



Transit Capital Projects Revenue Advisory Board (RAB)
VDOT Auditorium-Fredericksburg Residency
86 Deacon Road
Fredericksburg, VA 22405
June 16, 2017
9:00 am to 11:30 am

Minutes

Members of the Revenue Advisory Board Present:

Hon. Jeff McKay	Josh Baker
Jim Spore	Hon. Tom Rust
Hon. Mary Katherine Greenlaw	

1. Call to Order/Introductions (9:10 AM) – Vice Chairman Jeff McKay called the meeting to order. Chairman Marty Williams had a last minute conflict and was unable to attend the meeting. He told the Revenue Advisory Board (RAB) members that the purpose of the days meeting was to discuss the report. The board would not be adopting the report, just reviewing it. He stated that there may need to be a follow up meeting based on the feedback that would be given to DRPT during this meeting. Director of DRPT, Jennifer Mitchell said that they would like to give the board another week to review the report and submit comments to DRPT. DRPT can also set up calls with board members to discuss their comments. Jennifer Mitchell shared that she would like to turn the final version around in a week so that it can go the CTB in July. She said that if the report still needs work than the CTB can adopt the policy and principles document in July with a report to follow. Jeff McKay asked exactly where the policies were summarized and Jennifer Mitchell shared that they are outlined in the one pager that the board reviewed at the last meeting.
2. Discuss Draft Report- Jeff McKay suggested that in the interest of time, the report be reviewed by section.
 - a. The Executive Summary is reviewed and the following comments were made:

- i. Jeff McKay pointed out that somewhere in the summary is a qualifier about new funding sources. Jeff McKay said that the prioritization should be predicated on new funding and that without new funding the prioritization piece of the recommendation should go away.
 - ii. Jennifer Mitchell asked the board if that was their opinion.
 1. Mary Katherine Greenlaw concurred that that was her position.
 2. Jim Spore also agreed and stated that they shouldn't take time to prioritize the funding without new revenue.
 3. Jeff McKay stated that the new funding and the prioritization go together and that he doesn't want the General Assembly to think that they can do one without the other. The two need to be tied together.
 4. Mary Katherine Greenlaw stated that the report needs to emphasize that none of this really works without new funding.
 5. Josh Baker agreed and said he did not think that new levels of bureaucracy needed to be added when there was no new funding.
 - iii. Jim Spore pointed out that the funding being asked for is not new funding, it is replacement funding.
- b. Section 1 is review and the following comments were made:
- i. Tom Rust suggested that on the second bullet on page 4 it should say "or single statewide source."
 - ii. Jeff McKay pointed out that the job loss number of 1,000 seems too low. He asked DRPT to verify that number.
 - iii. Jim Spore asked that there be a foot note on the report for non-transit people.
 - iv. Tom Rust referenced page 4 and said he did not recall anywhere in the report that talks about Hampton Roads not being able to use transportation funding for transit. The report should highlight that a legislative change is required. He asked to make sure that message is in the report and in the right place.
 1. Jim Spore returned to the Executive Summary to ask about WMATA. He pointed out that WMATA funding could possibly double the problem and so that will need to be put in better context. Jennifer Mitchell pointed out that the funding increase will come over a ten year period. She said that Virginia has not formalized an opinion yet on how to deal with WMATA. It has to be made clear that in Virginia there are statewide issues and there are WMATA issues. Sales taxes may not

work to solve both of these problems. She pointed out that the RAB had gotten too far along in this process to add WMATA back in. She agreed that it may not be best to wait until the end of the report to address WMATA.

2. Jeff McKay agreed that the report should not end with WMATA. He also suggested that instead of describing an exact dollar figure for WMATA that that amount of money be described as substantial. The report should not turn into a metro report. He also pointed out that there are no positive references about WMATA. The report needs to emphasize that WMATA is an economic driver for the state, even if you don't live close to the system and he does not think the General Assembly will understand that. Jeff McKay will submit a suggested editorial change for the end.
 3. Josh Baker said to clarify in the report that the WMATA issues came up late in the discussion. He suggested adding graphs because the document may be too word heavy. He thinks the most important information that has been shared with the board has come in the form of graphs.
 4. Jim Spore said that he thinks that the WMATA analysis is needed because the report is leaving out half of the problem the problem. Jeff McKay said that the Revenue Advisory Board was not tasked with looking at WMATA and he doesn't think there needs to be another group looking at the issue. Secretary LaHood is looking at the funding and governance and the General Assembly will hear from him on his findings. The report should let the General Assembly know that something else is coming from the state on WMATA outside of this report.
 5. Tom Rust agreed that the report should not include too much about WMATA because it would turn members of the General Assembly off. Jennifer Mitchell suggested that further up in the Executive Summary the report says that this report is not intended to take on the issue of WMATA.
- v. Discussion returned to Section 1 of the report. Mary Katherine Greenlaw pointed out that the report focuses on transit jobs and does not address enough about the

job loss to the overall economy, the loss of workforce access and the impact it would have on recruiting new business to the commonwealth.

