

ITEM 7

(12 PAGES)

**POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION**

RESOLUTION

MOTION: _____

**RESOLUTION NO. 09-03-_____
OFFICIAL COMMISSION MEETING
MARCH 5, 2009**

SECOND: _____

**RE: APPROVAL OF MINUTES FOR THE POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION MEETING OF FEBRUARY 11, 2009**

WHEREAS, the Potomac and Rappahannock Transportation Commission reviews and approves the minutes of each meeting; and

WHEREAS, the minutes of the February 11, 2009 PRTC meeting have been presented for review.

NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby approve the minutes of the February 11, 2009 Commission meeting as presented/amended.

“PENDING BOARD APPROVAL”

POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION (PRTC)

OFFICIAL COMMISSION MEETING

MINUTES

DATE: February 11, 2009
TIME: 7:00 p.m.
LOCATION: PRTC Transit Center
14700 Potomac Mills Road, 2nd Floor
Woodbridge, VA 22192-6811

1. CALL TO ORDER

Chairman May called the meeting to order at 7:00 p.m.

At this time, Chairman May recognized newly appointed PRTC Alternate Suhas Naddoni representing the City of Manassas Park and welcomed reappointed Alternates Brian Potvin and Lorraine Lasch representing Prince William County.

2. ROLL CALL

MEMBERS PRESENT

*Maureen Caddigan	Prince William County
*Corey Hill	Dept. of Rail & Public Transportation
*Matthew Kelly, Secretary	City of Fredericksburg
*Michael May, Chairman	Prince William County
*Martin Nohe	Prince William County
*Frank Principi	Prince William County (arrived at 7:10 p.m.)
*George Schwartz	Stafford County
*Jonathan Way, Vice Chairman	City of Manassas

ALTERNATES PRESENT

Jean Benson	City of Fredericksburg
*Lorraine Lasch	Prince William County
*Brian Potvin	Prince William County
*Suhas Naddoni	City of Manassas Park

STAFF AND GENERAL PUBLIC

Gina Altis	PRTC Executive Assistant
Angelica Betts	ASSISTANT Supervisor Michael May
Tom Cain	FIRST TRANSIT Region Vice President
Joyce Embrey	PRTC Dir., Finance & Administration
Althea Evans	PRTC Dir., Marketing & Communications
Sandy Ferris	Citizen
Anthony Foster	PRTC Transportation Project Manager
Holly Frisch	Citizen
Shanta Garth	FIRST TRANSIT AGM-Accounting & Admin.
Al Harf	PRTC Executive Director
Angela Horan	PRTC Legal Counsel
Robb Howell	FIRST TRANSIT General Manager
Todd Johnson	FIRST TRANSIT Maintenance Manager
Uriah Kiser	News and Messenger
Bill Leisen	PRTC Mgr., Contract Operations
Mary Marshall	PRTC Account & Budget Manager
Eric Marx	PRTC Dir., Planning & Operations
Betsy Massie	PRTC Dir., Grants & Project Management
Paul Meredith	FIRST TRANSIT East Region Safety Manager
Ginger Murphy	PRTC Transit Planner
Paul Pitchke	FIRST TRANSIT AGM-Operations
Mark Ross	Citizen
Chuck Steigerwald	PRTC Senior Transit Planner
Jennifer Straub	VRE Deputy Chief Executive Officer
Dale Zehner	VRE Chief Executive Officer

MEMBERS ABSENT

Wally Covington	Prince William County
Scott Lingamfelter	Virginia House of Delegates
John Jenkins	Prince William County
Frank Jones, Immediate Past Chairman	City of Manassas Park
Paul Milde, Treasurer	Stafford County
Jackson Miller	Virginia House of Delegates
Toddy Puller	Virginia Senate

ALTERNATES ABSENT

Charles Badger	Dept. of Rail & Public Transportation
Harry Crisp	Stafford County
Mark Dudenhefer	Stafford County
Brad Ellis	City of Fredericksburg
Peter LaMarca	City of Fredericksburg
Hal Parrish	City of Manassas
Sorine Preli	Prince William County
Phillip Rodenberg	City of Fredericksburg
Corey Stewart	Prince William County

Authorized to issue a Request for Proposals (RFP) for property and casualty insurance. (KELLY\NADONNI, UNANIMOUS)

RES 09-02-08 E. Advertise for Procurement of Employee Parking Lot and
[PRTC\Parking Lot] Driveway Resurfacing Services.

