

Evaluation of the Governance Structure of Transit Service in the Richmond Region and the Establishment of a Transportation District

Central Virginia Transportation Authority

Steering Committee Update

06/4/2021

1

Review of study purpose and objective

2

Review of approach

3

**Discussion of key issues and considerations
for further study**

Background

1

Study Purpose and Objective

1. New Legislation

- 2020 General Assembly of Virginia legislation established the Central Virginia Transportation Authority (CVTA)

2. Authority Membership

- Counties and cities in Planning District 15
 - Regional sales and use tax
 - 0.7%
 - Wholesale gas tax
 - 7.6 cents per gallon of gasoline
 - 7.7 cents per gallon of diesel
 - Transit component
 - 15% provided for transit
 - Local maintenance effort for transit of at least 50% of

Background

1

Purpose

- Review effectiveness of existing mechanisms to ensure accountability and proper spending of regional transit funds

Objective

- Review governance structure of existing transit service
- Evaluate possibility of creating a transportation district

Focus Areas

2

Study Approach

1. Governance Structure

- Reviewed existing GRTC governance structure
- Conducted stakeholder outreach
- Identified key issues and opportunities

2. Peer Analysis

- Reviewed five peer agencies to identify range of possibilities for transit governance

3. CVTA Benchmarking

- Reviewed structure of NVTA and HRTAC
- Benchmarked against CVTA structure

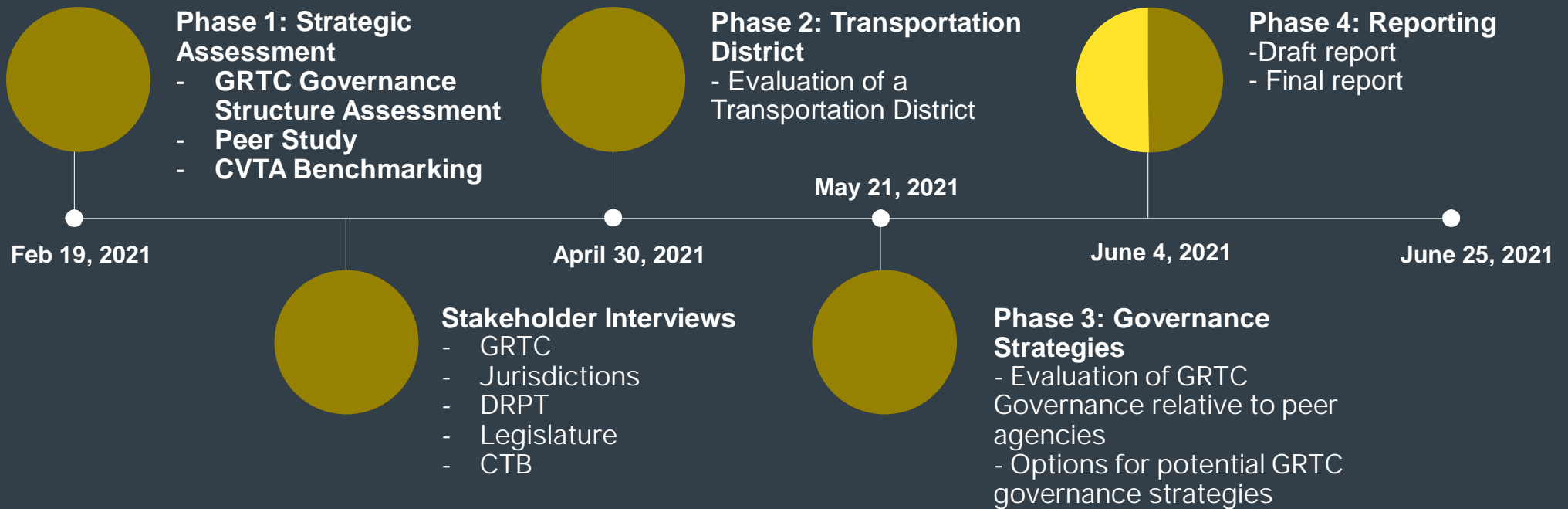
4. Transportation District

- Reviewed provisions for the establishment of transportation district
- Identified opportunities and potential threats to transit governance in the region

5. Key Issues and Considerations for Further Study

- Decision Making and Accountability for CVTA funding
- GRTC Board Representation and implications for ownership

Study Progress



Key Governance Issues

Decision Making and Accountability

- Representation of elected officials in current structure

Board Representation

- Henrico representation
- Rural/suburban representation
- Decision equity considering historical investments

Implications for GRTC Ownership

- City of Richmond and Chesterfield 50%/50% share
- Marginal benefit for maintaining shareholder structure

