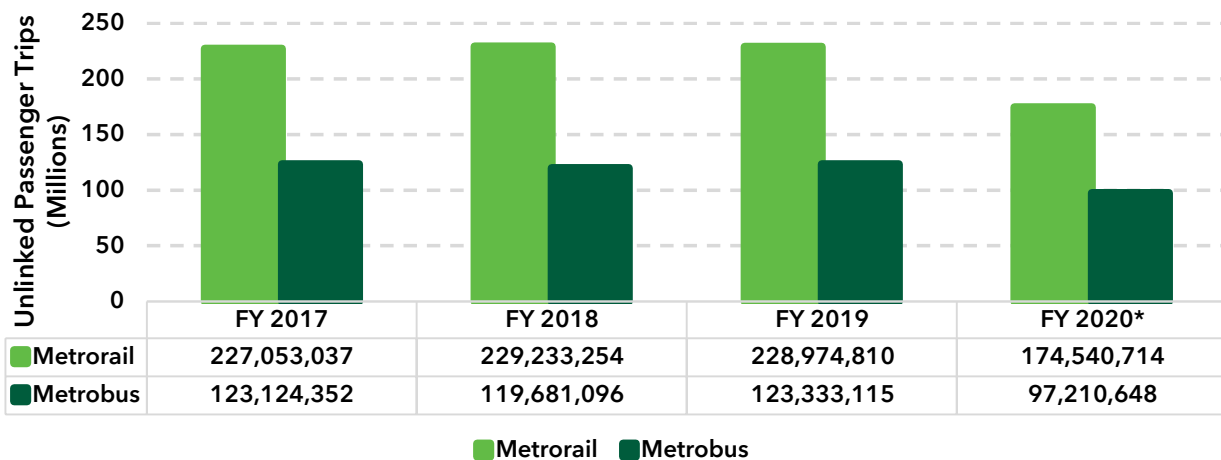
The meaning and significance of these two ridership measures are clarified in Sections 5.1 and 5.2. For Metrobus, data presented includes both services that are directly operated by WMATA and those which are operated by a contracted provider.<sup>47</sup> It is also important to note that due to robust auditing and review processes, NTD data is typically released at least one year or more after the fiscal year it represents. Data provided in this section is from the full FY 2020 (July 1, 2019 to June 30, 2020) and reflects impacts on ridership due to the COVID-19 pandemic and implementation of safety protocols by WMATA beginning in March 2020.

### 5.1 Metrorail and Metrobus Unlinked Passenger Trips

Unlinked passenger trips (UPT) indicate the number of passengers boarding vehicles and demonstrates the overall number of passengers passing through the overall Metro system. A higher UPT reflects greater use of transit services. This section provides FY 2020 UPT data for Metrorail and Metrobus. The official NTD definition for this ridership metric is included in the Appendix.

In FY 2020 total ridership for Metrorail was 174,540,714 unlinked passenger trips and Metrobus was 97,210,648 unlinked passenger trips, as shown in Figure 8.

**Figure 8: Metrorail and Metrobus Ridership, UPT**



\*In FY 2020 Metrorail and Metrobus ridership, service, and revenue were significantly impacted by the COVID-19 pandemic.

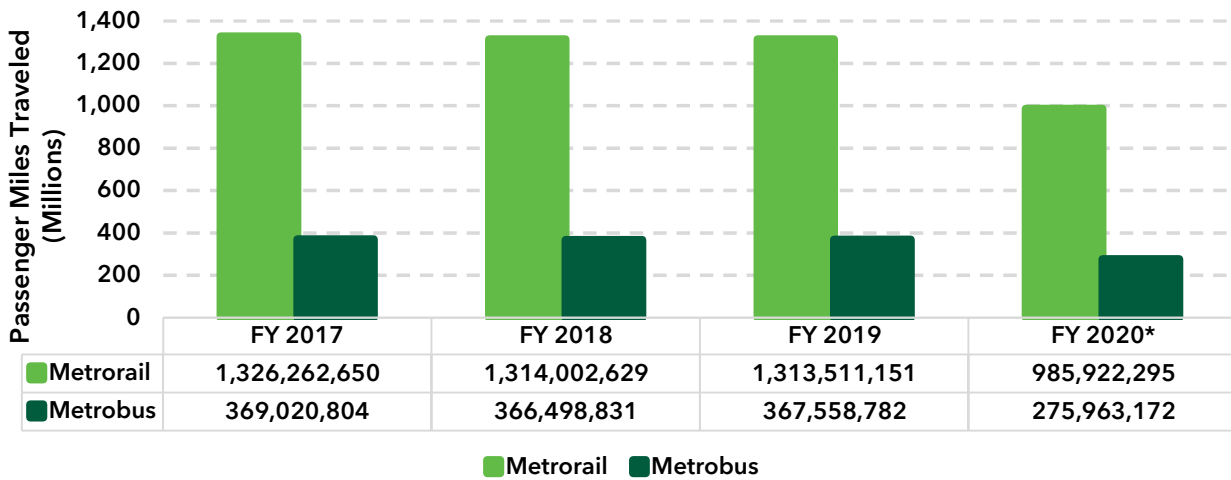
Source: WMATA NTD<sup>48</sup>

## 5.2 Metrorail and Metrobus Passenger Miles Traveled

Passenger miles traveled (PMT) indicates the total sum of miles traveled by all passengers aboard the transit service. A single passenger traveling 10 miles by bus would count as 10 passenger miles traveled. As with UPT, a higher PMT figure indicates greater patronage of transit services, providing insight into both UPT and distances traveled by passengers.

In FY 2020 the total passenger miles traveled for Metrorail was 985,922,295 and Metrobus was 275,963,172 as shown in Figure 9.

**Figure 9: Metrobus and Metrorail Ridership, PMT**



\*In FY 2020 Metrorail and Metrobus ridership, service and revenue were significantly impacted by the COVID-19 pandemic.

Source: WMATA NTD<sup>49</sup>

# Appendix

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This appendix includes definitions and sources for the terminology used throughout the report.

## Definitions

To provide a holistic picture of WMATA's safety, reliability, financial and ridership performance, the definitions below have been aggregated from the following sources as indicated in the footnotes:

1. When not indicated otherwise, definitions are taken directly from the NTD Glossary.<sup>50</sup>
2. For metrics without an NTD definition, a definition is taken from WMATA's Metro Performance Report (MPR).<sup>51</sup> MPR definitions also include an explanation of what each metric mean[s] and why it is important to [their] strategy. These explanations are included along with the definitions.
3. To build a complete understanding of each MPR definition, WMATA provided NVTC with clarifications, which are denoted with the footnote "Provided by WMATA."

## Collision

A vehicle/vessel accident in which there is an impact of a transit vehicle/vessel with: another transit vehicle, a non-transit vehicle, a fixed object, a person(s) (suicide/attempted suicide included), an animal, a rail vehicle, a vessel or a dock.

## Cost per Service Hour<sup>52</sup>

The average cost to operate one vehicle/passenger car for one hour of passenger service. Calculated for each mode by taking the total operating expenses and dividing by total vehicle revenue hours.

## Deadhead (Miles and Hours)

The miles and hours that a vehicle travels when out of revenue service. Deadhead includes leaving or returning to the garage or yard facility, changing routes and when there is no expectation of carrying revenue passengers. Deadhead does not include charter service, school bus service, operator training or maintenance training.

## Derailments

Non-collision incidents in which one or more wheels of a vehicle unintentionally leaves the rails.

## Failure, Metrobus

WMATA counts as failures those buses with interrupted trips due to mechanical problems that resulted in lost trips. Therefore, only bus maintenance chargeables (BMCs) are counted.

- Major failures are BMCs that may leave the bus stranded on the street or result in grossly unsafe operation. Examples: brakes, door interlock, generator, smoke/fire, large fluid leaks, engine or transmission shutdown, broken wipers on rainy days. ("Accidents" caused by mechanical failure (i.e., brakes not engaging) are counted as major.)
- Minor failures are BMCs that may be deemed unsafe by the operator, manufacturer or engineers to protect the bus from irreparable damage. Examples: engine/transmission malfunction indicators, windshield, mirrors, unsafe interior or exterior body issues.

## Failure, Metrorail

WMATA defines a railcar failure as a mechanical failure that requires corrective maintenance. Failures related to operator error or customer behavior, e.g., doors that fail because they were held open by customers, are not counted. Not all failures prevent vehicles from completing scheduled revenue trips or starting the next scheduled revenue trips. In some cases, corrective maintenance can be conducted after the scheduled trips are completed.

## Farebox Recovery Ratio<sup>53</sup>

The portion of operating expenses that are paid for by fare revenues. This metric is calculated as: *Fare Revenue ÷ Operating Expenses*.

## Fare Revenue

All income received directly from passengers, paid either in cash or through pre-paid tickets, passes, etc. It includes donations from those passengers who donate money on the vehicle. It includes the reduced fares paid by passengers in a user-side subsidy arrangement.

## Fatality

A death or suicide confirmed within 30 days of a reported incident. Does not include deaths in or on transit property that are a result of illness or other natural causes.

**Fire**

Uncontrolled combustion made evident by flame that requires suppression by equipment or personnel.

**Fringe Benefits**

The payments or accruals to others (insurance companies, governments, etc.) on behalf of an employee and payments and accruals direct to an employee arising from something other than a piece of work. These payments are transit agency costs over and above labor costs, but still arising from the employment relationship.

**Headway**

The time interval between vehicles moving in the same direction on a route.

**Injury**

Any damage or harm to persons as a result of an event that requires immediate medical attention away from the scene.

**Linked Passenger Trips<sup>54</sup>**

A linked passenger trip is counted when a customer enters through a faregate. In an example where a customer transfers between two trains to complete their travel one trip is counted. Metrorail reports linked passenger trips.

**Labor (Cost)<sup>55</sup>**

The pay and allowances due employees in exchange for the labor they provide on behalf of the transit agency. The labor allowances include payments made directly to the employee arising from the performance of a piece of work.

**Major Event Report (S&S-40)<sup>56</sup>**

The Major Event Report (S&S-40) captures detailed information on severe safety and security events that occur within a transit environment. Agencies must complete one S&S-40 per reportable event, regardless of how many thresholds an event meets. A reportable event is one that meets any NTD reporting threshold (detailed below) and occurs on transit right-of-way or infrastructure, at a transit revenue facility, at a maintenance facility or rail yard, during a transit-related maintenance activity, or involves a transit revenue vehicle.

**Mean Distance between Delays<sup>57</sup>**

The average number of miles traveled before a railcar experiences a failure that leads to a delay of four or more minutes. This is equivalently expressed as: *Total railcar revenue miles ÷ Number of failures during revenue service resulting in delays of four or more minutes.*

Some car failures result in inconvenience or discomfort but do not always result in a delay of service, such as hot cars. Mean distance between delays includes those failures that had an impact on customer on-time performance.

**Mean Distance between Failures<sup>58</sup>**

The average number of miles traveled before a mechanical breakdown requiring the bus to be removed from service or deviate from the schedule. This can also be expressed as: *Total revenue miles ÷ Total number of failures.*

Mean distance between failures is used to monitor trends in vehicle breakdowns that cause buses to go out of service and to plan corrective actions. Factors that influence fleet reliability include vehicle age, quality of maintenance program, original vehicle quality and road conditions affected by inclement weather and road construction.

**Non-Major Monthly Summary (S&S-50)<sup>59</sup>**

The Non-Major Monthly Summary Report captures monthly summary information on minor fires and other less severe safety events that are not reportable as Major Events.

**Non-Labor Costs**

The costs associated with operating expenses including fuel/lube, tires, tubes, utilities, casualty/liability costs, taxes and other materials.<sup>60</sup>

**On-Time Performance (Metrobus)<sup>61</sup>**

Bus on-time performance (OTP) communicates the reliability of bus service, which is a key driver of customer satisfaction and ridership. For schedule-based routes, OTP measures adherence to the published route schedule for delivered service. For headway-based routes, OTP measures the adherence to headways, or the time customers wait between buses. Headway-based routes include routes 70, 79, X2, 90, 92, 16Y and Metroway.

Metrobus measured OTP using schedule-based methodology until FY 2020. After a pilot in FY 2019, OTP was measured using a blended schedule- and headway-based methodology beginning in FY 2020.

Factors that can affect OTP include traffic congestion, detours, inclement weather, scheduling, vehicle reliability, operational behavior or delays caused by passengers. Measurements are calculated as follows:



Percentage of bus service delivered on-time

*Schedule-based routes = Number of time points delivered on time based on a window of 2 minutes early and 7 minutes late ÷ Total number of time points delivered*

*Headway-based routes = Number of time points delivered within the scheduled headway + 3 minutes ÷ Total number of time points delivered*

Fiscal Year	Methodology	Data Availability
<b>FY 2018</b>	Schedule-based OTP*	Available for entire fiscal year
<b>FY 2019</b>	Headway-based OTP**	Not available due to quality errors
<b>FY 2020</b>	Schedule- and Headway-based OTP	Available from July 1, 2019 until March 15, 2020, as the beginning of the pandemic significantly reduced service
<b>FY 2021</b>	Schedule- and Headway-based OTP	Available for entire fiscal year

\*In FY 2018 Metrobus on-time performance data was schedule based and reported on the number of bus vehicles arriving at a timepoint at or close to the scheduled arrival time, divided by the total number of vehicles arriving at timepoint, over a period (in this case, one year).

\*\* WMATA piloted a new calculation for Metrobus on-time performance that introduced a headway-based measure for several Metrobus routes and modified the schedule-based OTP to include all timepoints (this previously had excluded all last timepoints).

**On-Time Performance (Metrorail)<sup>62</sup>**

Metrorail customer OTP measures the percentage of customers who complete their journey within the maximum amount of time it should take per WMATA service standards. Actual journey time is calculated from the time a customer taps a SmarTrip card to enter the system, to the time when a SmarTrip card is tapped to exit. Factors that can affect OTP include infrastructure conditions, missed dispatches, railcar delays (e.g., doors), or delays caused by sick passengers. Station stops are tracked system-wide, with the exception of terminal and turn-back stations. Measurements are calculated as follows:

*Number of station stops delivered within the scheduled headway plus 2 minutes during rush (AM/PM) service ÷ Total station stops delivered.*

*Number of station stops delivered up to 150% of the scheduled headway during non-rush (midday and evening) ÷ Total station stops delivered.*

The peak and off-peak hours are:

- Peak periods:** AM rush (approximately 5-9:30 a.m.) and PM rush (approximately 3-7 p.m.)
- Off-peak periods:** Midday (approximately 9:30 a.m.-3 p.m.) and Night (approximately 7:00 p.m. to close)

**Operating Expenses**

These expenses include labor and non-labor costs and services for operating and maintaining the mode, including general administration costs. Labor costs are fully loaded, meaning they include fringe benefit costs (directly paid to employees as well as indirectly, e.g., payments to pension funds) in addition to wages and salary costs.<sup>63</sup>

**Passenger Miles Traveled (PMT)<sup>64</sup>**

The cumulative sum of the distances ridden by each passenger.

**Ridership**

Ridership is a measure of total service consumed and an indicator of value to the region. Drivers of this indicator include service quality and accessibility.

Passenger trips are defined as follows:

- Metrorail reports passenger trips. A passenger trip is counted when a customer enters through a faregate. In an example where a customer transfers between two trains to complete their travel one trip is counted.
- Metrobus reports passenger boardings. A passenger boarding is counted via the onboard Automatic Passenger Counter (APC) when a customer boards a Metrobus. In an example where a customer transfers between two Metrobuses to complete their travel two trips are counted. Metrobus totals also include shuttles to accommodate rail station shutdowns and other track work.

**Revenue Service (Hours)**

The time when a vehicle is available to the public and there is an expectation of carrying passengers. These passengers either directly, pay fares, are subsidized by public policy, or provide payment through some contractual arrangement. Vehicles operated in fare-free service are considered in revenue service. Revenue service includes layover and recovery time and excludes deadhead,<sup>65</sup> vehicle maintenance testing, school bus service, and charter service.

**Security Event**

An occurrence of a bomb threat, bombing, arson, hijacking, sabotage, cyber security event, assault, robbery, rape, burglary, suicide, attempted suicide (not involving a transit vehicle), larceny, theft, vandalism, homicide, CBR (chemical/biological/radiological) or nuclear release or other event.

**Service per Rider<sup>66</sup>**

A performance metric that measures the ratio of vehicle revenue hours to unlinked passenger trips. Note that in this report, this ratio is scaled by a factor of 10,000 for readability. The metric is calculated as:  $(Total\ Vehicle\ Revenue\ Hours \div Number\ of\ Unlinked\ Trips) \times 10,000$ .

**Time Point**

A time point is an exact “point in time” at which Metro service is provided. Time points can be anywhere along the route, including an intersection. Adherence to schedule is measured as the bus leaves each time point except the last for each run. Time point is used in the definition of on-time performance for Metrobus.