Authorized to advertise for bids for pavement resurfacing services. (KELLY\NADONNI, UNANIMOUS)

RES 09-02-09 F. Advertise for Procurement of Storm Water Management
[PRTC\Storm Water System Maintenance Services.
Management System]

Authorized to advertise for bids for storm water management system maintenance services. (KELLY\NADONNI, UNANIMOUS)

RES 09-02-10 G. Procurement of Contractor for Construction of New
[PRTC\New Commuter Lot.
Commuter Lot]

Authorized to issue an IFB for construction of a new commuter park-ride lot near the PRTC Transit Center. (KELLY\NADONNI, UNANIMOUS)

RES 09-02-11 H. Submission of FY 2010 State Grant Applications.
[PRTC\State Grants]

Authorized to submit the FY 2010 state grant applications as proposed. (KELLY\NADONNI, UNANIMOUS)

10. VIRGINIA RAILWAY EXPRESS (VRE)

[VRE\Info] A. Operations Board Meeting Agenda and Minutes of
January 23, 2009. There were no comments.

[VRE\Info] B. Chief Executive Officer's Report (Jan 09).

Mr. Zehner reported that ridership during the month of January was about 9% higher than this time last year. System wide on-time performance was 93% in January (92% and 94% on the Fredericksburg and Manassas lines, respectively).

Mr. Zehner gave an overview of the successful VRE service provided on Inauguration Day. VRE operated twenty-six trains. The Fire Marshall shut down Union Station due to overcrowding and VRE turned back two trains to Union Station to pick up passengers who got caught in the crowds and missed their trains. VRE sold 8,600 tickets, but only 8,000 tickets were used. Eighty-five percent of the VRE passengers were not regular riders. Federal "Viper Teams" were present at the Broad Run and Fredericksburg VRE stations and

the member jurisdictions provided police presence at each station. Security was also present on the trains and CSXT provided a "swat team" at the L'Enfant Plaza VRE Station.

Commissioner Benson asked about the problems that occurred last week on both the Fredericksburg and Manassas lines. As a result of the extreme cold weather that occurred on February 5th, Mr. Zehner noted that several trains were adversely affected, highlighting: Train #300 (which experienced "brake" problems requiring some 45 minutes to release); a "frozen air-dryer" problem on another Fredericksburg train; and a "brake control" problem on a Manassas train that required the train to be towed. Yesterday, the last train on the Fredericksburg line experienced a "brake" problem and the riders were transferred to an Amtrak train.

Commissioner Principi arrived at 7:10 p.m. during the VRE CEO's report and was absent for the vote on Items 7, 8, 9, and 9A-9H.

11. CHAIRMAN'S TIME

Chairman May had nothing to report at this time.

12. EXECUTIVE DIRECTOR'S TIME

[PRTC\Info] A. Executive Director's Report.

Mr. Harf reported that PRTC has locked in about 25% of its fuel for FY 2010 at a price just below two dollars per gallon. He explained that PRTC is not in a position to lock in more than a single contract each month because of uncertainties about the magnitude of service, since current service levels require just over two contracts a month and a service cut could lower consumption to less than two contracts per month.

Mr. Harf then discussed the prospective PRTC FY 2010 budget, noting that it has been submitted to Prince William County staff for review. County Executive Craig Gerhart will present the budget to the Prince William Board of County Supervisors (PWBOCS) on February 17th with the recommendation to adopt PRTC management's preferred budget. The budget envisions a 5% "cut" of PRTC's service hours. Most of the service hour cuts will be implemented coincident with the spring schedule change, meaning two months before the fiscal year begins, resulting in a FY 2009 "savings" for PRTC. The Commission is being asked this evening to approve the start of a public review process on the one prospective service cut that requires public review before it can be implemented. The Route One North service elimination – and management will return to the Commission to either recommend the elimination of the route as proposed or an alternative after considering the public's comments.

