



Transit Service Delivery Advisory Committee (TSDAC)
600 East Main Street, Suite 2102, Richmond
December 13, 2019
10: 00 am

Minutes

Members Participating:

John McGlennon, Chair
Brad Sheffield (Arrived at 10:09)
Brian Smith
Cindy Mester
Kate Mattice
Tom Fox (Dialed In)

Members Not Present:

Jim Dyke
Marty Williams

1. Call to Order / Introductions (10:02 am) –Chairman John McGlennon called the meeting to order.
2. FY21 Application Cycle Outreach Updates- Jennifer DeBruhl, DRPT

Jennifer DeBruhl began her presentation by talking about the outreach the agency had done since July. She said that DRPT had hosted more targeted workshops this grant cycle. Chairman John McGlennon asked if anyone had questions about the presentation. No one had any questions but DRPT Director Mitchell directed the committee's attention to information that was contained in their packets. This information was the Ridership Report and the Transit Demand Management (TDM) Report. The TDM report was submitted to the General Assembly.

3. FY19-Ridership Trends-Jennifer Debruhl, DRPT

Jennifer DeBruhl began her presentation on ridership trends. She asked for questions and the following comments were noted.

- i. Brad Sheffield asked if DRPT had an idea of who is a full reporter and who is a partial reporter through the National Transit Database (NTD). Jennifer DeBruhl said that DRPT has access to that information through NTD. She said that Passenger Miles Traveled (PMT) primarily affects the Commuter Rail Sizing metric, and that only a handful of agencies are reporting this to NTD. Jennifer DeBruhl said that last year DRPT used data reported to NTD which results in a two year data lag, and this year transit agencies were asked to report directly to DRPT so the data would be more current.

4. Transit Estimated Revenues-Update-Jennifer DeBruhl, DRPT

Jen began her presentation on estimated revenues. The TSDAC had asked for this update back in July. The following comments were noted.

- i. Kate Mattice said that sales tax is also affecting the regional gas tax in Northern Virginia and that is primarily affecting WMATA. She said that the level of regional gas tax expected for WMATA is not being realized and that is concerning.
- ii. Director Mitchell pointed out that the projections come from the Department of Taxation.
- iii. Kate Mattice thanked DRPT for the out year predictions.
- iv. Brad Sheffield asked if there was any information TSDAC members and transit agencies should have when engaging with legislators and elected officials. Director Mitchell said that the Secretary of Transportation has been leading a study on the overall sustainability of the fuel tax, which is a major source of the Transportation Trust Fund. Transit and Rail funds both have revenues that are not the most stable. Director Mitchell said that the Secretary's office is looking at revenue sources that would establish a more stable transportation trust fund. They are looking at the possibility of indexing. Director Mitchell said that she expects that there will be legislative proposals related to this.
- v. Director Mitchell said that DRPT decided not to move up the deadlines for applications. She encouraged agencies with major capital applications coming to start working with DRPT now.

5. Transit Capital Needs Assessment-Grant Sparks and Dan Sonenklar

Jen DeBruhl opened up the presentation by introducing Grant Sparks and Dan Sonenklar and commending them for the work that would be presented. Director Mitchell mentioned that agencies continue to ask DRPT if there is a transit funding cliff. Director Mitchell said that applications the agency has received have not matched the forecasted needs, which built up a balance of unobligated funds. She said that it is difficult to make the case that more capital funding was needed with this balance, much of which was programmed in the FY20 grant cycle. Director Mitchell says the DRPT team has worked hard to come up with a more realistic assessment of the needs and has matched it up to revenues. Grant Sparks said that he would be walking the TSDAC through the process to scrub the needs and that Dan Sonenklar would be taking them through the results of the assessment. The following points were noted:

- i. Grant Sparks said that DRPT had reduced the capital needs by 15% as compared to the five-year capital budgets submitted in the FY20 grant cycle. Director Mitchell said that she wanted to reiterate that because a need was reduced, it does not mean DRPT does not plan to fund the need, they were just trying to come up with the most conservative estimate of needs.
- ii. Cindy Mester asked why there is a 5 year capital plan, but a six year overall plan. She asked if there was any thought to aligning them. Jennifer DeBruhl said that the six year plan includes the allocation year and then 5 years of forecasting so there were 5 years of data available to work with. Cindy Mester said that was harder to message.