**Unlinked Passenger Trips (UPT)**

The number of passengers who board public transportation vehicles. Passengers are counted each time they board vehicles no matter how many vehicles they use to travel from their origin to their destination.

Passenger trips are defined as follows:<sup>67</sup>

- Metrorail reports passenger trips. A passenger trip is counted when a customer enters through a faregate. In an example where a customer transfers between two trains to complete their travel two unlinked passenger trips are counted.
- Metrobus reports passenger boardings. A passenger boarding is counted via the onboard Automatic Passenger Counter (APC) when a customer boards a Metrobus. In an example where a customer transfers between two Metrobuses to complete their travel, two trips are counted. Metrobus totals also include shuttles to accommodate rail station shutdowns and other track work.

**Vehicle Revenue Hours**

The hours that a vehicle actually travels from the time it pulls out of its garage to enter passenger service to the time it returns. Vehicle revenue hours are often called platform time. Vehicle revenue hours include layover and recovery time and exclude deadhead, operator training, vehicle maintenance testing, and school bus and charter services.

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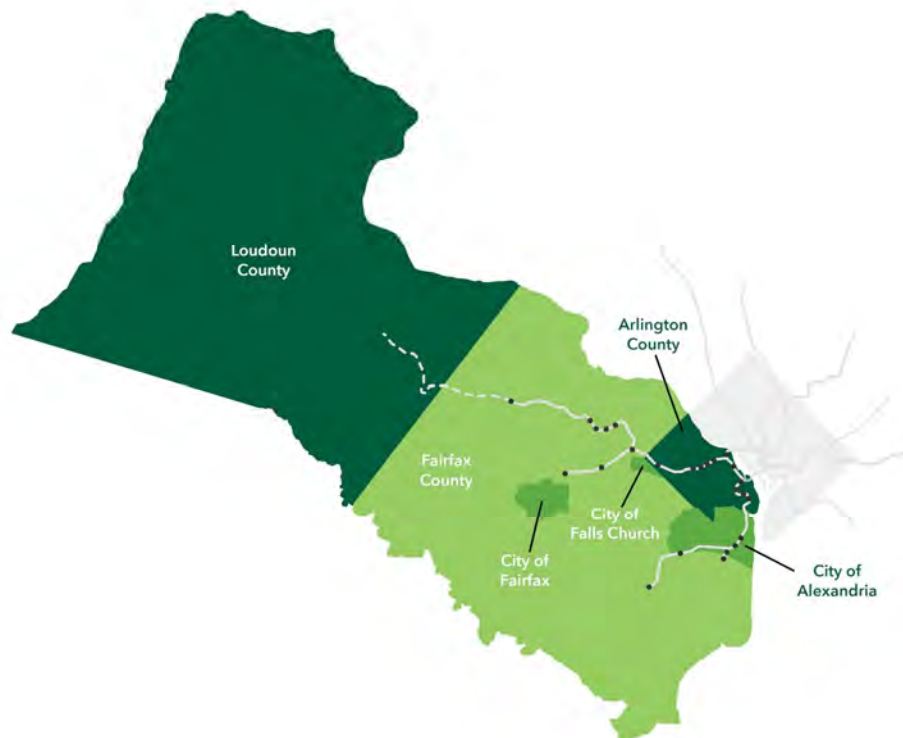
## About NVTC

The Northern Virginia Transportation Commission (NVTC) was established to manage the Northern Virginia Transportation District and is charged with the funding and stewardship of the Washington Metropolitan Area Transit Authority (WMATA) on behalf of the jurisdictions of Arlington County, City of Alexandria, City of Falls Church, Fairfax County, City of Fairfax and Loudoun County. Founded in 1964, in part to represent the interests of the Commonwealth during the creation of Metrorail, NVTC continues to serve as Virginia’s voice on the WMATA Board of Directors through its appointments to the panel. The WMATA Board determines the authority’s policy and provides oversight for funding, operations, and the expansions of transit facilities.

NVTC also manages more than \$177 million in state assistance to WMATA on behalf of its jurisdictions. NVTC ensures that all its jurisdictions’ voices are represented on the WMATA Board, coordinates regional transit efforts that directly affect systems serving Northern Virginia and engages in regional transportation planning, data analysis, and reporting, which provides direct benefits to WMATA and the related Northern Virginia transit network.

NVTC also administers the Commuter Choice Program, which invests toll revenue into multi-modal and transit projects along the I-66 Inside the Beltway and I-395/95 corridors, and co-owns the Virginia Railway Express (VRE), which provides commuter rail service connecting Northern Virginia to the District of Columbia.

### The Northern Virginia Transportation District





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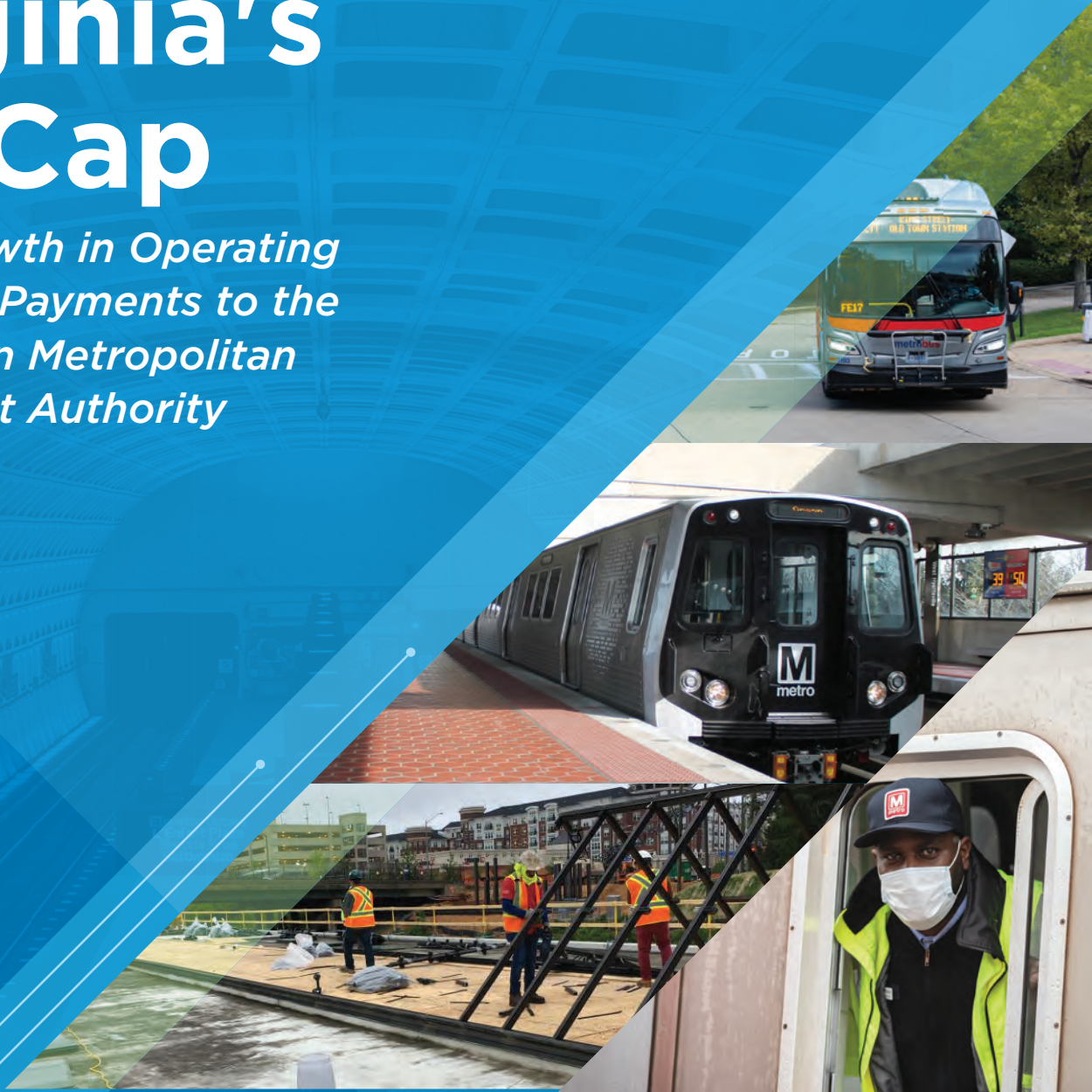




REPORT ON  
**Virginia's  
3% Cap**

*on the Growth in Operating  
Assistance Payments to the  
Washington Metropolitan  
Area Transit Authority*

Submitted to  
the Chairs of the  
House Appropriations  
and Senate Finance  
and Appropriations  
Committees  
November 2020





November 10, 2020

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**Executive Director**

Katherine A. Mattice

On behalf of the Northern Virginia Transportation Commission (NVTC), I am pleased to submit the *Report on Virginia's 3% Cap on the Growth in Operating Assistance Payments to the Washington Metropolitan Area Transit Authority (WMATA)*. This report is in response to Chapter 1289 of the 2020 Acts of Assembly, which requires the Chair of NVTC to convene a working group on the usefulness of Virginia's 3% cap and whether any additional items should be excluded.

The report examines Virginia's operating subsidy payments to WMATA to identify and differentiate the true drivers of past and present operating subsidy increases from assumed cost drivers. The report also acknowledges the impact of WMATA's implementation of the cap on Virginia's subsidy payments and the role of NVTC jurisdictions in funding WMATA. Since the cap has only been in place for two WMATA budget cycles, the report concludes that the existing cap appears to be a useful tool to manage the growth in Virginia's operating assistance payments to WMATA. The report further recommends that:

- No changes should be made to the existing 3% cap legislation;
- No additional items should be excluded at this time;
- No legislative changes be considered before the cap has been in place for five WMATA budget development cycles; and,
- NVTC continue to evaluate the impact of Virginia's 3% cap legislation.

This report underscores the complexity of balancing the needs of a world-class transit system while reducing financial unpredictability and pressure. In addition, the General Assembly's directive to evaluate the cap comes at a time when the Commonwealth and NVTC jurisdictions are identifying tools and strategies to promote cost efficiencies in light of the COVID-19 public health emergency. To that end, NVTC looks forward to ongoing engagement with WMATA and the NVTC jurisdictions on Virginia's 3% cap on operating assistance payments to WMATA.

Sincerely,

Katie Cristol  
NVTC Chair



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## Preface

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This report is in response to Chapter 1289 Item 442.H1-2 of the 2020 Acts of the Virginia General Assembly that states:

- 1. The Chairman of the Northern Virginia Transportation Commission shall convene a workgroup which includes the Director of the Department of Rail and Public Transportation, local government representatives, and private sector stakeholders to review the impact of the 3% cap on operating assistance in the approved WMATA budget pursuant to § 33.2-1526.1.J., Code of Virginia. The workgroup shall report to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by November 10, 2020, on the usefulness of the cap and whether additional items should be excluded.*
- 2. The Department of Rail and Public Transportation shall provide staff support for the workgroup.*

In 2018, the Virginia General Assembly imposed a 3% cap on growth on Virginia's annual operating subsidy to WMATA as a part of its commitment to a dedicated source of capital funding.<sup>1</sup> In any year where the annual increase in the approved WMATA budget exceeds 3% (apart from legislative exemptions), the legislation directs the Commonwealth Transportation Board (CTB) to withhold 35% of the funding allocated to NVTC as capital and operating assistance to help its local jurisdictions meet their financial obligations to WMATA from the Commonwealth Mass Transit Fund.

This report focuses on the 3% cap on the growth of Virginia's share of overall annual WMATA operating assistance. The cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington, Fairfax and Loudoun make their operating assistance payments to WMATA, which collectively make up Virginia's share.

The 3% cap does not apply to the local jurisdictions, meaning that each year any individual jurisdiction's operating subsidy may increase more or less than 3% compared to the previous year. This is due to fluctuations in the budget formula that are driven by the amount of service provided, changes to transit fares, and other financial factors.

Jurisdictional subsidy payments are made using a mix of local funds, regional gas tax revenues, and funding from the Commonwealth distributed through the Northern Virginia Transportation Commission (NVTC). NVTC jurisdictions use a range of local funds, such as property tax revenues, general funds and local "30 percent" funding from the Northern Virginia Transportation Authority to support their WMATA subsidy payment. NVTC also holds in trust a portion of regional gas tax revenues generated within each jurisdiction that is dedicated for WMATA purposes. Furthermore, the Commonwealth of Virginia, through the Department of Rail and Public Transportation (DRPT), provides funds to the NVTC jurisdictions for a portion of their WMATA operating subsidy commitments.

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<sup>1</sup> § 33.2-1526.1.K of the Code of Virginia

## Executive Summary

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In 2018, the Virginia General Assembly imposed a 3% cap on growth on Virginia's annual operating subsidy to WMATA as a part of its commitment to a dedicated source of capital funding. In any year where the annual increase in the approved WMATA budget exceeds 3% (apart from legislative exemptions), the legislation directs the Commonwealth Transportation Board (CTB) to withhold 35% of the funding allocated to NVTC as capital and operating assistance to help its local jurisdictions meet their financial obligations to WMATA from the Commonwealth Mass Transit Fund. In 2020, the Virginia General Assembly directed the formation of NVTC's 3% Cap Working Group to examine the 3% cap and assess its usefulness and whether additional exemptions to the cap should be considered.<sup>2</sup>

NVTC's 3% Cap Working Group found that Virginia's 3% cap appears to be a useful tool to manage the growth in Virginia's operating subsidy. With only two years of WMATA budget development since the passage and implementation of the 3% cap, the Working Group recommends:

- No changes be made to the existing 3% cap legislation at this time;
- No additional exclusions should be considered;
- NVTC work with the Department of Rail and Public Transportation to clarify existing state policy guidance regarding the current legislative exclusions to the cap; and,
- NVTC continue to explore potential modifications to Virginia's 3% cap legislation, with the scope and timing of such an effort to be determined by the Commission.

The Working Group, made up of representatives from NVTC jurisdictions, private sector stakeholders and the Director of the Department of Rail and Public Transportation, found that the cap provides some predictability in subsidy growth and does appear to provide fiscal controls that help WMATA with cost containment. The Working Group also determined it is too soon to recommend changes to Virginia's 3% cap legislation since the cap has only been in place for two WMATA budget cycles.

The Working Group did not identify any new exemptions, also referred to as exclusions, to the cap. Instead, the Working Group recommends that NVTC work with DRPT to clarify existing Commonwealth Transportation Board (CTB) policy guidance regarding the current legislative exclusions to the cap. The Working Group also recommends that NVTC continue to explore the 3% cap, with the scope and timing of such an effort to be determined by the Commission.

To support the Working Group's deliberations, NVTC staff solicited input on the impact of the cap from additional stakeholders in the region, including staff from the State of Maryland, the District of Columbia and WMATA.

NVTC staff also examined the historical jurisdictional operating subsidies to identify the actual drivers of Virginia's operating subsidy increases. Accordingly, this report presents the historical operating subsidies and other factors that impact year to year fluctuations in the overall operating subsidy.

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<sup>2</sup> Ibid.

## 1. Introduction

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In 2020, the General Assembly directed the Northern Virginia Transportation Commission (NVTC) to form a Working Group to review the impact of Virginia’s legislatively-mandated 3% cap on the growth in operating assistance payments to the Washington Metropolitan Area Transit Authority (WMATA). The General Assembly directed the Working Group to include the Director of the Department of Rail and Public Transportation, senior transportation officials representing NVTC jurisdictions and private sector stakeholders to be led by NVTC’s Chair.<sup>3</sup>

In May 2020, NVTC convened the 3% Cap Working Group with members as follows:

**Chair:** Katie Cristol, NVTC Chair, Arlington County

**Vice Chair:** Kate Mattice, NVTC Executive Director

**Commonwealth Representative:** Jennifer Mitchell, DRPT Director

**Senior-Level Transportation Officials:**

- Yon Lambert, City of Alexandria
- Dennis Leach, Arlington County
- Tom Biesiadny, Fairfax County
- Wendy Block Sanford, City of Fairfax
- Cindy Mester, City of Falls Church
- Penny Newquist, Loudoun County

**Private Sector Stakeholders:**

- Clayton Medford, Northern Virginia Chamber of Commerce
- The Honorable Randy Minchew, former member of the Virginia House of Delegates
- Stewart Schwartz, Coalition for Smarter Growth
- Jason Stanford, Northern Virginia Transportation Alliance

The Working Group met three times between May and September 2020. NVTC staff interviewed members of the 3% Cap Working Group and Virginia’s Principal WMATA Board Members as well as staff from the State of Maryland, the District of Columbia and WMATA to get their perspective of Virginia’s 3% cap. In addition, NVTC staff conducted extensive research and analysis to inform the Working Group’s meetings and discussion.

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<sup>3</sup> 2020 Acts of the Virginia General Assembly. Chapter 1289 Item 442.H1-2.



