To: Chairman Milde and the VRE Operations Board

From: Doug Allen

Date: June 20, 2014

Re: Recommendation of Amended VRE Master Agreement Regarding Weighted Voting to the Commissions and Participating and Contributing Jurisdictions for Approval

Recommendation:

The VRE Operations Board is being asked to recommend approval of the attached proposed amended Master Agreement for the Provision of Commuter Rail Service by the Commissions and Participating and Contributing Jurisdictions. The Amendment incorporates the weighted vote requirement as set forth in HB 2152, which amended § 15.2-407 and 15.2-4512 of the Code of Virginia effective July 1, 2015

Background:

In February 2013, the Virginia State Legislature approved House Bill 2152. Signed into law on March 20, 2013 by then Governor McDonnell, the bill amends and reenacts §§ 15.2-4507 and 15.2-4512 of the Code of Virginia, relating to quorums and voting on the commissions and weighted voting on the Operations Board.

As amended, § 15.2-4507, subsection C states “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 jurisdiction, the total annual jurisdictional subsidy used to determine vote weights shall be recalculated to include the Commonwealth contributing an amount equal to the highest contributing jurisdiction. 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 jurisdiction. The revised vote weights shall be used in determining the passage of motions before the oversight board.”
As amended, § 15.2-4512 provides in pertinent part: “... 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.  

In February 2014, the Virginia State Legislature passed HB 957 which delayed the effective date of HB 2152 to July 1, 2015.

Due to the complexity of the process to fully execute an amended Master Agreement, staff recommends that the VRE Operations Board recommend to the Commissions that they forward the attached amended Master Agreement addressing the requirements of HB 2152 to the Participating and Contributing Jurisdictions for their approval and execution, and thereafter, that the Commissions approve and execute the amended Master Agreement. It is further recommended that the amendment be limited to the statutory requirement that will be effective on July 1, 2015.

**Fiscal Impact:**

There is no fiscal impact.

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1 The amendments to § 15.2-4512 do not necessitate amendments to the VRE Master Agreement and thus are not part of any recommended action by the Operations Board.
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WHEREAS, the Master Agreement for the Provision of Commuter Rail Service in Northern Virginia (the "Master Agreement") was approved by the Potomac and Rappahannock Transportation Commission (PRTC) and the Northern Virginia Transportation Commission (NVTC), as well as the Participating and Contributing Jurisdictions; and,

WHEREAS, the Master Agreement sets forth the requirements for passage of motions by the VRE Operations Board; and,

WHEREAS, the Virginia General Assembly has enacted a statutory requirement amending § 15.2-4507 and providing that for each year the state contribution is greater or equal to the highest contribution from a single jurisdiction, the Chairman of the Commonwealth Transportation Board or his designee shall have a weighted vote equal to the highest contributing jurisdiction; and,

WHEREAS, an amendment to Section II, Part B, Paragraph 4 of the current Master Agreement is necessary for compliance with § 15.2-4507 as amended.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend to the Commissions that the attached proposed amendment to the Master Agreement for the Provision of Commuter Rail Service in Northern Virginia be transmitted to all Participating and Contributing Jurisdictions for their approval and execution, and that thereafter it be approved and executed by the Commissions.

Approved this 20th Day of June 2014

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Paul Milde
Chairman

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Gary Skinner
Secretary