Evaluation of Potential New Service

- Appropriate level of service for CVTA members
- Determining appropriate amount and full cost of service

Decision Making and Accountability for CVTA Funds

3

Key Issues and Considerations for Further Study

- **CVTA Bylaws:**
 - ***“15% distribution to GRTC to provide transit and mobility services in Planning District 15”***
- **Previous discussions**
 - Pros and cons and elected officials on transit governing boards
 - Existing involvement of elected officials in decisions regarding CVTA funds
 - Process for changes to governance structure
- **1. Representation on CVTA Board**
 - Representation from member jurisdictions
 - Elected officials
 - Support staff
 - Virginia House of Delegates
 - Senate of Virginia
 - Commonwealth Transportation Board
 - Non-voting members (ex-officio)
 - Virginia Department of Rail and Public Transportation
 - Virginia Department of Transportation
 - Greater Richmond Transit Company
 - Richmond Metropolitan Transportation Authority

Decision Making and Accountability for CVTA Funds

3

Key Issues and Considerations for Further Study

2. Funding Oversight and Accountability by CVTA

- Elected officials have input on decision making through regional transportation planning process
- ***Development of Regional Public Transportation Plan to annually prioritize regional transit projects and spending (15%)***

3. Finance Committee Oversight

- Elected officials have oversight through Finance Committee
- Representation by CTB member and elected officials from:
 - Chesterfield County Board of Supervisors
 - Hanover County Board of Supervisors
 - Henrico County Board of Supervisors
 - City of Richmond, Mayor
- CVTA Bylaws
 - Advise Authority on all financial matters
 - Oversee financial activities undertaken by Authority
 - ***Review GRTC's expenditure of funds received through the Authority on a quarterly basis***

Decision Making and Accountability for CVTA Funds

3

Key Issues and Considerations for Further Study

2. Technical Advisory Committee

- 14 members
 - One technical representative employed by each CVTA member (9)
 - Non-voting members
 - VDRPT
 - VDOT
 - GRTC
 - RMTA
 - RRTPO
- ***Reviewing, commenting on, and recommending GRTC's annual plan for expenditure of regional public transportation funds received through the Authority***

GRTC Board Representation

3

Key Issues and Considerations for Further Study

1. Decision Making Equity and Historical Investments

- Further study by GRTC Board and component governments into historical contributions to GRTC

2. Henrico representation on board

- Official request from Henrico County to join GRTC Board
- Internal dialogue between City of Richmond, Chesterfield County, GRTC and Henrico County may consider
 - Existing service and past contributions
 - Potential for closer collaboration and dialogue for service within jurisdictions

3. Rural/suburban representation

- Existing representation for CVTA contributions through CVTA board
- Further study on regional service types and levels warranted across member jurisdictions
- Further study to determine full cost of any such new service
- May consider future opt-in clause where appropriate and stipulate potential thresholds considering:
 - 1) minimum size, density and/or service need
 - 2) minimum commitment to financial responsibility and stability of regional system

GRTC Ownership/Shareholder Structure

3

Key Issues and Considerations for Further Study

Board Membership and Shareholders

- Board changes can be implemented without changes to ownership structure
- Changes made by board must be ratified by the City and Chesterfield

Considerations for further study:

1. Determine value of GRTC shares
2. Determine marginal benefit of shareholder structure
3. Benefit of potentially allocating shares on basis of board representation only

Transportation Districts

3

Key Issues and Considerations for Further Study

- Legislative provisions for the creation of transportation districts
- Precedent set from establishment of governing commission by legislature:
 - Northern Virginia Transportation District and Commission
 - Potomac and Rappahannock Transportation Commission (PRTC)
 - Transportation District Commission of Hampton Roads (TDCHR)
- General powers and authority
- Factors for consideration:
 - Existing mechanisms for joint regional planning and delivery of transportation improvements (e.g., CVTA, RRTPO, and PlanRVA)
 - Time needed for CVTA policies and procedures for regional collaboration on transit improvements to be implemented
 - Desire of localities to participate in a transportation district
 - Ability and willingness to fund any new regional service
 - Need for action by legislature for any new funding

Further Analysis and Study

1. Collaboration by GRTC board and respective component governments to further analyze historical financial investments including useful life of past capital investments
2. Further analysis on types and levels of regional service warranted across CVTA member jurisdictions
 - Further analysis to determine full cost of any new service
3. Further analysis into GRTC shareholder structure
 - Determine value of GRTC shares
 - to determine marginal benefit of shareholder structure
 - Benefit of potentially allocating shares on basis of board representation only

Next Steps

Draft report review and approval

1. June 7th - TAC Review
2. June 14th - TAC Meeting
3. AECOM revisions as needed
4. June 25th - CVTA Action

Thank you. Questions?