## 2. Enactment of Virginia's 3% Cap Legislation

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As part of the WMATA dedicated capital funding legislation, the 2018 Virginia General Assembly imposed a 3% cap on growth on Virginia's annual operating subsidy to WMATA. In any year where the annual increase in the approved WMATA budget exceeds 3%, the legislation directs the Commonwealth Transportation Board (CTB) to withhold 35% of the funding allocated to NVTC as capital and operating assistance to help its local jurisdictions meet their financial obligations to WMATA from the Commonwealth Mass Transit Fund.<sup>4</sup>

The legislation also excludes certain items when determining if the annual increase in the operating subsidy exceeds 3%. The legislative exclusions to the cap include:

- any service, equipment or facility that is required by any applicable law, rule or regulation;
- any major capital projects approved by the WMATA Board before or after the effective date of the CTB policy;
- any payment or obligation resulting from a legal dispute or proceeding; and,
- any service increases approved by the WMATA Board.<sup>5</sup>

Each year, the CTB must affirm annually via resolution that WMATA has met this and other requirements of the dedicated funding legislation.<sup>6</sup>

The State of Maryland also passed similar legislation in 2018 that imposed a 3% cap on growth on Maryland's annual operating subsidy to WMATA, with near-identical exclusions. As such, starting in fiscal year 2020, WMATA develops its annual operating budget to meet both state's 3% cap legislation.

## 3. Background on Operating Assistance Payments to WMATA

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The General Assembly charged the Working Group with reviewing the impact of Virginia's 3% cap on the growth in operating assistance in the approved WMATA budget. To that end, the Working Group reviewed the historical jurisdictional operating subsidies, ridership trends, and WMATA's past and present contracts to evaluate the extent of their impact on Virginia's operating subsidy. This section presents the actual drivers of the historical operating subsidies and describes how WMATA has implemented the cap to meet the requirements of Virginia's 3% cap legislation.

### Historical WMATA Operating Subsidy Trends

Day to day operation of WMATA is funded primarily through passenger fare revenue and the jurisdictional operating subsidy provided by the WMATA Compact signatories: Maryland, the

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<sup>4</sup> § 33.2-1526.1.K. of the Code of Virginia

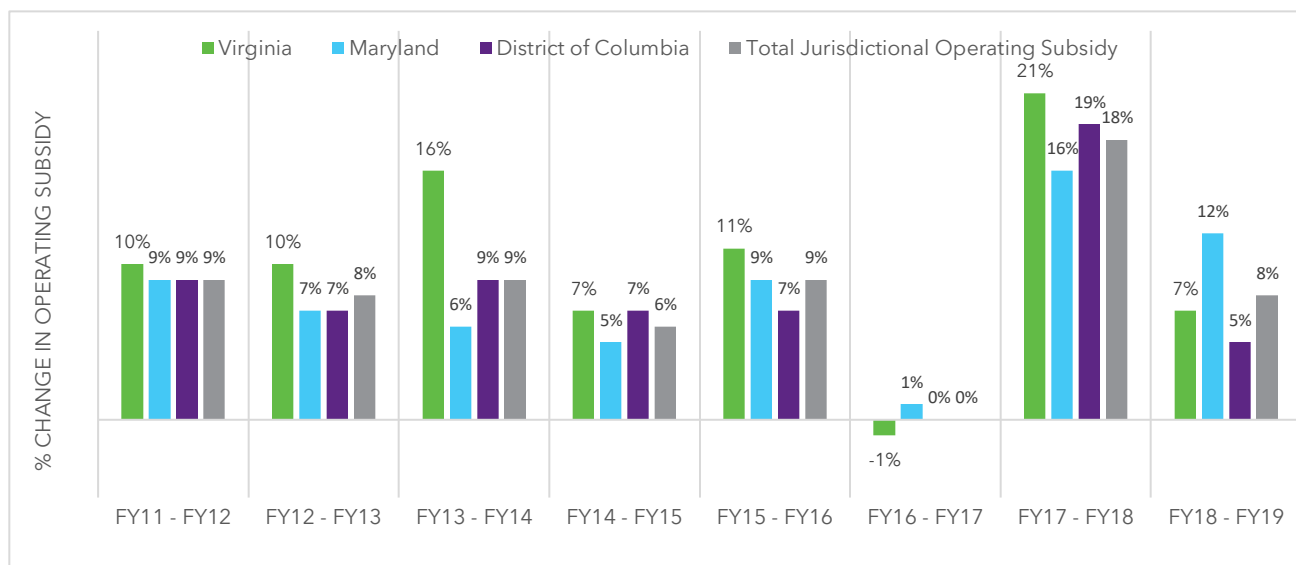
<sup>5</sup> Chapter 1133 of the 2020 Acts of the Virginia General Assembly has not been implemented by WMATA in a budget cycle. As such, the legislation's impact on Virginia's operating subsidy is unknown.

<sup>6</sup> Commonwealth Transportation Board. "Approval of Policy and Guidelines for Implementation of Governance and Funding Reforms for the Washington Metropolitan Area Transit Authority (WMATA)." Pg. 5. September 18, 2018. <<http://www.ctb.virginia.gov/resources/2018/sept/reso/3.pdf>>

District of Columbia and Virginia.<sup>7</sup> In Virginia, NVTC jurisdictions, which include the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington, Fairfax and Loudoun, pay the subsidy.<sup>8</sup> Loudoun County began contributing to WMATA’s jurisdictional operating subsidy in FY 2021, as service on the Silver Line Phase 2 is budgeted to commence that fiscal year. WMATA’s operating costs are also funded to a lesser extent through additional non-fare revenue.<sup>9</sup>

Prior to the cap, WMATA calculated the historical jurisdictional operating subsidies using WMATA Board-approved subsidy allocation formulas based on inputs that represent a jurisdiction’s request for and use of WMATA’s three modes of transit service: Metrobus, Metrorail, and MetroAccess. As such, the total annual operating subsidy increases varied between 0% - 18%, and the annual operating subsidy increases in Virginia varied from -1% to 21% (Figure 1).

**Figure 1: Annual (%) Change in Jurisdictional Operating Subsidies Prior to the Legislative Cap (FY 2011 - FY 2019)**



Source: FY 2011 - FY 2019 Approved WMATA Budgets and Board Approved Resolutions

Data from FY 2011 - FY 2018 indicate that the increase in the historical jurisdictional operating subsidy is primarily attributable to the increasing Metrorail operating subsidy, especially in Virginia with the opening of Silver Line Phase 1.

Notably, over the same time period Metrorail experienced extensive reliability issues, resulting in a ridership decline of nearly 20%, decrease in farebox revenue due to loss of ridership, the need to close portions of the rail system to address system reliability (i.e. SafeTrack) and a loss of transit ridership due to nationwide factors that are outside of WMATA’s control (i.e. gas prices, telework, etc.), all of which necessitated jurisdictional operating subsidy increases.<sup>10 11</sup> Declining Metrorail

<sup>7</sup> WMATA Compact. “Commitments for Financial Participation.” Pg. 9. August 19, 2009. <[https://www.wmata.com/about/board/upload/Compact\\_Annotated\\_2009\\_final.pdf](https://www.wmata.com/about/board/upload/Compact_Annotated_2009_final.pdf)>

<sup>8</sup> Ibid.

<sup>9</sup> Note: Other non-fare revenue include advertising revenues, revenues from joint development transactions and other cost-savings.

<sup>10</sup> Federal Transit Administration. “National Transit Database Form S-10.”

<<https://www.transit.dot.gov/ntd/ntd-reporting-system-forms>>

<sup>11</sup> Note: SafeTrack is an accelerated track work plan to address safety recommendations and rehabilitate the Metrorail system to improve safety and reliability. <<https://wmata.com/service/SafeTrack.cfm>>

farebox recovery rates of nearly 15% due to declining ridership was the single largest factor in WMATA's total jurisdictional subsidy increases from FY 2011 - FY 2018.

Since wage and salary levels are a significant portion (approximately 70%) of WMATA's operating budget, the Working Group examined the average wage increases for Amalgamated Transit Union 689, WMATA's largest union.<sup>12</sup> While collective bargaining agreements (CBAs) cover a number of elements including work rules, pensions and health care coverage, wage increases represent a significant part the financial elements in the CBAs between WMATA and its union employees.

Data presented to the Working Group found the annual wage increases for union employees range from 0% to 4% per year in the multi-year CBAs over FY 2009 - FY 2024, demonstrating that the cap appears to be a helpful tool in WMATA's negotiations with labor.<sup>13</sup> Moreover, the 2017 report prepared by former U.S. Secretary of Transportation Ray LaHood, *Review of Operating, Governance and Financial Conditions at the Washington Metropolitan Area Transit Authority*, examined WMATA's hourly labor costs and found them to be relatively in line with peer transit agencies.<sup>14</sup>

### WMATA's Approach to Applying the Cap

Before WMATA implemented the 3% cap legislation during its budget development process, the jurisdictional operating subsidy bills were calculated using WMATA Board approved formulas based on each mode at WMATA: Metrobus, Metrorail and MetroAccess.<sup>15</sup> The formulas are primarily of function of inputs that include ridership, population, number of stations, revenue hours, revenue miles, and ridership by jurisdiction residents.<sup>16</sup> These formulas are generally referred to as the historic formulas and WMATA continues to include them in part of its new approach to budget development.

The implementation of Virginia's 3% cap legislation prompted WMATA to re-examine its operating subsidy allocation methodology to comply with the legislation. In FY 2020, the WMATA Board approved a new methodology to apply the cap to the operating subsidy.<sup>17</sup> This approach has yielded some unintended consequences, which NVTC and its component jurisdictions continue to explore.

<sup>12</sup> Keeping Metro Safe, Reliable and Affordable. "Comparing to Other Large Transit Agencies." Pg. 82. January 2019. <<https://wmata.com/initiatives/strategic-plans/upload/KMSRA-Strategic-Plan-Jan-2019.pdf>>

<sup>13</sup> WMATA. "WMATA Board Resolutions 2011-41, 2013-18, 2019-48." <[https://www.amlegal.com/codes/client/washington-metropolitan-area-transit-authority\\_washington-dc/](https://www.amlegal.com/codes/client/washington-metropolitan-area-transit-authority_washington-dc/)>

<sup>14</sup> Former United States Transportation Secretary Ray LaHood. "Review of Operating, Governance and Financial Conditions at the Washington Metropolitan Area Transit Authority - 2017." Pg. 4. December 27, 2017. <<https://rga.lis.virginia.gov/Published/2018/RD7>>

<sup>15</sup> WMATA. "Approved Fiscal Year 2018 Budget - Appendix F." Pg. 212. July 1, 2017. <[https://www.wmata.com/about/records/public\\_docs/upload/FY2018-Approved-Budget.pdf](https://www.wmata.com/about/records/public_docs/upload/FY2018-Approved-Budget.pdf)>

<sup>16</sup> Ibid.

<sup>17</sup> WMATA. "WMATA Board Resolution 2019-09." Pg. 6. March 18, 2019. <<https://www.wmata.com/about/board/meetings/board-pdfs/upload/10B-FY2020-Budget-Adoption-FINALIZED.pdf>>

## 4. Usefulness of Virginia’s 3% Cap

The Working Group evaluated the usefulness of the cap by examining how well the cap protected Virginia’s operating subsidy against significant increases during the last two WMATA budget cycles (FY 2020 and FY 2021). For both FY 2020 and FY 2021, Virginia’s base operating subsidy increased by 3% each year. Legislatively excluded subsidy growth assigned to Virginia represented an additional 1.0% increase in FY 2020 and an additional 9.3% increase in FY 2021 (Figure 2).<sup>18,19</sup> The vast majority of FY 2021’s legislative exclusions were for additional operating costs associated with the Silver Line Phase 2 project. Though projects like Silver Line Phase 2 or the future Potomac Yard Metrorail station cause fluctuations in Virginia’s operating subsidy, they greatly contribute to meeting the transit needs of Northern Virginians.

**Figure 2: Change (%) in FY 2020 and FY 2021 Jurisdictional Operating Subsidies with Legislative Exclusions**

FY20 Subsidy with Legislative Exclusions				FY21 Subsidy with Legislative Exclusions			
	Annual Subsidy Operating Growth	Federal Mandates/ Litigation	% Change in FY20 Operating Subsidy	Annual Operating Subsidy Growth	Federal Mandates	Silver Line Phase 2	% Change in FY21 Operating Subsidy*
<b>VA</b>	3.0%	1.0%	<b>4.0%</b>	3.0%	0.5%	9.3%	<b>12.8%</b>
<b>MD</b>	3.0%	1.3%	<b>4.3%</b>	3.0%	1.2%	6.0%	<b>10.2%</b>
<b>DC</b>	3.0%	0.9%	<b>3.9%</b>	3.0%	0.5%	6.3%	<b>9.8%</b>
<b>Total</b>	3.0%	1.1%	<b>4.1%</b>	3.0%	0.8%	7.0%	<b>10.8%</b>

Notes:

\*Figure does not include subsidy credits from the Coronavirus Aid, Relief and Economic Security (CARES) Act.

FY 2020 Legislative Exclusions included \$4.7 million in ADA Paratransit Cost Increases (Federal Mandate), \$2.5 million in litigation (Legal Disputes) and \$4.1 million in Occupational, Safety and Health Costs (Federal Mandate). FY20 also included a \$1.2 million budget adjustment for the Fraternal Order of Police and a \$429,305 service reduction for the 2A Metrobus route.

FY 2021 Legislative Exclusions included \$1.1 million to comply with DOT safety and training requirements (Federal Mandate), \$7.6 million in paratransit cost increases (Federal Mandate) and \$78.4 million in operating costs for Silver Line Phase 2 (Capital Projects).

From this perspective, the Working Group considers Virginia’s 3% cap a useful tool to manage the growth in Virginia’s operating subsidy increases. Given the recent enactment of the cap legislation, **the Working Group recommends no legislative changes to Virginia’s 3% cap on the growth in operating assistance payments to WMATA at this time.**

### Impact of Virginia’s 3% Cap on Additional Stakeholders

NVTC staff also sought perspectives on the impact of Virginia’s 3% cap with staff representatives from the District of Columbia and the State of Maryland. Because WMATA is a regional entity, a cap on any jurisdiction’s operating subsidy impacts the other jurisdictions’ operating subsidy. Overall, Virginia’s counterparts in Maryland and the District of Columbia indicated that Virginia’s

<sup>18</sup> WMATA. “Approval of Public Hearing Staff Report and adoption of FY2020 Operating Budget and FY2020-2025 CIP.” Pg. 24. March 14, 2019.

<<https://www.wmata.com/about/board/meetings/board-pdfs/upload/3B-FY2020-Budget-CIP-Approval-REV-03-12.pdf>>

<sup>19</sup> WMATA. “Approval of the FY 2021 Budget and FY 2021 - 2026 CIP.” Pg. 4. April 2, 2020.

<<https://www.wmata.com/about/board/meetings/board-pdfs/upload/3A-FY2021-Budget-Approval-TO-POST.pdf>>



cap helps manage the growth in the total jurisdictional operating subsidy. They also individually indicated similar concerns regarding the unintended consequences of WMATA's application of the legislative cap, and a desire to have uniformity in legislative caps between Virginia and Maryland.

NVTC staff also discussed Virginia's 3% cap with WMATA's General Manager and senior leadership team who expressed that Virginia's cap adds some stability to WMATA's budget and forces WMATA to examine its spending. They understood the importance of complying with the legislative 3% cap but articulated the challenges of implementing two legislative caps in such a complex funding environment.

## 5. Additional Exclusions to Virginia's 3% Cap

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The current legislative exclusions to Virginia's 3% cap include:

- any service, equipment or facility that is required by any applicable law, rule or regulation;
- any major capital projects approved by the WMATA Board before or after the effective date of the CTB policy;
- any payment or obligation resulting from a legal dispute or proceeding; and,
- any service increases approved by the WMATA Board.<sup>20</sup>

**The Working Group recommends no additional exclusions to the cap.** The Working Group acknowledged the impact of the legislative exclusions on the ability to predict Virginia's annual operating subsidy, but the existing exclusions have not presented NVTC jurisdictions with major challenges in the past two budget cycles.

## 6. Working Group Recommendations

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Because of the recent enactment of the legislative 3% cap, NVTC's 3% Cap Working Group recommends:

- No changes be made to the existing 3% cap legislation at this time;
- No additional exclusions should be considered;
- NVTC work with DRPT to clarify existing CTB policy guidance regarding the current legislative exclusions to the cap; and,
- NVTC continue to explore Virginia's 3% cap legislation, with the scope and timing of such an effort to be determined by the Commission.

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<sup>20</sup> Chapter 1133 of the 2020 Acts of the Virginia General Assembly has not been implemented by WMATA in a budget cycle. As such, the legislation's impact on Virginia's operating subsidy is unknown.