Mr. Harf continued, mentioning that staff is working closely with Prince William County's property manager (Martha Lueking) on plans to backfill the County-owned "boy's home" bordering the PRTC Transit Center. A decision has been made to close the boy's home and there are parking issues to be resolved for the next "tenants".

The next topic Mr. Harf covered was related to the I-395/I-95 HOT Lanes Project development efforts. Specifically, he noted that the public review process has commenced with the third of three public hearings occurring this evening to invite public reaction to the proposed "design plans". A "blue-sheeted" item is before the Commission this evening to approve written comments prepared for transmittal to the Virginia Department of Transportation (VDOT) describing PRTC's views about the proposed design plans for the northerly segment of the I-395/I-95 HOT Lanes project.

Commissioner Caddigan observed that concerns have been expressed about the possibility of the state subsidizing the HOT Lanes project if toll paying customers are less than expected. Mr. Harf replied that those concerns appear to stem from the agreement VDOT struck with Fluor-Transurban on the beltway HOT Lanes project, and fears that the same thing will happen in connection with the I-95 HOT Lanes project. In the beltway HOT Lanes project, the state has pledged that if HOV-3 grows beyond a certain point, the state will partially defray lost revenue. VDOT made this decision when it was concluding the beltway HOT lanes comprehensive agreement after satisfying itself that the financial exposure is low, since there isn't a long history of HOV usage on the beltway. However, the I-95 HOT Lanes project is a different situation, because there has been a long and proud history of significant HOV usage. If Fluor/Transurban were to ask for the same accommodation on the I-95 HOT Lanes project and the state agreed, the exposure would be greater. Based on informal discussion with VDOT staff, Mr. Harf reported that he understands that VDOT is not prepared to make that accommodation on the I-95 HOT Lanes project.

Commissioner Schwartz asked when this "partial defrayal" accommodation on the beltway HOT Lanes project was made. Mr. Harf explained that it occurred during the course of the negotiations, shielded from before-the-fact public review as are all such PPTA agreement negotiations. He went on to explain that the beltway HOT Lanes project was conceived years before a comprehensive agreement was executed. The project scope changed over time and the cost of steel and other raw materials escalated more rapidly than VDOT and Fluor/Transurban envisioned. As a result of cost escalation and changes in the scope of the project, it became necessary for the parties to negotiate two changes: 1) lengthening the duration of the agreement to 75 years and 2) making the "defrayal" accommodation.

Vice Chairman Way asked whether PRTC and VRE are required to pay federal and state taxes on fuel and what these taxes amount to. Mr. Harf noted that PRTC is a tax-free entity and not subject to these taxes. He went on to say the gasoline tax is 18 cents per gallon and diesel tax is higher. Chairman May asked management to reply more thoroughly to the question as a meeting follow-up.

[PRTC\Action
Items] B. Action Items:

RES 09-02-12 1. FY 2009 Budget Revision #1.
[PRTC\Budget]

research this further. Commissioner Nohe recommended that the Commission mirror NVTC to “monitor and engage” the situation at this time.

Vice Chairman Way inquired further about the financial implications. Mr. Harf explained that the loss exposure could amount to as much as \$600,000 to \$700,000 per year based on reported evidence of retailer mark-ups elsewhere.

Commissioner Naddoni then asked how much higher the percentage would need to be to offset the highest reported mark-ups. Mr. Harf answered 2.2% instead of 2.1%.

Commissioner Nohe moved, with a second by Commissioner Caddigan, to authorize staff to work with the patron to amend Senate Bill 1532 to ensure revenue neutrality for collecting motor fuels sales tax in the PRTC district. There was no further discussion on the motion. (NOHE\CADDIGAN, UNANIMOUS)

[PRTC\Info] C. Information Items:

1. PRTC Service Performance Reports. Mr. Harf explained that staff anticipated ridership loss would occur when the fare increase was implemented on December 15th, and thankfully early signs indicate that it is not as significant on OmniRide as expected. The OmniLink ridership loss is harder to decipher – there has been a significant ridership drop within the past two months but the recession and home foreclosures are surely contributing factors since more OmniLink trips are discretionary and since the recession is likely to be affecting low-end service jobs most acutely.