- iii. Cindy Mester asked if there was contingency in the project estimates to account for inflation. Dan Sonenklar said that they are planning level estimates so some may include inflation and some may not. Cindy Mester asked Brad Sheffield if their planning estimates normally include that. He said they try to include that but that it is hard to keep up with inflation.
- iv. Kate Mattice asked what assumptions were being made about the Federal program. Dan Sonenklar said they were assuming it would be a flat line. Kate Mattice said that is a big uncertainty.
- v. Kate Mattice asked how SMART SCALE factors in. Director Mitchell said that she would let the team explain, but that projects are getting other sources of funding like SMART SCALE, which could account for the differences in needs. Grant Sparks explained that SMART SCALE projects are funded in the out years, so if a project required SMART SCALE funding as a necessity it was removed.
- vi. Director Mitchell said that in the previous needs assessment a lot of extrapolation was done to show needs in the out years and that may have contributed to the magnitude of needs. The smaller window of time is better.
- vii. Kate Mattice said that she appreciated the information on the Actual and Capital State Transit Capital Revenue Sources for FY2011-25. She said it would have been helpful to have before their legislative agendas were passed but would still be helpful to include in their fact sheets.
- viii. Jennifer DeBruhl said that DRPT had done a lot of programmatic clean up to clean up unexpended grants. Kate Mattice pointed out since the scrub was so deep it was unlikely to see this again in the future. Jennifer DeBruhl and Dan Sonenklar agreed. Jennifer DeBruhl said transit agencies would see DRPT take a harder line on things like extensions in the future so that if a project is not coming to fruition that money will go back in the program for reallocation.
- ix. Brad Sheffield mentioned that the estimates for rolling stock were overestimated based on trends. He said that in five year planning they assumed the trends. Jennifer DeBruhl said that the state has contracts and costs locked in for a period. Jennifer DeBruhl said that through the MERIT program they encouraged an application for a bus to include everything that goes along with that bus to prepare for revenue operations.
- x. Director Mitchell reiterated that DRPT's transit capital fund could not support major expansion projects, based on the current funding level.
- xi. Brian Smith asked a question about slide 9. He said that he assumed that agencies six year plans were built in cost-constrained environments. He asked if agencies need to go back and scrub their plans. Dan Sonenklar said that moving forward DRPT plans to be more engaged in their plans. Jennifer DeBruhl said that if you reduced the need because funds are constrained the need does not go away, it just moves further out. She said that DRPT would like to identify those. Jennifer DeBruhl said that Previously DRPT used TDPs for those needs, which were unconstrained. Director Mitchell said that there is a broader conversation that needs to happen about how to fund transit.
- xii. Chairman McGlennon asked if needs that were eliminated show back up in the future. Jennifer DeBruhl said that if it were a need that the transit agency

decided not to move forward with now but will need in the future, it would show back up in the capital plan.

- xiii. Grant Sparks mentioned that Virginia ranks very low in Federal awards for bus systems. Director Mitchell said DRPT program managers encourage systems to apply but she is not sure if that actually happens. Jennifer DeBruhl said that DRPT would push harder to get agencies to apply and provide technical assistance.
- xiv. Chairman McGlennon thanked DRPT for the useful information. Kate Mattice asked if they could expect to see this addressed in the Governor's budget or if they needed to look at other legislative initiatives. Director Mitchell said that the program was artificially inflated for some time, but the shortfall is coming up. She expects that there will be a legislative proposal to address this.
- xv. Cindy Mester said there needed to be a new name and new branding of the issue, and that the term "Fiscal Cliff" could not be used anymore. Kate Mattice pointed out that there is a structural issue with the revenue sources for the program.
- xvi. Brian Smith said that they also need to be thinking about how to increase funding capacity at the local levels.
- xvii. Brad Sheffield suggested outreach to the MPOs on these issues. Grant Sparks said he would incorporate slides into an upcoming MPO webinar.
- xviii. Kate Mattice asked for a package on this as soon as possible so she can send it out.