## 7. Conclusion

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Virginia's 3% cap appears to be a useful tool to manage the growth in Virginia's annual operating assistance payments to WMATA. Since the cap has only been in place for two budget cycles, the Working Group agreed that it is too soon to recommend changes to the 3% cap legislation. While no additional exclusions are necessary, the Working Group recommends that NVTC work with DRPT to clarify existing CTB policy guidance regarding the current legislative exclusions to the cap.

The Working Group remains concerned about the unintended consequences resulting from WMATA's approach to applying the Virginia's 3% cap and recommends ongoing engagement with WMATA. At the request of the Working Group and upon approval by the Commission, NVTC will continue to explore Virginia's 3% cap legislation.



[novatransit.org](http://novatransit.org)

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## RESOLUTION #2408

**SUBJECT:** Endorsement of the Bus Transformation Project Vision, Goals, and Strategy

**WHEREAS:** Buses are an integral part of the National Capital Region’s transportation network, connecting more than 524,000 homes and two million jobs within a quarter mile of bus stops within Northern Virginia;

**WHEREAS:** The Northern Virginia Transportation Commission (NVTC) recognizes that bus service provides an affordable mobility option and plays a key role in reducing roadway congestion, increasing connections between residents, jobs, education, healthcare, and other opportunities, and supporting regional prosperity;

**WHEREAS:** NVTC and its jurisdictions have a financial responsibility for the operations of the Washington Metropolitan Area Transit Authority (WMATA) as well as local transit services;

**WHEREAS:** Under the leadership of NVTC, Northern Virginia’s transit providers and WMATA actively coordinate advancements in bus transit service through operational analysis and planning, mitigation response, marketing and outreach, technology investments, and project implementation;

**WHEREAS:** NVTC believes strongly that investments in the region’s bus network be done in a financially responsible way that can best balance the needs of the public with available resources;

**WHEREAS:** NVTC’s jurisdictions actively leverage federal, state, regional, and local funding to support major bus transit capital improvements such as bus rapid transit (BRT) implementation, major farebox and fare technology upgrades, transit signal prioritization, and bus maintenance facility construction;

**WHEREAS:** In September 2018 WMATA launched the Bus Transformation Project with a vision that “buses will be the mode of choice on the region’s roads by 2030, serving as the backbone of a strong and inclusive regional mobility system that will support a growing and sustainable economy.”

**WHEREAS:** The Bus Transformation Project set out the five following goals to guide the transformation of bus across the District of Columbia, State of Maryland and Commonwealth of Virginia:

- 1) **Regional Connectivity:** Provide reliable on-street transit options that efficiently connect people to places and improve mobility.
- 2) **Rider Experience:** Ensure a convenient, easy-to-use, user-centered travel choice.
- 3) **Financial Stewardship:** Maintain a transit mode that this financially sustainable in the long term.
- 4) **Sustainability:** Encourage vibrant, economically thriving and sustainable communities.
- 5) **Equity:** Create a bus system that is affordable and equitable.

**WHEREAS:** Staff representatives from NVTC and its jurisdictions engaged with the Bus Transformation Project effort through a Technical Team and Strategy Advisory Group;

**WHEREAS:** In September 2019 the Bus Transformation Project released the Bus Transformation Strategy with the following recommendations:

- 1) Provide frequent and convenient bus service that connects communities and promotes housing affordability, regional equity, and economic growth;
- 2) Give buses priority on roadways to move more people quickly and reliably;

- 3) Create an excellent customer experience to retain and increase ridership; and
- 4) Empower a publicly appointed Task Force to transform bus and lead the implementation of a truly integrated regional system.

**WHEREAS:** In October 2019 NVTC submitted comments to the Bus Transformation Project team indicating strong support for Bus Transformation Strategy recommendations 1) through 3);

**WHEREAS:** In its October 2019 comments, NVTC voiced opposition to the composition of the task force noted in recommendation 4) as it did not include local transit providers nor the local jurisdictions who fund the bus systems (including Metrobus); and

**WHEREAS:** On January 16, 2020 the WMATA Board endorsed (Resolution #2020-01) the Bus Transformation Strategy recommendations 1) through 3), noting that in lieu of support for recommendation 4), the WMATA Board directs WMATA staff to engage with jurisdictions and local bus service providers to develop an action plan that considers the Bus Transformation Strategy with the goal of implementing said recommendations to the extent feasible and financially prudent.

**NOW, THEREFORE, BE IT RESOLVED** that, with the proposed actions by WMATA to include jurisdictions and local transit providers in the implementation of the Bus Transformation Study action plan, the Northern Virginia Transportation Commission endorses the vision, goals, and strategies of the Bus Transformation Project.

**BE IT FURTHER RESOLVED** that NVTC's endorsement of the Bus Transformation Project is conditioned on the direct representation by NVTC jurisdictional and local transit providers on any implementation task force.

**BE IT FURTHER RESOLVED** that NVTC supports leveraging the expertise of its staff to facilitate and support efforts to implement the Bus Transformation Project Strategy recommendations in Northern Virginia and for WMATA and the project team to periodically provide updates to the Commission on the status of the Action Plan.

**BE IT FURTHER RESOLVED** that NVTC encourages WMATA to incorporate the Bus Transformation Project's Strategy recommendations, where consistent with WMATA Board endorsement, into policy and in regional coordination activities.

**BE IT FURTHER RESOLVED** that the adoption of this resolution does not constitute a commitment by NVTC or its jurisdictions to fund or implement specific actions in the Bus Transformation Project, as implementation is subject to jurisdictional budgetary constraints, WMATA's annual budgets, and local and regional board actions.

Approved this 5<sup>th</sup> day of March 2020.



Jeffrey C. McKay  
Secretary-Treasurer



Katie Cristol  
Chair

**PRESENTED AND ADOPTED: January 16, 2020**

**SUBJECT: ENDORSEMENT OF BUS TRANSFORMATION STRATEGY**

**2020-01**

**RESOLUTION  
OF THE  
BOARD OF DIRECTORS  
OF THE  
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY**

WHEREAS, Pursuant to Compact Section 9(b) and Board Bylaws Article II.1, the Board is primarily responsible for policy, financial direction, oversight, and WMATA's relationships with its customers, jurisdictional partners, and signatories; and

WHEREAS, The Washington, D.C. area relies on an integrated transportation network, in which buses play an essential role as the most efficient mode of surface transportation, reducing roadway congestion, providing the most affordable mobility option, extending the reach of transit into communities across the region, and connecting residents with jobs, education, healthcare, and is fundamental to the region's prosperity; and

WHEREAS, Over 620,000 trips on local buses are taken every weekday, and 81 percent of residents live within a quarter-mile of a bus stop; and

WHEREAS, Bus providers are contending with significant challenges as bus speeds are declining, ridership has fallen, and, the world of transportation is innovating rapidly, and our region's bus system has not kept pace; and

WHEREAS, Metrobus is one major component of the Washington area regional bus network, which consists of local bus services operated independently by Municipalities, Counties, States, other Regional Agencies and private providers, and

WHEREAS, Metrobus ridership has declined by 13 percent during the period 2012 through 2017, and

WHEREAS, The quality of bus service is a shared responsibility of bus service providers, departments of transportation who own and operate streets and curbs and enforce use regulations for these amenities, and funding partners ("Responsible Parties") and these Responsible Parties must work together to create a regional system that meets customer needs; and

WHEREAS, A steering committee of regional civic and business leaders led a project on behalf of the region, with the ambitious vision that buses will be the transportation mode

**Motioned by Mr. Goldman, seconded by Ms. Gidigbi  
Ayes: 8- Mr. Smedberg, Ms. Gidigbi, Mr. Goldman, Mr. Rouse, Mr. Letourneau, Mr. Bulger, Mr. Slater and Mr. McMillin**

of choice on the region's roads in the future, serving as the backbone of a strong and inclusive regional mobility system (the "Bus Transformation Project"); and

WHEREAS, Civic and business leaders from across the region exchanged views on the vision and strategy to transform bus in the region and sought involvement of regional political leaders to act now; and

WHEREAS, The Bus Transformation Project benefits from more than a year of outreach to nearly 9,000 citizens and 140 leaders from jurisdictions, bus providers, businesses, community organizations, disability advocates, labor and other stakeholders, provides a Strategy that outlines recommendations and the direction to transform the region's bus system, and develops a ten-year Action Plan with implementation steps to gain momentum over time; and

WHEREAS, The region's residents and civic and advocacy groups clearly indicated their desire for a fast, frequent, reliable, and affordable bus system that feels unified across the region; and

WHEREAS, The Bus Transformation Strategy includes key recommendations to: provide frequent and convenient bus service, give buses priority on roadways, create an excellent customer experience, and establish ongoing stewardship to transform bus regionally, while enabling local action;

NOW, THEREFORE, be it

*RESOLVED*, That the Board believes strongly in investing in the region's bus network in a financially responsible way to improve mobility, reduce congestion, promote regional competitiveness, promote a more livable region, and fight climate change; and be it

*RESOLVED*, That the Board in broad terms endorses the vision, goals, and the high level strategy recommendations of the Bus Transformation Project to (1) Provide frequent and convenient bus service that connects communities, (2) give buses priority on roadways to move people quickly and reliably, and (3) create an excellent customer experience to retain and increase ridership, putting aside for the time being the recommendation of a Task Force to lead the implementation phase, as the direction required to transform bus in the region, recognizing that capital and operating impacts on local providers will have to be determined, evaluated and agreed upon before specific funding commitments, projects, and agreements are secured from the Responsible Parties and through the WMATA's annual budget process; and be it

RESOLVED, That the Board directs WMATA staff to engage with Jurisdictions and local bus service providers to develop an action plan that considers the recommendations of the BTP report with the goal of implementing said recommendations to the extent feasible and financially prudent; and be it



**RESOLVED**, That in this regard the Board urges that favorable consideration for early implementation be given to the following recommendations of the BTP if financially feasible:

(1) Update WMATA's Metrobus service guidelines; (2) Study the restructuring of the Metrobus network to create an efficient and customer-focused network; (3) Support implementation of bus priority projects such as bus-only lanes and bus rapid transit (BRT) within WMATA's role as a service provider and facilitate the study of bus priority projects by lending expertise to Jurisdictions and Responsible Parties actively implementing and funding such projects; (4) Provide free transfers between Metrobus and Metrorail and local bus service providers where supported by jurisdictions and within funding constraints; (5) Create and implement a mobile app solution for Metrorail, Metrobus and local bus service provider customers to plan and pay for trips in one place; (6) Develop regional passes that work across all providers (7) Test and evaluate zero emission, including electric buses to add to the bus fleet; (8) Provide jurisdictionally funded fare buy down options for low-income riders; and (9) Incorporate major Metrobus and regional provider bus routes in the Metrorail System Map wherever displayed; and be it

*RESOLVED*, That the Board directs WMATA staff to continue to coordinate service with locally provided bus service and Responsible Parties to respond to customer demand and create a bus network that works within the realities of the complex funding and governance structure in the Metropolitan Washington region, while advancing a system that is customer-focused and feels unified to the public; and be it

**RESOLVED**, That the Board directs WMATA staff to work with other Responsible Parties and regional bus service providers to improve fare system integration and to offer more convenient and flexible seamless trip planning and payment options in the context of the complex financial arrangements for bus service in the Metropolitan Washington region; and such work should address the fiscal impacts to other providers associated with these programs; and be it

*RESOLVED*, That the Board recognizes that giving buses priority on roadways is essential to providing fast and reliable bus service and encourages Responsible Parties to find opportunities to move quickly from planning to implementation of bus priority measures, including bus rapid transit (BRT) where practical; and be it

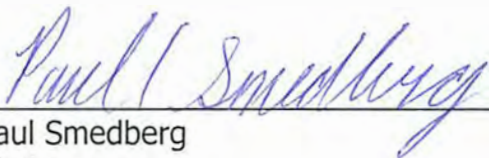
*RESOLVED*, That the Board adopts those recommendations as specified in the prior Resolved Paragraphs as guidance to staff in drafting relevant policies such as Metrobus service standards and future potential recommended changes to Metrobus service definitions, as a means to create an excellent customer experience and encourages collaboration among all Responsible Parties on these expeditiously; and be it

*RESOLVED*, That the Board encourages Responsible Parties to incorporate the Bus Transformation Strategy's recommendations, where feasible, into their local planning and funding activities to ensure progress on transforming the region's bus network;

*RESOLVED*, That the Board directs staff consistent with the prior Resolved Paragraphs to update applicable budgeting and planning documents to incorporate the Bus Transformation Strategy and recommendations to be given favorable consideration for early implementation; and be it further,

*RESOLVED*, That the Board will seek specific ways to support implementation of the strategy at WMATA including through the annual budget process, the capital improvement program and the adoption of relevant policies; and be it finally,

*RESOLVED*, That this Resolution shall be effective 30 days after adoption in accordance with Compact Section 8(b).

  
\_\_\_\_\_  
Paul Smedberg  
Chair

WMATA File Structure Nos.:  
6.6.4 Bus Route and Service Planning



WASHINGTON AREA  
**BUS TRANSFORMATION**  
PROJECT

*A better way to get there*

Strategy  
Summary



*“Buses play a critical role in connecting people throughout this region to opportunities. The Bus Transformation Project will identify and implement steps to make local bus a world class travel option for all of the region’s residents.”*





**Executive  
Steering  
Committee  
Members**

Rob Puentes, Chair  
Rosie Allen-Herring  
David Alpert  
Chuck Bean  
Bob Buchanan  
Jim Dyke

Nat Gandhi  
Kim Horn  
Jack McDougale  
Sandy Modell  
Neil Pedersen  
Jack Potter

David Richardson  
Deborah Ratner Salzberg  
Stewart Schwartz  
Anne Stubbs  
Beverley Swaim-Staley  
Ed Wytkind



# Bus Transformation Project - Executive Steering Committee

To: Residents, Businesses, and Elected Officials of the Washington, D.C. Metropolitan Region

From: Robert Puentes, Chair

## **Subject: Final Strategy for the Bus Transformation Project**

In 2018 a group of leaders from the public, private, and non-profit sectors came together to oversee a bold vision: to highlight the critical role of the Washington region's bus system, and to transform it for maximum impact over the next generation.

This Strategy document is the result of that effort. On behalf of the Executive Steering Committee, we strongly believe it's four key recommendations—make buses faster and more reliable, accelerate investment for prioritizing buses on our roadways, serve customers through safe and easy to use technology, and create a structure to ensure lasting change—contain the seeds for transformation. A detailed action plan will follow this Strategy in the fall of 2019 and illustrate precisely how these recommendations will be implemented.

We call on regional leaders for action now.

From traffic headaches to subway shutdowns, the region's transportation problems are well known. Although good work is underway to address those challenges, buses have largely been left out, unheralded, and deprioritized despite their role as a significant component of the region's transportation system. To better illustrate this importance, buses in the national capital region deliver over 600,000 trips each weekday—almost the same number of trips each day as Metrorail. Unfortunately, buses in the DMV today are relegated to competing with cars for roadway space, angling with ride-hailing companies for curb access, and fighting for attention as new mobility options pop up seemingly every day.

The result? Unhappy bus riders getting more unhappy. The most recent regional survey of commuters found that those who take the bus are significantly less satisfied than they were just three years prior. While this is a challenge to retaining riders and attracting new ones, it is especially harmful for customers who are bus-dependent with few alternatives for how they get around the region. During the extensive outreach conducted to inform this Strategy we heard loudly from the riding and non-riding public, across all demographics and parts of the region, an unequivocal call for better bus service. Not surprisingly, what they wanted was a radical recommitment to fixing the basics: speed, frequency, reliability, affordability.

The Bus Transformation Project set out an ambitious notion of “transforming” bus and a big piece of that is rethinking policies, practices, and attitudes. It will require the region's bus providers to work with their employees and focus on quality and customer service. The perspectives of front line workers will come from treating the unions as partners and can propel this critical work forward.

This strategy is not an unattainable wish list of what the Executive Steering Committee would like to see, nor would we be remotely satisfied with a report that sits on the proverbial shelf. With that in mind, we considered financial stewardship throughout this project. This does not mean investments are not needed—they absolutely are—but what we recommend is keenly aware of budgetary constraints at all levels of government. We also strongly believe that since ridership will increase once these strategies are implemented, there is a strong return on investment for what we have proposed.

We recognize that transforming the Washington region's bus system will not be easy. It will not happen without tough decisions, strong advocates inside and outside government, and a clear voice for current and future riders. But the public has spoken loud and clear. It is past time for state, regional, and local leaders to do what many other places are already doing: making bus the mode of choice on the region's roads. It is critical to the Washington region's prosperity.

Sincerely,



# Prosperity in Peril



Congestion, affordability, and mobility are major problems in the Washington Region that will only continue to grow as 40,000–60,000 jobs and households are added each year. Meanwhile, our regional bus system is not keeping pace with this growth and riders' needs for frequent, reliable, and fast service.