- vi. Jeff McKay said the report should include what would happen if the workforce affected by the loss of transit got into their cars.
 - vii. Tom Rust asked that in Section 1.1 on page 7 in sentence three that says “Local governments will be faced with difficult choices” should identify specific examples of what a community will lose (i.e., 3 routes). He thinks this information should be sprinkled throughout the report and highlights the losses in each region. Jennifer Mitchell said that DRPT is working with the Virginia Transit Association to collect that kind of information.
 - viii. Jeff McKay pointed out that on page 9 in the last sentence on the first paragraph it should read “Virginia’s economy *and tourism*.” He also said that on that page the figure of 1,000 jobs lost seems too low.
- c. Section 2 was reviewed and the following comments were made:
- i. Jeff McKay said that where NOVA is described in Section 2.1 the localities should be listed and that he would like to see estimated funding graphs that show the decline of what will happen from today.
- d. Section 3 was reviewed and the following comments were made:
- i. Jeff McKay said that this section references 4 potential packages. He thought the group was not making recommendations. He thinks that the language should say that the board “reviewed four scenarios but chose not to make a recommendation”
 - ii. Tom Rust suggests that the tax figures are scaled to actual needs. The retail sales tax revenue displayed on pg. 22 is twice as much as is needed. Jeff McKay agreed and asked that all figures be scaled.
 - iii. Jeff McKay said that page 18 needs to include other transportation taxes levied in Northern Virginia in addition to the specific transit taxes. Those need to be put into the report because they are substantial.
 - iv. Jim Spore pointed out on pg. 21 the 5 to 15% increase described will have General Assembly members focused on the 15% increase. Jeff McKay agreed and said that sentence should be completely removed.
 - v. Jeff McKay said the report needs to be clear throughout and say that the board reviewed multiple sources but have not endorsed any.

- e. Section 4 is reviewed and the following comments were made:
 - i. Jim Spore pointed out that on the opening paragraph of page 26 in the second sentence the word funding should be struck as the prioritization does not provide actual funding. In section 4.1 in the first sentence it should say established the following *conclusions* and principles. In section 4.1 under the third bullet, the fifth statement which reads that “cost effectiveness should only be considered for major expansion projects” should be struck or further explained.
 - ii. Jim Spore said that on pg. 27 the report talks about three different processes for prioritization when throughout they have only talked about two. Jennifer Mitchell clarified that for a while Minor Expansion and SGR had been lumped together but it was ultimately decided that that does not make any sense. Jennifer Mitchell referenced page 31 that describes how there will be 2 programs, and that SGR and Minor Enhancement projects will be in the same funding bucket but allocated differently. Jeff McKay said that this needs to be better explained in the report.
- f. Section 5 is discussed and the following comments were made:
 - i. Jim Spore pointed out that bullet 5 under section 5.1 that says “exact thresholds and definitions will be determined at a later date” should be defined. Jennifer Mitchell said that if this was implemented we would want more time for feedback from the industry to make those determinations. Jeff McKay pointed out that pg. 27 defines the actual thresholds.
 - ii. Jim Spore asked that on pg. 32, in the third paragraph, a sentence should be added that says that “priority will be to maintain current assets”.
 - iii. Jim Spore asked if there would ever be a scenario where all SGR needs are met and we would want to move funding from SGR to Major Expansion. Jennifer Mitchell said if there was ever excess SGR money the funds would roll over. The CTB tries to look 5 years ahead so that they know what is coming in the next years. This approach is controversial because some think the money should be spent every year. Jeff McKay pointed out that these are just recommendations and that the board is not binding them. They could always change and move money the other way if they needed to.
 - iv. Josh Baker suggested that a statement be put in that says SGR can be rolled over from year to year. Transit systems are not always predictable and there needs to be extra money to account for contingency issues and mid cycle grant requests.

Future years need to be looked at before ever considering rolling money over to Major Expansion.

- g. Section 6 is discussed and the following comments were made:
 - i. Mary Katherine Greenlaw pointed out that the 4th bullet point again discusses two programs when they have talked about three.
 - ii. Jeff McKay reiterated his earlier point that the last bullet point should not be about WMATA.
 - iii. Jeff McKay said that in bullet 5 the word “equitable” should be taken out.
 - iv. Josh Baker said that bullet 5 should say “local agencies *and governments.*”
 - v. Mary Katherine Greenlaw said that revenue should be described as replacement revenue and not additional revenue.
 - vi. Jim Spore recommended changing all the bullet points to numbers.
 - vii. Jeff McKay asked that the recommendation section be very strong. It could be all that anyone reads. Anything important should be reemphasized in this section.
 - viii. Josh Baker encouraged this section to have a visual. Jennifer Mitchell said that staff would come up with a chart.
 - ix. Josh Baker asked if a talking points memo could be distributed to board members.
3. Wrap Up/Next Steps
- a. In the interest of time wrap up and next steps were not talked about and the meeting moved onto those signed up for public comment.
4. Public Comment
- a. Kate Mattice from NVTC signed up for public comment.
 - i. Kate’s comments are attached.
 - b. Brian Smith from Hampton Roads Transit signed up for public comment.
 - i. Brian’s public comment is attached.
 - c. Lisa Guthrie from Virginia Transit Association signed up for public comment.
 - i. Lisa Guthrie said that VTA has been following the progress of the report since last year and is ready to amplify the message to the General Assembly, transit riders and the business community. She said that there needs to be increases in regional and statewide funding, in addition to funding for WMATA. She stressed that there needs to be a floor for predictability for state agencies. She expressed concern over the Federal match and said that localities will become constrained.

- d. Stuart Schwartz from the Coalition for Smarter Growth signed up for public comment.
 - i. Stuart's public comment is attached.
 - e. John McGlennon, Chairman of the TSDAC signed up for public comment. He thanked the Revenue Advisory Board for drawing attention to the impending funding crisis. He also reminded the RAB that the analysis has been conditioned on current experiences with Federal funding and that we do not know what the future holds.
 - f. Jennifer Mitchell asked that written comments be submitted to Jen DeBruhl and copy Jennifer Mitchell. She asked members to let Jen know if they would like to make their comments via phone call. She asked that comments be submitted by the end of the following week and that those comments would be incorporated into the report. She told the board that after incorporating the comments DRPT staff would reach out with next steps which would potentially be a call.
5. The Meeting was adjourned at 10:52 am.