6. Economic Impacts of Transit-Preliminary Analysis-Grant Sparks and Dan Sonenklar

Grant Sparks and Dan Sonenklar gave a presentation on the preliminary results of the study. They said that over the next few weeks they would be working to finalize the work with the consultant team. They plan to have a one-page economic impacts sheet by January 10 and a Final Report and Executive Summary by early February.

- i. Brian Smith asked a question about the Annual Benefit Cost Ratio that quantified the benefit for every dollar invested in transit. He suggested taking the Federal money out of that. Dan Sonenklar said the economists recommend keeping it all together since the funding sources are dependent upon one another.
- ii. Brian Smith said that some of the figures are lower than he expected. Without VRE, there would be another lane or two of highway. Jennifer DeBruhl said that there was a lot of debate about the maintenance saving number because DRPT also thought it seemed low. She said that that number is not capturing the cost of the savings or the additional highway needed. It captures the cost of maintaining the infrastructure that was already there. Director Mitchell said some of those benefits were captured in the congestion relief numbers. Grant Sparks pointed out that they are net benefits.
- iii. Kate Mattice asked if this data could be looked at regionally or if it is best as a statewide analysis. Dan Sonenklar said that they are working on breaking it down by Urban areas. Director Mitchell said that she thinks the statewide number are more compelling statewide.
- iv. Chairman McGlennon asked about the tax revenue number and if it included just state revenue. The TSDAC asked for clarification on that. Chairman McGlennon asked if the data would allow them to show the incremental impacts

of spending on transit. Dan Sonenklar said that this information could not really do that and was really more of a snapshot in time.

- v. Director Mitchell said that the benefits of transit go far beyond fare revenue.

7. Wrap-Up/Next Steps

Director Mitchell mentioned that they were ahead of schedule so suggested that they finish up prior to lunch. She said that this will be a big legislative session and that they all need to be on the same page about capital funding. She also encouraged looking at regionalism and providing more regional routes because that is a constant discussion in Hampton Roads, Northern Virginia and Richmond. Director Mitchell said that there are also discussions about low income reduced fares/free fare. There are some regions where the fare collection is shockingly low so systems may look at establishing fare free zones. That discussion will continue to unfold. Director Mitchell encouraged everyone to talk about the economic impacts of transit

- i. Kate Mattice mentioned that they should also look at providing transit benefits for those who are looking for jobs.
- ii. Director Mitchell said that she hopes the conversation can move forward to start talking about the amount of money that goes to transit and not the methodology. DRPT has done a lot to get our “house in order”.
- iii. Chairman McGlennon asked if it would make sense for TSDAC to issue a report on its work. The TSDAC members agreed that that was a good idea.
- iv. Director Mitchell said she hoped that they could speak as a single voice and not get into discussions about how one type of transit system is better than another. Kate Mattice said that all of the members represent organizations that can bring a unifying voice to this.
- v. Director Mitchell said that she or DRPT staff would be happy to speak at Board meetings.
- vi. A Spring TSDAC meeting will be scheduled following the General Assembly session.

8. Public Comment

- a. Lisa Guthrie from the Virginia Transit Association said she was thankful for the data to support comments. She said that this corresponds to a private market demand for transit. VTA aims to push more in that direction and bring in more stakeholders. VTA has put together data sheets for each transit system. They have been working with the environmental organizations on fuel savings and transit emissions. Electric vehicles are a long way off. Transit is an available benefit to the environment. She thanked DRPT for the springboard.
- b. Transportation futurists say that there will be a greater need for transit with electric cars. Director Mitchell encouraged the organizations to work with some of the broader transportation stakeholders that are affected by overall transportation funding to say that there is a structural issue with the gas tax.
- c. Cindy Mester asked procedurally how the TSDAC report would happen. Director Mitchell said that DRPT could put together high-level bullets about what has been done over the years as a starting point. John McGlennon said that he could then take those bullets and create draft to circulate. Jennifer DeBruhl said a lot of that could come out of the General Assembly report.

9. The meeting adjourned at 12:05.