Commissioner Principi asked whether management thinks the fare increase had a larger-than-expected effect on OmniLink ridership. Mr. Harf replied “no”, noting the fare increase on OmniLink was only ten cents per trip (five cents for seniors and people with disabilities).

2. PRTC Budget-to-Actual Comparison. There were no comments.
3. Legislative Report. Mr. Harf highlighted a number of “bills” that have survived and are of interest to the Commission. House Bill 1730 (Cole) legislates a “sunset date” on all new taxes of four years. Continuing, he reported that the House Republican Leadership has unveiled its transportation bill (HB 1759) which is now making its way to the Senate. He explained that the bill takes percentages of the specified tax revenue increases over a base and designates those increases for transportation investments. For example, 30% of sales, individual income, and corporate income tax for Northern Virginia would be designated for transportation purposes. These are not new taxes, but simply a form of dedication of the tax growth in each of those three areas.

Mr. Harf continued, congratulating PRTC’s southerly member jurisdictions on the progress of House Bill 2099 (Orrock), which will enable jurisdictions in the George

Washington Regional Commission (GWRC) to form a “toll road” authority. The House has passed the bill and it is making its way to the Senate. Commissioner Kelly clarified that HB 2099 refers only to the City of Fredericksburg and Spotsylvania County.

Mr. Harf noted that the bill to extend the “hybrid extension” for another year has survived the House, making its way to the Senate. Chairman May called attention to Agenda Item 12-C.8 that speaks to the impact of HOV lane exemptions for hybrids in Virginia. Continuing, Mr. Harf noted that House Bill 1835 (Toscano) will allow the use of “Rail Enhancement Fund” monies for rail operating subsidies. Currently, the rail enhancement fund has been confined to only capital. The bill is seemingly motivated by the need for a continuing source of operating funds for intercity rail services that the Kaine Administration is working to inaugurate. New trains are envisioned to service the Richmond to Washington, D.C. and Lynchburg to Washington, D.C. corridors. Funding for the first three years involves monies that have been set aside elsewhere within the state budget but, beyond those three years, HB1835 if enacted could become the sustaining source.

On the Federal side, the House and Senate Leadership announced today that an agreement has been reached with regard to the “stimulus” legislation. The agreement is currently disclosed only in general terms. The stimulus bill amounts to \$789 billion and it is unclear at this time what the transportation portion will be. It is expected that a stimulus bill will be signed into law next week. A preliminary estimate of what PRTC and VRE would receive is an additional \$5 million and \$17 million, respectively, seemingly for capital purposes only.

Mr. Harf then shifted to a discussion of the FY 2010 federal appropriations process “earmark” requests. “Wish lists” are being prepared and will be forwarded to the member jurisdictions for action by their prospective Boards. Also, former Congressman Ray LaHood has been appointed as U.S. Transportation Secretary; he is a proponent of “PPTAs” and “tolling”, signaling that both will continue to play a significant role in federal transportation policy making.

4. PRTC Transit Center Facility Maintenance Needs. Mr. Harf reported that a “state of good repair and maintenance plan” has been developed, which will guide efforts in maintaining the Transit Center and assist in determining what is best done “in-house” vs. “outsourcing”. Currently, the PRTC Transit Center maintenance function is understaffed/underbudgeted and, commencing with the FY 2011 budget, staff will be seeking additional resources as required to ensure that this is not left unattended.
5. 1/27/09 Matthew Tucker Letter. There were no comments.
6. Smart Transportation Economic Stimulation (2/3/09). There were no comments.
7. Communications:
 - a. Related to Funding. There were no comments.

- b. Related to Jurisdiction. Not applicable.
- c. General Interest. There were no comments.

8. Impact of High Occupancy Vehicle (HOV) Lane Incentives for Hybrids in Virginia.
There were no comments.

13. OTHER BUSINESS/COMMISSIONERS' TIME

There was no other business to come before the Commission.

14. ADJOURNMENT

There being no further business to come before the Commission, Chairman May adjourned the meeting at 8:00 p.m.

NEXT MEETING: Thursday, March 5, 2009, 7:00 p.m.

LOCATION: PRTC Transit Center
14700 Potomac Mills Road, 2nd Floor
Woodbridge, VA 22192-6811
Main # (703) 583-7782
Fax #: (703) 583-1377