## THE CHALLENGE

Growing congestion results in poor access to jobs, higher costs of living, and decreased economic growth and competitiveness. Time spent in congestion takes away from family, friends, faith, and fitness; suppresses income potential; adds to stress and frustration; and lowers the overall quality of life.

The vast majority of the region's 20 million daily trips occur in personal vehicles on already gridlocked roads.

Rail transit emerged as an effective tool to combat congestion in our region, but its effectiveness has limits. Metrorail's high-speed, high-capacity network only reaches about a quarter of the region's land area, and any rail system expansion is many billions of dollars and decades away.

## THE BUS TRANSFORMATION PROJECT

Other regions nationally and globally have transformed their bus systems to address similar challenges, decreasing congestion, improving reliability, and operating efficiently with frequent and fast service. It is past time for us to do the same: **rapid, effective surface transportation is critical to our region's prosperity.** Buses have a vital role to play because they make efficient use of roadways by transporting large numbers of riders safely, conveniently, and affordably, and they provide service in areas not accessible by Metrorail.

Over the course of the project, the region's residents and civic and advocacy groups were loud and clear on how to transform the bus system: **Transformation means fast, frequent, reliable, affordable service that feels like a unified system,** and isn't beholden to geographic or funding boundaries. The Bus Transformation Strategy provides a path forward as a coordinated regional strategy that addresses customer needs, leverages innovative technology, and proposes an approach to regional governance to make the strategy a reality.

This Strategy Summary introduces four key recommendations that have been shaped by a broad range of stakeholders and the public from across the region. These recommendations focus on actions that ensure frequent and reliable bus service on a consistent basis across the region, with improved speed and efficiency for riders. They push forward innovation in operations, institutions, and technology that will position the region to transform the bus system.

Visit [bustransformationproject.com](http://bustransformationproject.com) to read more about the project and the Strategy in full.



# A better way to **GET THERE**

## THE VISION

Bus will be the mode of choice on the region's roads by 2030, serving as the backbone of a strong and inclusive regional mobility system that will support a growing and sustainable economy.

### A Regional Strategy

This strategy focuses on riders' needs by examining how quality bus service works to best support various types of users across different areas within our region and how the region's bus operators can best interact with each other and with other users of the roadways.

The strategy recommends concrete actions to transform existing bus services into a truly integrated, accessible regional bus network that is part of the larger regional mobility system.

### Collaboration

Collaboration across regional and political boundaries can produce solutions that facilitate fast, frequent, affordable, and seamless travel connections for customers; connect people with jobs, services, and opportunity in our region; provide access to more affordable housing options; align the high-frequency and high-capacity regional bus network with roadways where buses are given priority; clearly delineate and effectively coordinate regionally provided services and locally managed bus systems; and empower organizations to coordinate functions, leverage transformative technologies, and transparently track progress.

*The bus network of tomorrow can achieve performance outcomes and transportation objectives that will make the region more competitive, sustainable, and equitable.*

## VISION TO GOALS

From its vision, the Bus Transformation Project set out five goals to guide the transformation of bus across the District of Columbia, State of Maryland, and Commonwealth of Virginia:

**Regional connectivity:** Provide reliable on-street transit options that efficiently connect people to places and improve mobility.

**Rider experience:** Ensure a convenient, easy-to-use, user-centered travel choice.

**Financial stewardship:** Maintain a transit mode that is financially sustainable in the long term.

**Sustainability:** Encourage vibrant, economically thriving and sustainable communities.

**Equity:** Create a bus system that is affordable and equitable.

To meet these goals, the project developed dynamic recommendations based on stakeholder collaboration, public engagement, and world-wide best practices. These recommendations directly address the core challenges. While buses are a space- and cost-efficient means to move large numbers of people, they are currently not being used to their potential.

## INNOVATION AROUND THE REGION

The Bus Transformation Strategy isn't starting from scratch. A selection of what jurisdictions across the region are already taking action to improve the bus system include:

Flexible service pilot in Montgomery County

Bus Rapid Transit (BRT) in Montgomery County and Northern Virginia

Evaluating opportunities for joint storage / maintenance facilities between Montgomery County and WMATA

Electric buses in DC Circulator and RideOn fleet

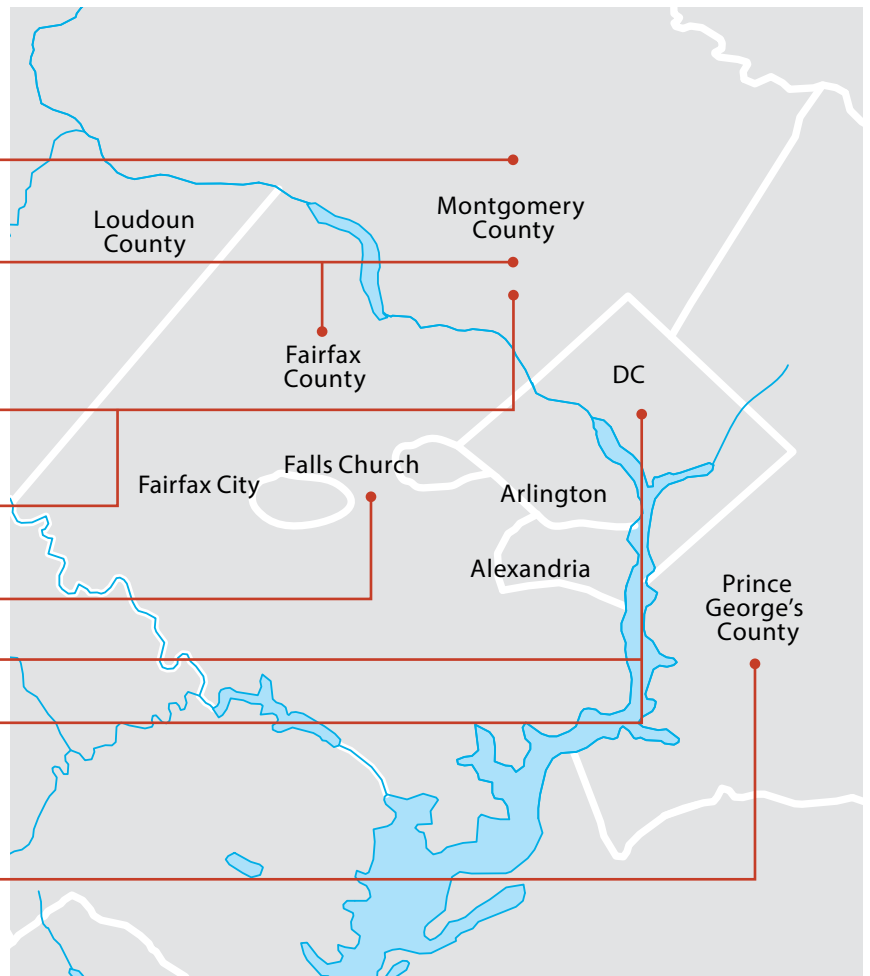
AV Shuttle Pilot in Fairfax County

Dedicated bus lanes in DC

Microtransit service in DC

New storage/maintenance facility with room to expand. Making more bus stops accessible and with real time information

Transit signal priority across the region





# Recommendations

Authored in partnership with stakeholders across the region, the Bus Transformation Strategy sets out an ambitious path forward. The strategy makes four key recommendations to achieve the goals of this effort.

1



**Provide frequent and convenient bus service** that connects communities and promotes housing affordability, regional equity, and economic growth.

2



**Give buses priority on roadways** to move people quickly and reliably.

3



**Create an excellent customer experience** to retain and increase ridership.

4



**Empower a publicly appointed task force to transform bus** and lead the implementation of a truly integrated regional system.

*Learn more about how the project developed into a strategy and read the strategy at [bustransformationproject.com](http://bustransformationproject.com)*

# 1



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## Provide frequent and convenient bus service that connects communities and promotes housing affordability, regional equity, and economic growth.

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- A. Establish regional standards** across bus systems to provide consistent bus service, tailored by location and time of day.
- B. Collect and share standardized bus operations and performance data** across agencies to improve transparency and better plan bus service.
- C. Collaboratively restructure the region's bus network** to create the most efficient and customer-focused bus system. [\*Mass Transit Plan as defined in the WMATA Compact]
- D. Cooperatively assess Metrobus' current service definitions and funding allocation formula** using the WMATA Board's Authority.
- E. Leverage existing efforts by transit providers to operate flexible on-demand services** to supplement the fixed route network where and when warranted.

### ***A modern bus system must...***

- ✓ *Recognize that one size does not fit all, and that service decisions must be guided by demand, land use, and equity.*
- ✓ *Share operations and performance data in a standardized format.*
- ✓ *Coordinate service provided across multiple agencies.*
- ✓ *Balance the operating and funding conditions that make sense for regional bus operations with those that make sense for individual jurisdictions.*
- ✓ *Offer a better choice in the growing market of resource intensive options that people have at their disposal today.*

### ***Implementing these recommendations will result in...***

- ✓ *Consistent and appealing service across the region as a result of cohesive planning, operations, and performance.*
- ✓ *Greater communication among agencies and customers.*
- ✓ *Increased number of customers who use bus region-wide to access key destinations—regardless of where they live and what times they travel.*
- ✓ *Greater transparency associated with “regional” services—where riders benefit from the clearer distinction of how services are planned and allocated.*
- ✓ *Meeting riders’ growing expectations of transit and travel across the region through forms of bus that are flexible and cost-effective.*
- ✓ *Stronger connections between bus and land use, where people can access employment centers, key goods and services, and amenities and live affordably.*



# 2



## Give buses priority on roadways to move people quickly and reliably.

- A.** Obtain commitments from state and local agencies (including roadway owners) to **adopt consistent guidelines**, bolster jurisdictional capital spending, and expedite coordinated implementation of bus priority.
- B.** Implement enforcement policies that **establish bus priority** and result in reliable and fast service.
- C.** Establish a capital program at WMATA that **supports accelerated implementation of bus priority projects**, including BRT.
- D.** Support regional congestion mitigation efforts that bolster bus priority and **move more people more efficiently**.







### **A modern bus system...**

- ✓ *Cannot be burdened by the high levels of congestion that single-occupancy vehicles cause.*
- ✓ *Maximizes the people-carrying capacity of the region's roads and infrastructure.*
- ✓ *Effectively uses limited resources from across the region to combat congestion with fast, frequent, and reliable service.*
- ✓ *Attracts and benefits more riders, whereas, without intervention, bus runs the risk of becoming the mobility option only for those who have no other choice.*

### **Implementing these recommendations will result in...**

- ✓ *Predictable and reliable bus service that customers can trust.*
- ✓ *Moving more people in the most efficient way - giving people more time to work, learn, and play.*
- ✓ *A myriad of benefits across the region, including increased access to jobs and tourist attractions, enhanced economic competitiveness, reduced emissions, and promotion of a healthier natural environment.*

# 3



## Create an excellent customer experience to retain and increase ridership.

### A. Equip riders with high-quality, accurate, and easily accessible information to plan a trip.

- A1: Ensure that accurate, real-time service information for all providers is available in one place
- A2: Make bus service easy to understand with legible maps and customer-friendly route names across providers
- A3: Expand marketing efforts to enhance visibility of bus options and benefits

### B. Make paying bus fares easier.

- B1: Provide free transfers between bus and rail
- B2: Provide reduced fare options for low-income riders
- B3: Create a mobile solution to plan and pay for trips in one place
- B4: Develop new regional passes that work across all providers, and make bus fares clear and understandable
- B5: Incentivize more employers to offer transit benefits

### C. Make it safer and more pleasant to ride the bus.

- C1: Make bus stops and shelters safe, comfortable, accessible, and technology-enabled
- C2: Advance technology and programs that improve the safety of everyone on board by partnering with riders, bus operators, and unions
- C3: Empower front-line staff to provide exceptional customer service
- C4: Ensure that all buses meet the highest standards of comfort and cleanliness

### D. Pursue innovation and bus improvement.

- D1: Advance new vehicle technologies to improve bus' environmental footprint and efficiency, such as electric buses and automation
- D2: Establish a Regional Mobility Innovation Lab to systematically share knowledge and accelerate improvements such as service provision, customer experience, and bus operator and passenger safety





### ***A modern bus system must...***

- ✓ *Be legible for all users and provide one-stop information that includes trip planning and real-time status.*
- ✓ *Provide a range of payment options that are functionally and financially efficient, and meet the diverse needs of customers.*
- ✓ *Be a convenient, safe, easy-to-use, user-focused mobility option for all riders.*
- ✓ *Capitalize on innovations that reduce negative environmental impacts.*

### ***Implementing these recommendations will result in...***

- ✓ *Increased ridership and improved perception that bus is an appealing and desirable mode of travel, becoming an easy choice for all users, regardless of age, ability, or income.*
- ✓ *Reshaped travel choices that help people choose where they live and work.*
- ✓ *A safer and more comfortable system for customers and employees.*
- ✓ *Positive impacts to the built and natural environment that create a more livable and sustainable region.*

# 4



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## Empower a publicly appointed Task Force to transform bus and lead the implementation of a truly integrated regional system.

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- A.** Convene a Task Force to **oversee implementation** of the Strategy **and provide long-term leadership** for the regional bus system with membership as follows:
  - The Governors of Virginia and Maryland and the Mayor of the District of Columbia each nominate one person (three members total)
  - The six principal members from the District of Columbia, Maryland, and Virginia on the WMATA Board collectively nominate one person (one member total)
  - Bus Transformation Executive Steering Committee nominates three people (three members total)
  - The Task Force itself may nominate up to two additional people (up to two members total)
  
- B.** Facilitate an independently published **annual progress report** on Bus Transformation Strategy implementation and a **bus performance scorecard** to track the level of service delivered to customers
  
- C.** **Develop a platform for rider feedback,** administered by the task force, and an ongoing mechanism for incorporating feedback into regular revisions of the Strategy recommendations.





### **Because...**

- ✓ *People from across the region have said the current disjointed bus system is not meeting their needs - and driving them to other modes.*
- ✓ *Immediate and sustained action is needed to implement recommendations to transform the bus system. A task force will have the authority to set the agenda and coordinate actions to achieve real progress.*
- ✓ *Responsible agencies must be held accountable for the goals, priorities, and performance of bus across the region.*
- ✓ *Direct feedback from riders is essential to the continued improvement of bus service in the region.*

### **Implementing these recommendations will result in...**

- ✓ *Stronger governmental entities that have responsibilities for bus, and who collaboratively implement strategy recommendations.*
- ✓ *A unified regional program; otherwise, the status quo will remain, and the region will likely continue to face the same problems.*
- ✓ *Regular reporting by independent organizations that increases the visibility of bus transformation and yields measurable improvements for customers.*
- ✓ *A clear mechanism for riders to influence changes to bus service in the region.*





# Collaboration

Engagement has been a cornerstone of this project from the beginning! Engagement activities include:

- 140** Participants at the Kickoff Summit
- 8,800** Survey responses to date
- 13** Metrobus division engagement events
- 4** Focus groups
- 23** ESC meetings
- 12** Technical Team meetings
- 7** SAP meetings
- 45** External project briefings
- 3** Public open house events
- 33** Pop-up events
- 13** WMATA Leadership Team briefings
- 243** Social media postings
- 185,750** People reached via social media

Creating a sustainable surface transportation future depends on collaboration between bus operators, cities, counties, and states that own the roads.

It also depends on input from the broader community – from businesses, non-profits and community organizations, thought leaders, the public, and many more!

## WHO IS DRIVING THIS BUS?

Tapping into the immense expertise within this region has guided the development of this strategy, and this strategy has relied on the input of many from across the region.

### Executive Steering Committee

Committee members, who hold various leadership positions in the business community, with regional organizations and non-profits, or are unaffiliated transit experts or labor representatives, have been closely involved with developing the strategy and played an important role in ensuring transparency, independence, and consideration of the needs of the region's travelers and bus service providers.

### Strategy Advisory Panel (SAP)

Panel members, who hold leadership positions in local and state governments, community-based organizations, businesses, minority and disability groups, labor organizations, think tanks, and the education community, represent a variety of regional perspectives and provide critical insight into issues that affect bus.

### Technical Team

Team members are recognized discipline leaders within WMATA and senior jurisdiction transit staff who review technical aspects and analyses throughout the project.

### WMATA Leadership Team

Team members are decision-makers within WMATA who oversee those parts of the project that affect organization and operations.

### General Public

A broad sample of bus riders and non-riders have shared their priorities through various media, including almost 9,000 survey responses, both on-line and on-site at locations throughout the region.

### Key Stakeholders

Other stakeholders from across the region have provided input that represents the perspectives of broad constituencies. These stakeholders include transit and transportation leaders, and elected and appointed officials.

# Public Engagement

The Bus Transformation Strategy is the result of extensive public feedback and significant collective effort. From when the Draft Strategy was released in Spring 2019, a regional, inclusive public engagement effort brought thousands of voices to the project and helped clarify the strategy's focus and final recommendations.

## HOW IT HAPPENED

### Went Where People Are:

Held bilingual pop-up events at Metro stations, bus transit centers, grocery stores, and shopping areas in Maryland, Virginia, and DC, where people could learn about the project and take a short survey.

**Promoted the Survey:** Used in-person, print, radio, and digital platforms to promote a short bilingual survey about the Draft Strategy.

**Hosted Open Houses:** Held three public open houses in central locations in Virginia, Maryland, and DC to obtain feedback about the Draft Strategy.

**Used Social Media:** Used Instagram and Facebook ads to publicize the survey and outreach events – and many of our social media posts were re-posted by regional transit agencies and other critical stakeholders.

## PUBLIC SURVEY RESULTS

– Top recommendation preferences, across all jurisdictions:



**Free transfers between bus and Metrorail**



**Build dedicated bus lanes**



**Run more buses on busy routes**

- Safe, accessible bus stops and discounted fares for low-income riders were high priorities for people aged 65 or over, Spanish-language survey respondents, and low-income respondents.
- People across all demographic groups believed recommendations could transform bus in the region, and strongly supported public funding for implementation.

## WHAT THE COMMENTS SAID

from the survey and open houses. Yes the comments were read!

“Free transfers to Metrorail is critical. The region’s transit system is built around being multi-modal. Why penalize people for using the system as designed?”

“Frequent needs to be reliably frequent. The bus needs to arrive when it’s supposed to arrive. The failure to do so is probably the most frustrating thing about riding the bus, and the thing that keeps some people from doing it at all.”

“Yes yes yes to dedicated bus lanes. Yes and more yes.”

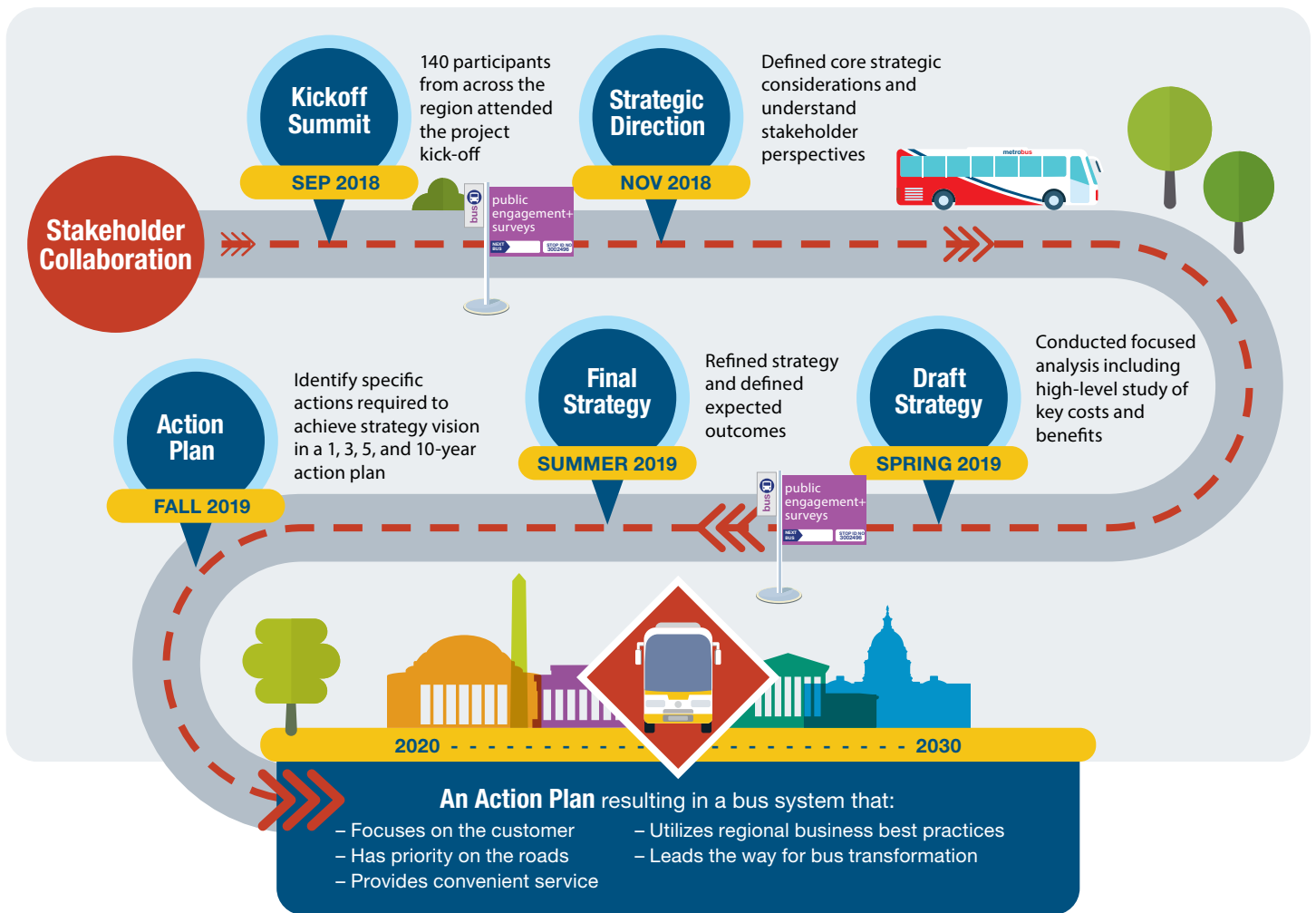
“Enforcement programs for bus lanes are critical!”

## Highlights from Draft Strategy Public Outreach

- 39 Spanish-language radio ads on El Zol
- 1,500 emails to partner and stakeholder organizations
- 16,900 SmarTrip users reached by email blast
- 10,900 postcards distributed
- 1,300 clicks on Facebook and Instagram ads
- 492 comments received

# Next Steps

This Strategy and its recommendations are the result of extensive stakeholder insights, clear feedback from the public, best practices from other regions, and comprehensive analysis of the region's bus system.



*The Bus Transformation Project's action plan will chart the implementation of this Strategy over the next 10 years. Stay tuned as we release this important plan by the end of 2019!*



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# This project will transform bus service...

from

Wondering when the bus will come



**MAKE BUS THE EASY FIRST CHOICE**



to

**Frequent and predictable**

from

Slow and stuck in traffic



**PRIORITIZE BUSES ON MAJOR ROADWAYS**



to

**Fast trips where you want to go**

from

Last resort



**FOCUS ON THE CUSTOMER**



to

**Appealing and desirable**

from

Region divided



**STRENGTHEN REGIONAL COOPERATION TO TRANSFORM THE BUS SYSTEM**



to

**Stronger together**

## LEARN MORE ABOUT THE REGION'S BUS SYSTEM

Draft Strategy and Recommendations  
Bus System Today  
Public Input Survey Report  
Project Overview  
Strategic Considerations

[bustransformationproject.com/resources/#documents](http://bustransformationproject.com/resources/#documents)

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**Partners:  
Other State and  
Regional Partners**

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# Other State & Regional Partners



AGENCY	ROLE	ACTIVITIES
<p><b>STATE:</b>  <a href="#">Commonwealth Transportation Board (CTB)</a></p>	<p>Serves as a policy-making board, governing the Virginia Department of Transportation (VDOT) and Department of Rail and Public Transportation (DRPT). Chaired by the Secretary of Transportation.</p>	<p>Apportions state and federal funds using state formulas and, in the case of some state and federal programs, uses discretionary allocations. Approves Six-Year Improvement Program (SYIP), identifying specific projects and funding sources each year. Recommends to Governor approval of state Transportation Improvement Program (TIP) and regional TIPs.</p>
<p><a href="#">Virginia Department of Transportation (VDOT)</a></p>	<p>Directed by a commissioner, who sits on the CTB. Statewide transportation planning is performed by VDOT. The Northern Virginia District Office performs planning and administrative functions and directs construction and maintenance.</p>	<p>Serves as staff to CTB. VDOT is a voting member of the Transportation Planning Board (TPB). Its staff serves on the Northern Virginia Transportation Authority's (NVTA) Jurisdiction and Agency Coordinating Committee (JACC).</p>
<p><a href="#">Department of Rail and Public Transportation (DRPT)</a></p>	<p>Raised to Department-level status on July 1, 1992, having been a division of VDOT since its inception. Headed by a director. Administers statewide transit assistance programs.</p>	<p>Represented by director on the boards of the Potomac and Rappahannock Transportation Commission (PRTC) and Virginia Railway Express (VRE) and, as an alternate, on NVTC.</p>
<p><a href="#">Virginia Passenger Rail Authority (VPRA)</a></p>	<p>Established by Chapter 1230 of the 2020 Acts of Assembly, and responsible for promoting, sustaining and expanding the availability of passenger and commuter rail service in the Commonwealth. Consists of 12-voting members, chaired by the DRPT Director. Three members shall reside within the boundaries of the Northern Virginia Transportation District and may be selected from a list recommended by NVTC, after due consideration by the Governor.</p>	<p>Once fully operational, will assume all administrative and fiduciary responsibilities for Virginia's state-supported passenger rail services, including the current six daily roundtrip Amtrak Northeast Regional services originating in Roanoke, Norfolk, Newport News, and Richmond; provide funding to VRE; and administer all capital expansion projects, infrastructure and land acquisitions related to the \$3.7 billion Transforming Rail in Virginia initiative.</p>
<p><b>REGIONAL:</b>  <a href="#">Northern Virginia Transportation Authority (NVTA)</a></p>	<p>Created by the Virginia General Assembly in April 2002. Consists of 16 members, including nine local government officials. Sets priorities for regional transportation projects. Has a technical committee of local transportation staff members. HB2313 now provides a steady revenue stream of funding for NVTA and transportation projects.</p>	<p>Forwards priorities for federal and state funding to TPB. Responsible for the long-range transportation plan for Northern Virginia, known as TransAction.</p>
<p><a href="#">Potomac and Rappahannock Transportation Commission (PRTC)</a></p>	<p>Created in 1986. Operates a commuter bus system known as OmniRide and a successful ridesharing program. Serves five jurisdictions. Also receives a 2.1 percent regional motor fuels tax. Co-owner with NVTC of VRE.</p>	<p>Administers Vanpool Alliance for its partners NVTC and GRTC. Co-owner of the Virginia Railway Express with NVTC.</p>

AGENCY	ROLE	ACTIVITIES
<a href="#">Washington Metropolitan Area Transit Authority</a> (WMATA or Metro)	Operates regional bus and subway systems.	Governed by a Board of Directors. NVTC appoints Northern Virginia's WMATA board members, including one primary and two alternates, from its local government members. The other primary member represents the Secretary of Transportation. WMATA's six-year Capital Improvement Program is included as part of TPB's TIP. WMATA has a board member on TPB.
<a href="#">Metropolitan Washington Council of Governments</a> (MWCOG)	Serves as a policy forum for suburban Maryland, Virginia and the District of Columbia on issues such as transportation and air quality, among others. Provides extensive databases and modes for population, employment, and transportation forecasts. Operates <a href="#">Commuter Connections</a> , a transit and ride-sharing network.	Recognized by federal government in 1966 as agency responsible for comprehensive regional planning and agreed with TPB to use that agency as its Transportation Policy Committee.
<a href="#">National Capital Region Transportation Planning Board</a> (TPB)	Serves as Metropolitan Planning Organization (MPO) for region. Includes representatives of 17 cities and counties, plus several states and regional transportation agencies.	Produces Constrained Long-Range Transportation Plan and annual updates of six-year Transportation Improvement Program, for which air-quality conformity analysis is now required. Has a technical committee, which garners participation of local and regional staff. Provides transportation input to the Metropolitan Washington Air Quality Committee, which produces the region's clean air plans and conformance strategies. MWCOG's director of transportation is lead staff for TPB.
<a href="#">Northern Virginia Regional Commission</a> (NVRC)	Serves as state planning review (A-95) agency, coordinating comments on federally funded projects. Provides forum for resolution of land-use, human-services and environmental issues.	Conducts BRAC, energy and environmental studies. Coordinates policy for health and human services, housing, land use and planning, and international partnerships. A 1971 contract with MWCOG recognizes NVRC's official transportation responsibilities and avoids duplication with TPB and NVTC.
<a href="#">Metropolitan Washington Airports Authority</a> (MWAA)	Oversees Ronald Reagan National and Washington Dulles International Airports under a long-term lease from Congress, with congressional review.	Received control of the daily operation, maintenance and control of the <a href="#">Dulles Toll Road</a> from the Commonwealth on November 1, 2008. Tolls collected are used for operation, maintenance and improvements in the Dulles corridor and to fund a portion of the construction of Metrorail in the corridor. Responsible for the planning and construction of Phase 1 and 2 of the Silver Line, which extends Metrorail to Washington Dulles International Airport.

**Partners:  
The Value of NVTC's  
Transit Partners**

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# THE VALUE OF METRORAIL AND VIRGINIA RAILWAY EXPRESS TO THE COMMONWEALTH OF VIRGINIA



September 2017

*Metrorail and the Virginia Railway Express (VRE), the state's only commuter railroad, are the backbone of Northern Virginia's transit system, moving approximately 293,000 people on an average weekday in Northern Virginia. These systems get people to work, help create thriving communities and relieve congestion on roadways. They also fuel economic development across Northern Virginia. High density development clustered around rail stations produces property tax and other revenues that help fund schools, parks, and a range of public services in our communities. The local economic value of high capacity transit is well studied, yet Metrorail and VRE also produce significant revenues for the Commonwealth of Virginia. In fact, the households and jobs supported by Metrorail and VRE generate over \$600 million in state general fund revenues.*

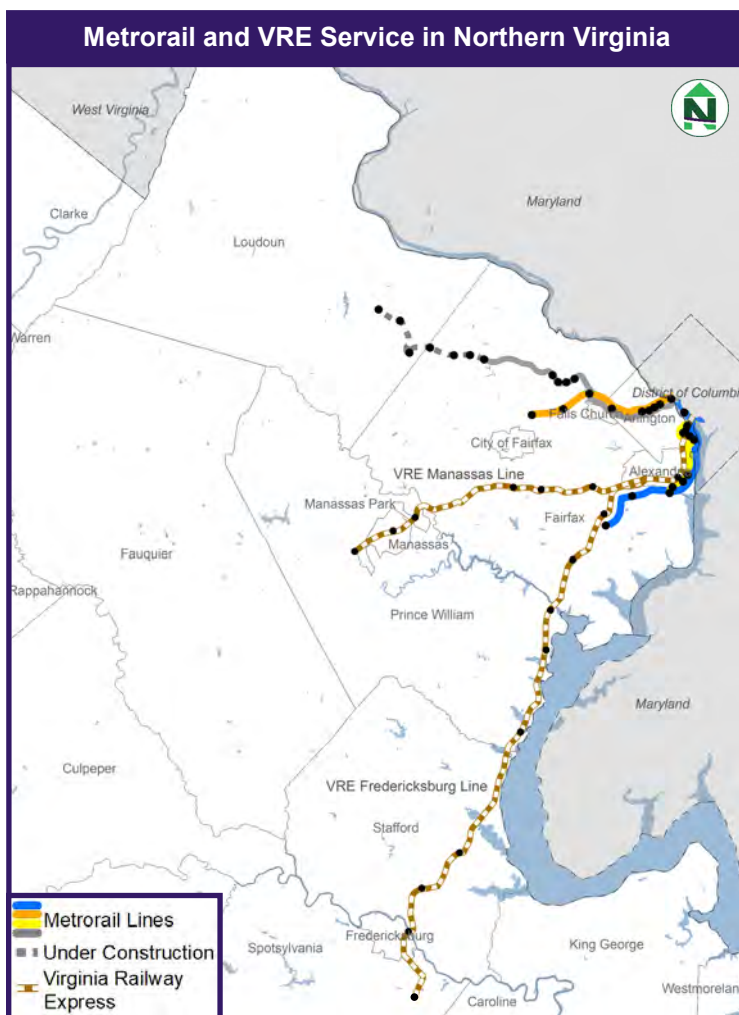


Figure 1 Source: NVTC

## OVERVIEW

NVTC's analysis finds that:

- The presence of Metrorail and VRE supports an additional 85,000 households and 130,500 jobs in Northern Virginia.
- Those households and jobs generate more than \$600 million annually in sales and income tax revenue that flow to the state's general fund.
- Given Virginia's annual transit operating and capital contribution to Metrorail and VRE (about \$170 million budgeted in fiscal year 2018), the return on investment to the Commonwealth exceeds 250 percent.
- \$600 million, which represents just over 3 percent of general fund revenues, covers Virginia's annual, general fund expenditures on state colleges and universities (about \$316 million) and state police (about \$266 million).

## BACKGROUND

The benefits that accrue to communities served by rail are well documented. Several studies — including one in [2011 by the Washington Metropolitan Area Transit Authority \(WMATA\)](#) and another

in 2017 by the Metropolitan Washington Council of Governments (COG) — demonstrate the value of transit to localities in the greater Washington, D.C. region. According to WMATA:

- \$235 billion of property value is within a half-mile of Metrorail stations.
- This land generates \$3.1 billion annually in property tax revenues.
- This land represents 28 percent of the jurisdictions' property tax base, but only 4 percent of their land.
- Proximity to Metrorail increases property values by 7 to 9 percent.

COG notes that \$25 billion of development has occurred near Metro stations over the past eight years.

With Metrorail experiencing track segment shutdowns to handle a backlog of deferred maintenance and as discussions about finding dedicated funding for WMATA gained traction in late 2016, NVTC planners considered whether the economic benefits associated with the rail system extended beyond the property taxes collected by local jurisdictions. The question arose as to what value Metrorail and VRE, which NVTC co-owns, bring to Virginia.

NVTC planners applied a model to determine the additional number of households and jobs that exist in Northern Virginia resulting from rail service. The model used the existing level of roadway congestion as a base and then determined the likely level of congestion and deterioration in travel times were Metrorail and VRE not available. Staff then rebalanced households and jobs in the region until they reached the level of congestion that currently exists on Northern Virginia's roadways.

Part of what distinguishes this study from previous ones, including [reports issued by NVTC in 1994 and 2005](#), is that it is dynamic rather than static, accounting for the level of activity that the regional transportation network can support. NVTC's approach is unique in that it evaluates the interaction between land use and transportation demand. The study found that the presence of Metrorail and VRE alone supports an additional 85,000 households and 130,500 jobs in Northern Virginia, which enhances the amount of sales and income taxes collected by the Commonwealth. The fact is that the entire state reaps dividends — to the tune of approximately \$600 million in general

fund revenues — from Metrorail and VRE service in Northern Virginia.

### Where in Northern Virginia Do Metrorail Riders Live?

Of the approximately 665,000 Metrorail riders per weekday, 30 percent live in Virginia. More than 90 percent of Virginia's average weekday riders come from NVTC jurisdictions — the counties of Arlington, Fairfax and Loudoun and cities of Alexandria, Fairfax and Falls Church. Given the extent of VRE service and other commuter connections, over 13,000 of Metrorail's average weekday riders live in Virginia outside of NVTC jurisdictions. Many of these riders live south and west of the compact area and use VRE to connect to Metrorail in Virginia or the District of Columbia. About a third of Virginia riders live within a half mile of a Metrorail station.

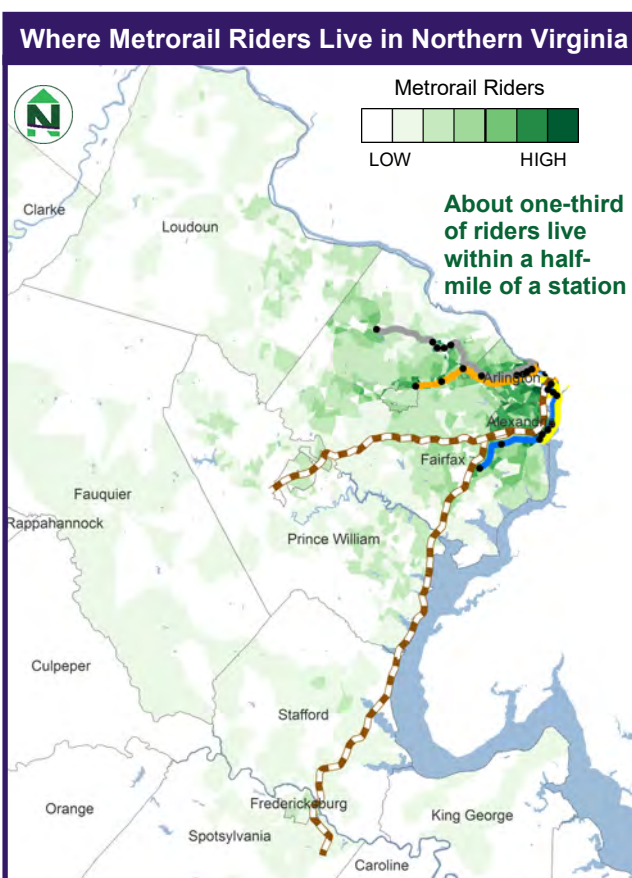


Figure 2 Source: NVTC and WMATA 2016 Metrorail Survey  
Ridership weighted by population per traffic analysis zone

### Who rides Metrorail in Northern Virginia?

Virginians access Metrorail stations by walking (38 percent), taking the bus (27 percent), and driving and parking (21 percent). Thirty-seven percent of Virginia riders are federal employees and 50

percent have household incomes greater than \$100,000. There are over 300,000 jobs within a half mile of Virginia Metrorail stations and Metrorail is commonly used by residents of the district, Maryland and Virginia to commute to these jobs.

**Where Metrorail Riders Live in Northern Virginia's Inner Suburbs**

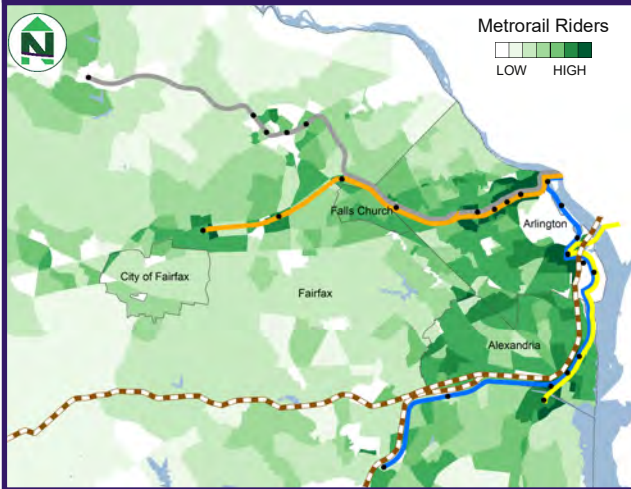


Figure 3 Source: NVTC and WMATA 2016 Metrorail Survey  
Ridership weighted by population per traffic analysis zone

**Where do VRE riders live in Northern Virginia?**

VRE provides roughly 20,000 trips on an average weekday. Given that VRE is a commuter railroad, its ridership extends farther in the region than Metrorail. Over 60 percent of VRE's riders come from Stafford, Fairfax, Prince William and Spotsylvania counties.

**How much does the Commonwealth spend on Metrorail and VRE?**

Virginia spends about \$170 million annually on Metrorail and VRE from its transit capital and operating funds, which total nearly \$380 million for all transit in the Commonwealth in fiscal 2018. The revenue for these funds comes from a variety of sources, including the recordation tax, retail sales and use tax, statewide motor vehicle fuels tax and 10-year Capital Project Revenue (CPR) bonds. The expected revenue sources for the CPR debt service payments are insurance premium taxes and the statewide motor vehicle fuels tax.

**How is WMATA funded in Virginia?**

In Virginia, WMATA is funded by the localities identified in the WMATA Compact: Fairfax and Arlington counties and the cities of Alexandria, Falls Church and Fairfax. Loudoun County will join in supporting Metro as the Silver Line Phase 2

**Metrorail Riders in Virginia by Household Income**

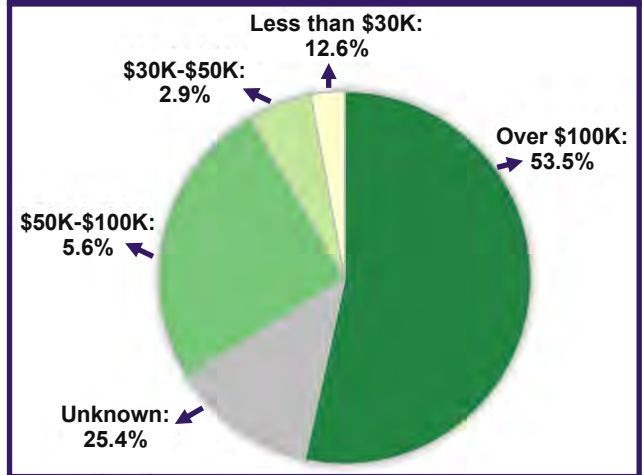


Figure 4 Source: WMATA 2016 Metrorail Survey

becomes operational. NVTC jurisdictions primarily use local funds to meet this obligation, with a considerable portion of expenditures reimbursed by the Commonwealth. Regardless of the availability of state funds, the local jurisdictions are responsible for meeting Metro's financial needs.

**Where VRE Riders Live in Northern Virginia**

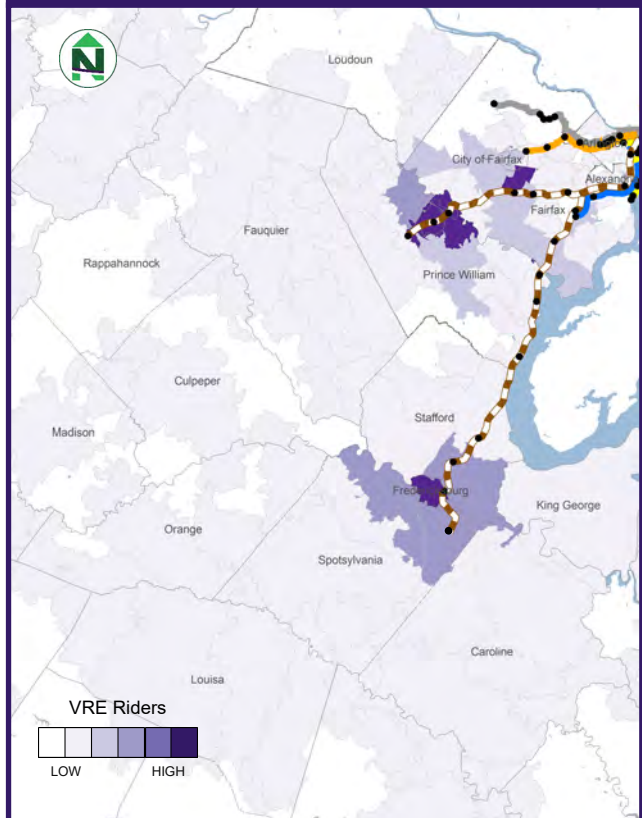


Figure 5 Source: NVTC and VRE 2016  
Ridership weighted by population per zip code



Funding sources for local government use include:

- General funds
- General obligation bonds
- Northern Virginia Transportation Authority 30-percent funds
- 2.1 percent regional gas tax revenues

In fiscal 2018, the Commonwealth budgeted about \$195 million for WMATA operating and capital subsidies. This funding is for all WMATA modes: Metrorail, Metrobus and MetroAccess. Based on the Department of Rail and Public Transportation’s (DRPT) funding methodologies, the commonwealth’s budget for Metrorail is \$146 million. The

funding comes from DRPT’s transit capital and transit operating funds.

State Support for WMATA, FY2018 (millions)			
	Metrorail	Metrobus/ MetroAccess	Total
Capital	\$ 26.6	\$13.1	\$ 39.7
PRIIA Match	\$ 49.5	-	\$ 49.5
Operating	\$ 69.9	\$35.5	\$105.4
Total	\$146.0	\$48.6	\$194.6

Table 1 Source: DRPT FY18 Six-Year Improvement Program and NVTC calculations. State support comes from DRPT transit capital and operating funds.

*How is VRE funded in Virginia?*

VRE’s capital and operating expenditures are funded by a combination of sources, including passenger revenue, federal formula transit and rail funds, Commonwealth of Virginia funds, local jurisdictional contributions, in-kind contributions, regional funding, local matches, and other revenues. In fiscal 2018, the Commonwealth budgeted over \$26 million for VRE operating and capital funding from DRPT’s transit capital and operating programs. VRE is eligible for and has received funding from DRPT’s rail programs and from the Virginia Department of Transportation’s SMART SCALE program for capital expansion projects.

Because they are not used for VRE’s current or ongoing capital and operating needs, these funds are not included in the table below.

State Support for VRE, FY2018 (millions)	
	Total
Capital	\$16.7
Operating	\$ 9.6
Total	\$26.3

Table 2 Source: DRPT FY18 Six-Year Improvement Program and NVTC calculations. State support comes from DRPT transit capital and operating funds.

**Threats to Rail Transit Funding in Northern Virginia**

**Regional Gas Tax**

A flaw in the 2.1 percent regional gas tax has led to a more than 40 percent decline in revenues between fiscal 2017 and 2013, when gas prices were at their highest. The regional gas tax – unlike the state tax, which no matter how low the price of gas goes has a fixed minimum – has no bottom threshold. Receipts from the regional gas tax are used by local jurisdictions to support their financial commitment to WMATA.

**Transit Capital Funding Shortfall**

With the expiration of CPR bonds, the amount available for transit capital investments in Virginia will begin to drop by \$110 million or more than 40 percent in fiscal 2019. Legislative action is needed to insure adequate support for all transit agencies in the Commonwealth, including NVTC jurisdictions that rely on these funds for reimbursement of their WMATA capital subsidies. This funding shortfall could jeopardize the Commonwealth’s ability to fund its \$50 million match required under the federal Passenger Rail Investment and Improvement Act of 2008.



**Methodology for Calculating the Value of Metrorail and VRE to the Commonwealth**

1) *Determine the existing level of roadway congestion*

Use the regional land use and transportation model to calculate the existing level of roadway congestion in Northern Virginia.

2) *Calculate the households and jobs supported by high capacity transit*

Remove Metrorail and VRE from the transportation model in Northern Virginia and recalculate roadway congestion. Rebalance households and jobs across the region until congestion reaches current levels.

3) *Estimate state revenues*

With the number of households and jobs supported by Metrorail and VRE calculated, estimate the annual contribution to Virginia’s general fund from state income and sales taxes.

**THE VALUE OF METRORAIL AND VIRGINIA RAILWAY EXPRESS TO COMMUTERS IN THE REGION**

In quantifying the value that Metrorail and VRE bring to the Commonwealth, NVTC determined the amount of land use and development that could be supported with only the current roadway and bus networks. The existing level of roadway congestion was used as the base level. The regional travel demand forecast model was then run without Metrorail and VRE to assess the likely level of congestion and deterioration in travel times. Households and jobs were removed to return the level of congestion to what exists today. Congestion was measured by the distance of the average commuter trip and the distribution of congested lane miles of travel.

Commuters have a travel time budget. Based on the congestion level, a specific trip can travel only so far in a given amount of time. Historical data shows little change in average commuter travel times for mature urban areas. The Metropolitan Washington Council of Governments (COG) does regional household travel surveys, which consistently show an average commuter trip travel time of about 30 minutes.

Existing Average Commuter Trip Distance for All Modes by Jurisdiction (miles)	
Jurisdiction	Average Commuter Trip Distance
Arlington	7.89
Alexandria	9.26
Fairfax	11.64
Loudoun	17.22
Prince William	17.06
Northern Virginia Combined	13.44

Table 3 Source: Transportation Planning Board V2.3.66 Travel Demand Forecast Model

Following the removal of Metrorail in Northern Virginia and VRE from the model, households and jobs were shifted to Maryland and the district. The model was run iteratively until the average commuter trip distance matched what currently exists. The level of congestion on the roadway network was also matched to the existing level.

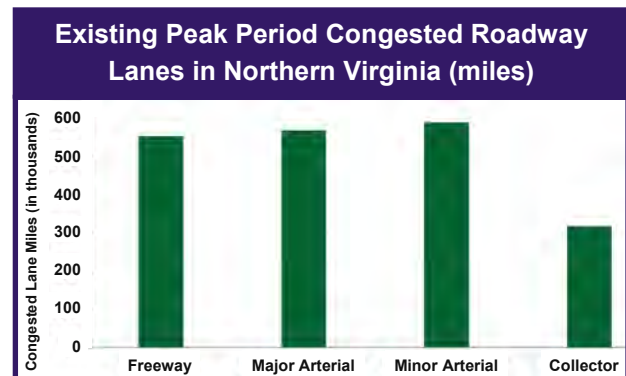


Figure 6 Source: Transportation Planning Board V2.3.66 Travel Demand Forecast Model

The first model runs removed rail transit in Northern Virginia and held to the existing land use totals. The results of these runs demonstrate the importance of rail in Northern Virginia. With the added congestion, commuters could not travel as far in the same amount of time. Their trip length decreased by about 5 percent, which is significant. By comparison, the trip length decrease projected by COG in 2040 with all funded regional projects was less than 5 percent.

The major impacts associated with a lack of rail transit in Northern Virginia are:

- 56,500 more lane miles of congestion on arterial roadways;
- 50 percent fewer transit trips in the peak period; and
- 80 percent decrease in jobs accessible by transit for Northern Virginia households.

Rail transit is an important option for commuters living inside the Beltway. Nearly half of Arlington County’s commuters use transit. That share drops to 28 percent without rail. Just under 40 percent of commuters in the City of Alexandria take transit. That number falls to 24 percent without rail. In Fairfax County, the percentage of commuters using transit drops from 17 to 6. Some of these commuters switch to buses, but the majority switch to automobiles. Without rail transit in Northern Virginia there is a loss of 130,000 daily transit trips.

Commuters Riding Transit		
Jurisdiction	Existing	Existing without Rail Modes
Arlington	49%	28%
Alexandria	38%	24%
Fairfax	17%	6%
Loudoun	4%	2%
Prince William	5%	3%
Northern Virginia Total	18%	8%

Table 4 Source: Transportation Planning Board V2.3.66 Travel Demand Forecast Model

### WHAT METRORAIL AND VIRGINIA RAILWAY EXPRESS SUPPORT IN NORTHERN VIRGINIA

The elimination of Metrorail and VRE from Northern Virginia’s transportation network significantly increased traffic congestion. Assuming that the regional total of jobs and households remains constant, achieving current levels of roadway congestion without rail transit required the rebalancing of 85,000 households and 130,500 jobs within the region to the areas of Maryland and the district with planned growth.

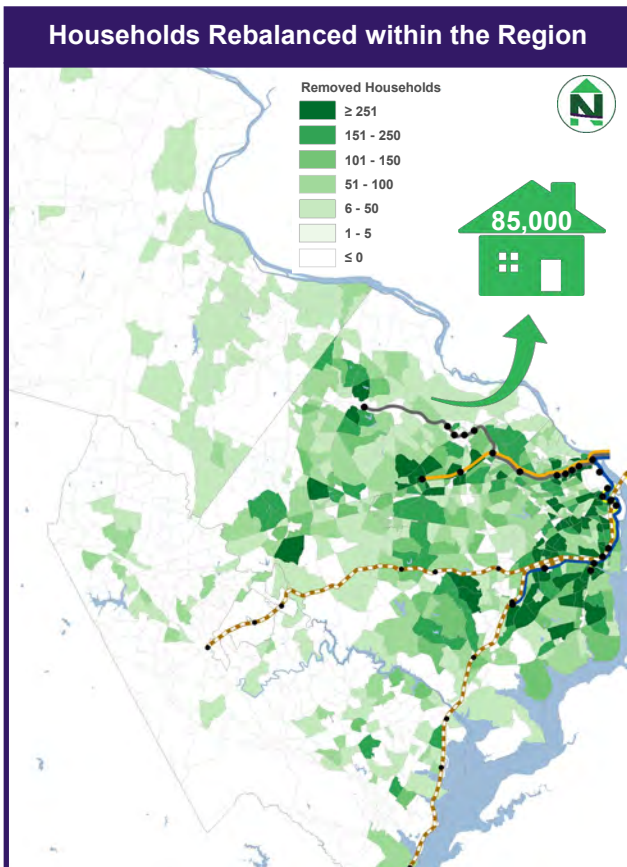


Figure 7 Source: NVTC

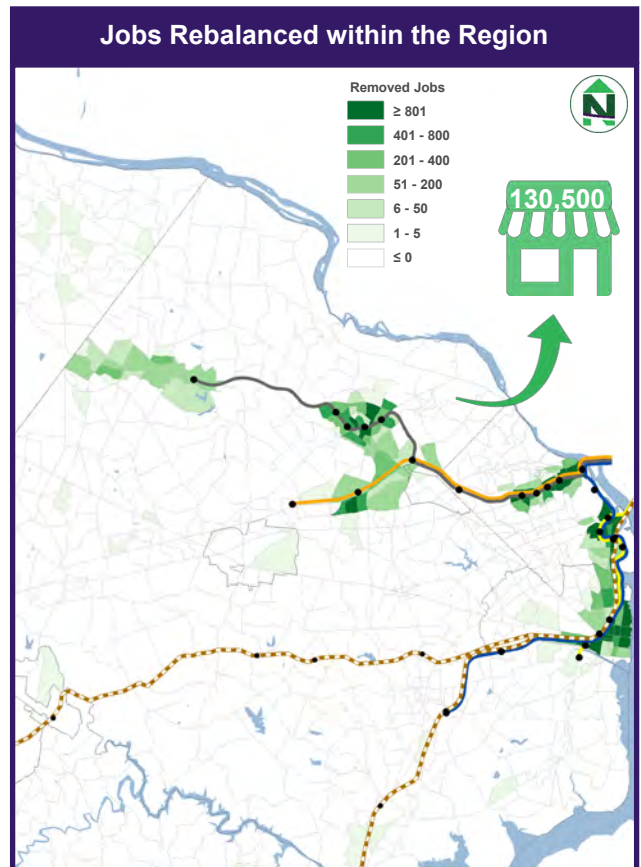


Figure 8 Source: NVTC

## THE VALUE OF METRORAIL AND VIRGINIA RAILWAY EXPRESS TO THE COMMONWEALTH

The land use supported by Metrorail and VRE generates over \$600 million in general fund revenues for Virginia. This is 3 to 4 percent of the \$18.2 billion collected in the state in fiscal 2016. For every dollar the Commonwealth invests in Metrorail and VRE, it receives \$2.50 in return.

Metrorail and VRE move large numbers of people, relieve congestion and are integral components of local land use and economic development plans. Rail transit attracts jobs and households to Northern Virginia. Whether in new apartment buildings in transit oriented developments near Metrorail stations or in more traditionally suburban

locations, these households pay income taxes to the Commonwealth of Virginia.

Commonwealth Data Point provides a frame of reference for understanding the magnitude of \$600 million dollars in general fund revenue. Looking at the state's general fund expenditures by agency, this funding can be compared to various agency budgets.

By way of comparison, \$600 million is higher than the collective \$582 million in general fund spending on higher education and public safety in fiscal 2016. General fund expenditures totaled \$316 million for Virginia's universities, community college systems and the State Council for Higher Education and \$266 million for the Department of State Police.

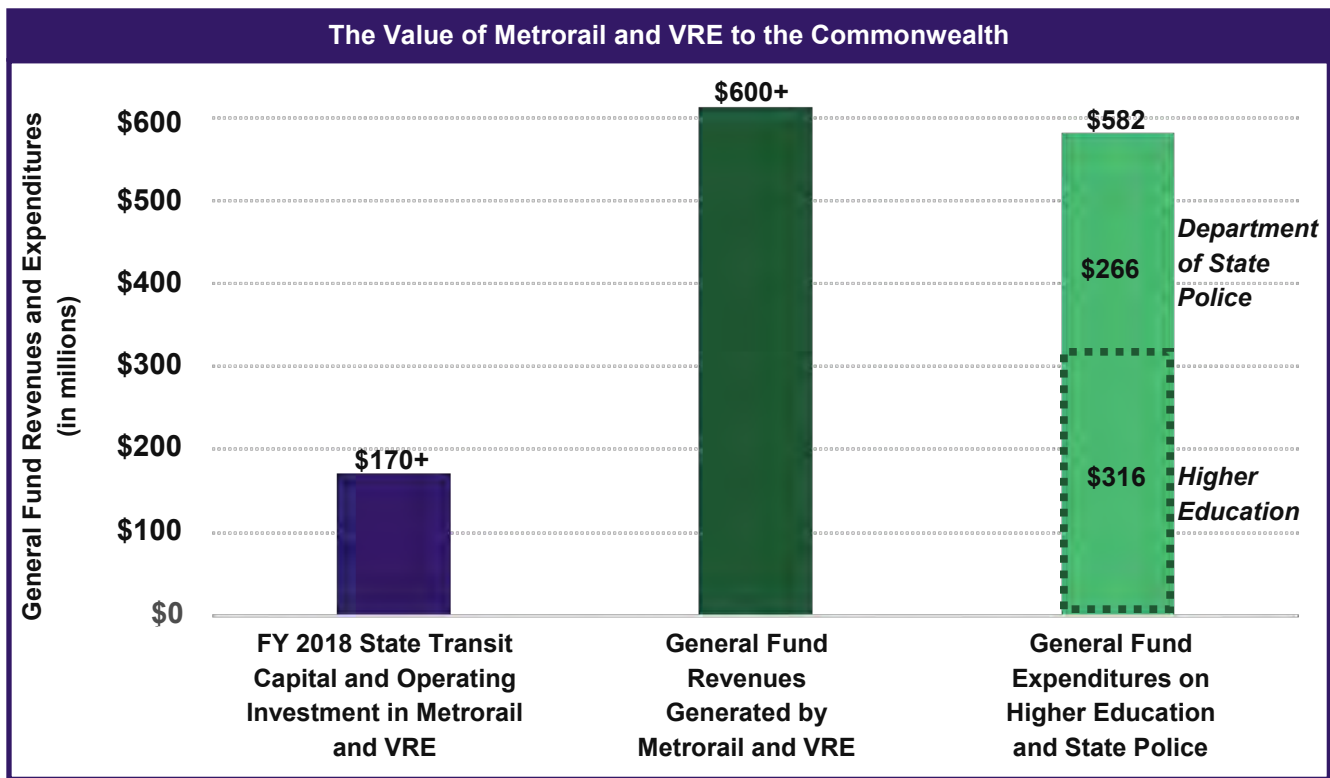


Figure 9 Source: NVTC, DRPT, and Commonwealth Data Point

### Technical Review Team

NVTC engaged staff at WMATA, the Transportation Planning Board, the Federal Transit Administration, George Mason University, and other organizations in a comprehensive technical review of the study's methodology and assumptions. These groups reviewed the work plan, technical approach, and findings and provided comments to NVTC on the study.



As the premier transit organization in Northern Virginia, NVTC brings the region together to plan, coordinate, and secure funding for transit systems that are financially sustainable and high performing. NVTC enjoys a special relationship with the Washington Metropolitan Area Transit Authority and Virginia Railway Express (VRE), as it is charged with the funding and stewardship of both. Founded in 1964, in part to represent the interests of the Commonwealth during the establishment of WMATA, NVTC continues to serve as Virginia's voice on the WMATA Board of Directors through its appointments to the panel. Following Metrorail's launch, NVTC began planning for a commuter rail service, VRE, which became operational in 1992. NVTC, as the railway's co-owner, appoints members to the VRE Operations Board. Learn more at [www.novatransit.org](http://www.novatransit.org)



Metrorail is the second largest, based on track mileage, and third busiest, based on passenger trips, heavy rail transit system in the U.S. The network includes six lines (four in Virginia), 91 stations (25 in Virginia) and 118 track miles (41 in Virginia). The Silver Line is the largest rail expansion project by route mileage since Metrorail's inception in 1976. Phase 1 opened in July 2014 and Phase 2, which will serve Dulles International Airport and Loudoun County, will open in 2020. Learn more at [www.wmata.com](http://www.wmata.com).



Virginia Railway Express (VRE) is the eighth largest, based on track mileage, and 10th busiest, based on passenger trips, commuter rail service in the U.S. It is a partnership of NVTC and the Potomac and Rappahannock Transportation Commission. VRE's mission is to provide safe, cost-effective, accessible, reliable, convenient and customer-responsive commuter rail service. It provides over 4.5 million rides annually in Northern Virginia and Washington, D.C. and is based in Alexandria. Learn more at [www.vre.org](http://www.vre.org).

**This report is a product of  
the Northern Virginia Transportation Commission**

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# TRANSIT MATTERS

## *How Transit Helped Northern Virginia Land Amazon*

A cornerstone of Northern Virginia's successful bid for Amazon's second headquarters was the emphasis on existing public transportation as well as a promise of additional transit investment. National Landing, which encompasses parts of Crystal City in Arlington County and the City of Alexandria, is served by commuter and heavy rail, bus rapid transit, local and commuter buses and bike share.

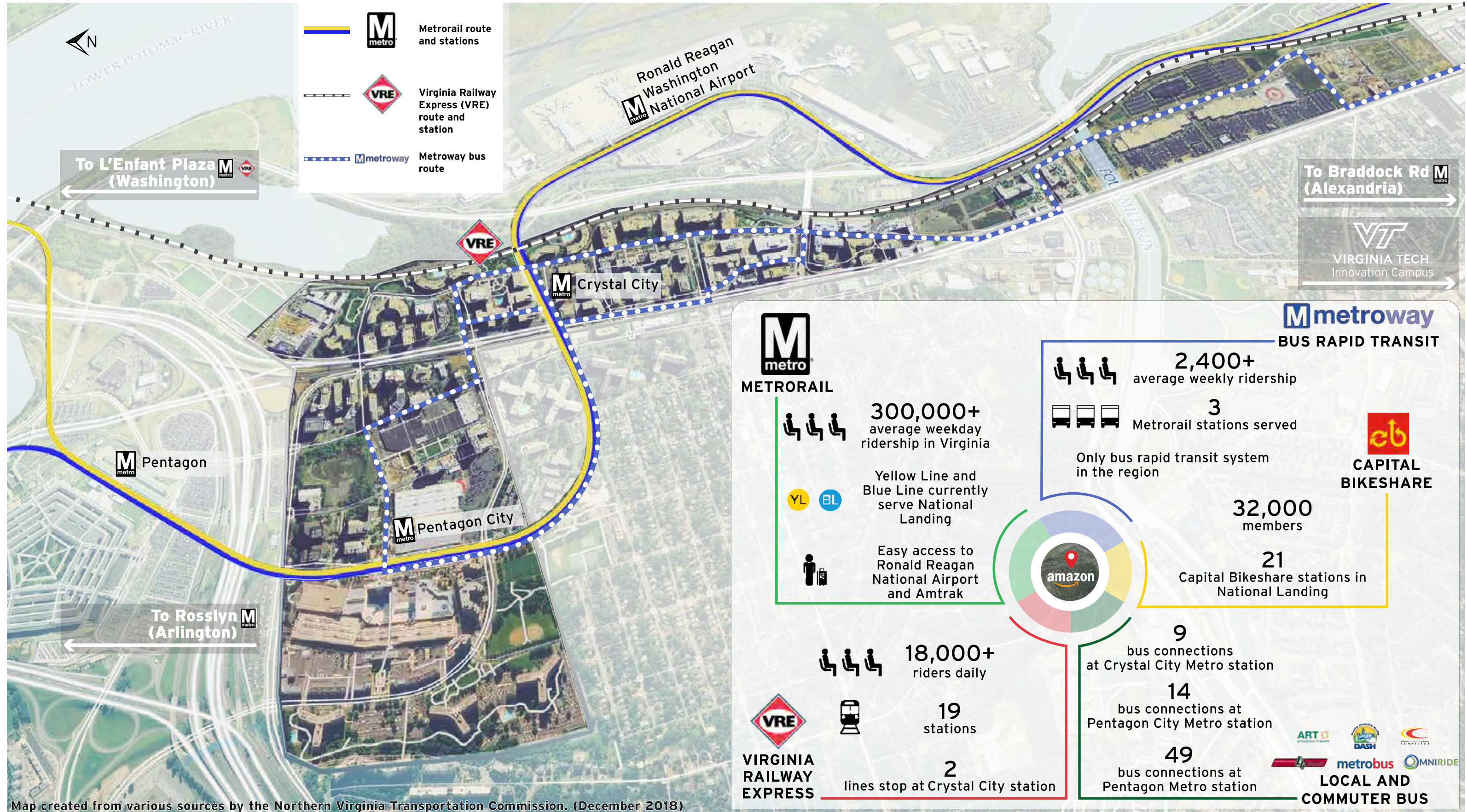
Transportation and mobility were among Amazon's key criteria for a new headquarters and Northern Virginia checked the boxes: direct access to mass transit, an international airport no more than 45 minutes away, and major highways or arteries within a few miles.

Transportation officials in Northern Virginia expect that most of Amazon's employees will utilize public transit, walk, bike, or carpool on their commutes each day. The reason is two-fold. In Seattle, Amazon employees' transit costs are fully covered by company-subsidized passes. In the Commonwealth of Virginia, a review of available transportation services and facilities indicates that regional and local transit systems have significant unused capacity, even during peak travel periods.





# EXISTING TRANSIT IN NATIONAL LANDING



Map created from various sources by the Northern Virginia Transportation Commission. (December 2018)

The framework for a future world-class transit network is in place and pledged improvements will bring the region closer to that goal. Virginia, Arlington and Alexandria together will spend more than \$760 million, much of it on existing projects, to support the influx of 25,000 jobs to National Landing. The projects include an additional entrance to the Crystal City Metro station and a second entrance to the planned Potomac Yard station on Metro's Yellow and Blue lines between the Braddock Road and Ronald Reagan National Airport stations. A pedestrian bridge from the airport to Crystal City and the expansion of Metroway, the region's only bus rapid transit system, are among other improvements.







## ECONOMIC VALUE OF METRORAIL AND VIRGINIA RAILWAY EXPRESS

Long credited with fueling economic development in Northern Virginia, Metrorail and Virginia Railway Express (VRE) also provide financial benefits to the state, according to a NVTC study. The additional 85,000 households and 130,500 jobs that the two rail systems make possible in Northern Virginia generate over \$600 million each year in sales and income tax revenues.

[Download the full report here.](#)



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